

**SOUTHWEST INITIATIVE FOUNDATION**

Tax Return

July 1, 2014 – June 30, 2015

(Public Inspection Copy)

RETAIN FOR YOUR RECORDS

Form **990**

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

**2014**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**A** For the 2014 calendar year, or tax year beginning **JUL 1, 2014** and ending **JUN 30, 2015**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>SOUTHWEST INITIATIVE FOUNDATION</b>		<b>D</b> Employer identification number <b>41-1555592</b>
	Doing business as		<b>E</b> Telephone number <b>(320) 587-4848</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>G</b> Gross receipts \$ <b>41,210,437.</b>
	15 3RD AVE NW		<b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code <b>HUTCHINSON, MN 55350</b>		<b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>F</b> Name and address of principal officer: <b>DIANA D. ANDERSON</b> <b>SAME AS C ABOVE</b>			<b>H(c)</b> Group exemption number
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
<b>J</b> Website: <b>WWW.SWIFFOUNDATION.ORG</b>			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			<b>L</b> Year of formation: <b>1986</b>
<b>M</b> State of legal domicile: <b>MN</b>			

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>A REGIONAL COMMUNITY FOUNDATION DEDICATED TO ADVANCING SOUTHWEST MINNESOTA.</b>	
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>12</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>12</b>
	<b>5</b> Total number of individuals employed in calendar year 2014 (Part V, line 2a)	<b>23</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>200</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>0.</b>
	<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>0.</b>
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year: <b>4,176,639.</b> Current Year: <b>2,991,161.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>520,255.</b> <b>496,396.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>2,006,104.</b> <b>2,555,025.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>285,974.</b> <b>97,070.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>6,988,972.</b> <b>6,139,652.</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>1,292,804.</b> <b>1,234,585.</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>0.</b> <b>0.</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>1,683,972.</b> <b>1,701,763.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>0.</b> <b>0.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>604,774.</b>	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>2,069,129.</b> <b>1,646,273.</b>
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>5,045,905.</b> <b>4,582,621.</b>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>1,943,067.</b> <b>1,557,031.</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year: <b>79,001,355.</b> End of Year: <b>79,925,943.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>10,847,563.</b> <b>11,036,874.</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>68,153,792.</b> <b>68,889,069.</b>

**Part II Signature Block**

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

<b>Sign Here</b>	Signature of officer <b>DIANA D. ANDERSON, PRESIDENT/CEO</b>	Date <b>12/30/2015</b>
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>KRISTIN L. SCHMIDT</b>	Preparer's signature <b>Kristin L. Schmidt</b>
	Firm's name <b>CLIFTONLARSONALLEN LLP</b>	Firm's EIN <b>41-0746749</b>
	Firm's address <b>818 SECOND STREET SOUTH, SUITE 320 WAITE PARK, MN 56387</b>	Phone no. <b>320-203-5500</b>

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 1,280,032. including grants of \$ 104,600. ) (Revenue \$ 379,569. )

LOAN PROGRAMS (SEE SCHEDULE O)

4b (Code: ) (Expenses \$ 1,050,036. including grants of \$ 849,850. ) (Revenue \$ 0. )

COMMUNITY FOUNDATIONS AND DESIGNATED FUNDS (SEE SCHEDULE O)

4c (Code: ) (Expenses \$ 861,526. including grants of \$ 280,135. ) (Revenue \$ 116,827. )

LEADERSHIP & COMMUNITY DEVELOPMENT PROGRAMS (SEE SCHEDULE O)

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

4e Total program service expenses 3,191,594.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and reporting.

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....	X	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		X
25a <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> .....		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	X	
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O .....	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Yes No

1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable 1a 52
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 1b 0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1c
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return 2a 23
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? 3a X
3b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O 3b
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 4a X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5a X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T? 5c
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? 6a X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b
7 Organizations that may receive deductible contributions under section 170(c).
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? 7a X
b If "Yes," did the organization notify the donor of the value of the goods or services provided? 7b
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c X
d If "Yes," indicate the number of Forms 8282 filed during the year 7d
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? 7g
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? 7h
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? 8
9 Sponsoring organizations maintaining donor advised funds.
a Did the sponsoring organization make any taxable distributions under section 4966? 9a X
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? 9b X
10 Section 501(c)(7) organizations. Enter:
a Initiation fees and capital contributions included on Part VIII, line 12 10a
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b
11 Section 501(c)(12) organizations. Enter:
a Gross income from members or shareholders 11a
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b
13 Section 501(c)(29) qualified nonprofit health insurance issuers.
a Is the organization licensed to issue qualified health plans in more than one state? 13a
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b
c Enter the amount of reserves on hand 13c
14a Did the organization receive any payments for indoor tanning services during the tax year? 14a X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O 14b

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

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year ..... <b>1a</b> 12 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent ..... <b>1b</b> 12		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? ..... <b>2</b>		X
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? ..... <b>3</b>		X
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? ..... <b>4</b>		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets? ..... <b>5</b>		X
<b>6</b>	Did the organization have members or stockholders? ..... <b>6</b>		X
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? ..... <b>7a</b>		X
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? ..... <b>7b</b>		X
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body? ..... <b>8a</b>	X	
<b>b</b>	Each committee with authority to act on behalf of the governing body? ..... <b>8b</b>	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O ..... <b>9</b>		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates? ..... <b>10a</b>		X
<b>b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? ..... <b>10b</b>		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? ..... <b>11a</b>		X
<b>b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13 ..... <b>12a</b>	X	
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? ..... <b>12b</b>	X	
<b>c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done ..... <b>12c</b>	X	
<b>13</b>	Did the organization have a written whistleblower policy? ..... <b>13</b>	X	
<b>14</b>	Did the organization have a written document retention and destruction policy? ..... <b>14</b>	X	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b>	The organization's CEO, Executive Director, or top management official ..... <b>15a</b>	X	
<b>b</b>	Other officers or key employees of the organization ..... <b>15b</b> If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	X	
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? ..... <b>16a</b>		X
<b>b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? ..... <b>16b</b>		

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **MN**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: **MARGIE NELSEN, CFO - (320) 587-4848**  
**15 3RD AVE NW, HUTCHINSON, MN 55350**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BILL MCCORMACK PAST CHAIR	3.00	X		X				0.	0.	0.
(2) ROB SAUNDERS CHAIR	7.00	X		X				0.	0.	0.
(3) ROBERT THURSTON VICE CHAIR	7.00	X		X				0.	0.	0.
(4) JANICE NELSON TREASURER	3.00	X		X				0.	0.	0.
(5) TIM CONNELL SECRETARY	3.00	X		X				0.	0.	0.
(6) MARCY COSTELLO BOARD MEMBER	3.00	X						0.	0.	0.
(7) RANDY REINKE BOARD MEMBER	3.00	X						0.	0.	0.
(8) PATTI LOEHR-DOLS BOARD MEMBER	3.00	X						0.	0.	0.
(9) JAN LUNDEBREK BOARD MEMBER	3.00	X						0.	0.	0.
(10) MARY MAERTENS BOARD MEMBER	3.00	X						0.	0.	0.
(11) GREG RAYMO BOARD MEMBER	3.00	X						0.	0.	0.
(12) ROBERT TAUBERT BOARD MEMBER	3.00	X						0.	0.	0.
(13) SHERRY E. RISTAU FORMER PRESIDENT/CEO	50.00			X				158,453.	0.	19,968.
(14) DIANA D. ANDERSON PRESIDENT/CEO	50.00			X				114,512.	0.	30,475.
(15) MARGIE NELSEN CFO	50.00			X				70,120.	0.	18,915.





**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	<b>1 a</b> Federated campaigns	<b>1a</b>				
	<b>b</b> Membership dues	<b>1b</b>				
	<b>c</b> Fundraising events	<b>1c</b>				
	<b>d</b> Related organizations	<b>1d</b>				
	<b>e</b> Government grants (contributions)	<b>1e</b> 255,417.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b> 2,735,744.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$	1,052,279.				
	<b>h Total.</b> Add lines 1a-1f	2,991,161.				
Program Service Revenue	<b>2 a</b> LOAN INTEREST	Business Code 522100	361,784.	361,784.		
	<b>b</b> OTHER PROGRAM INCOME	900099	96,915.	96,915.		
	<b>c</b> PROJECT SPECIFIC REV	900099	19,912.	19,912.		
	<b>d</b> LOAN ADMIN FEES	900099	17,785.	17,785.		
	<b>e</b>					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f		496,396.			
Other Revenue	<b>3</b> Investment income (including dividends, interest, and other similar amounts)		846,804.		846,804.	
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6 a</b> Gross rents	(i) Real	104,435.			
		(ii) Personal				
		<b>b</b> Less: rental expenses	7,365.			
		<b>c</b> Rental income or (loss)	97,070.			
	<b>d</b> Net rental income or (loss)		97,070.		97,070.	
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities	35,083,026.			
		(ii) Other	1,688,615.			
		<b>b</b> Less: cost or other basis and sales expenses	33,483,475.	1,579,945.		
		<b>c</b> Gain or (loss)	1,599,551.	108,670.		
<b>d</b> Net gain or (loss)		1,708,221.		1,708,221.		
<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	<b>a</b>					
	<b>b</b> Less: direct expenses	<b>b</b>				
	<b>c</b> Net income or (loss) from fundraising events					
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>					
	<b>b</b> Less: direct expenses	<b>b</b>				
	<b>c</b> Net income or (loss) from gaming activities					
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>a</b>					
	<b>b</b> Less: cost of goods sold	<b>b</b>				
	<b>c</b> Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
<b>11 a</b> _____	<b>a</b>					
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> All other revenue					
	<b>e Total.</b> Add lines 11a-11d					
<b>12 Total revenue.</b> See instructions.		6,139,652.	496,396.	0.	2,652,095.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	1,234,585.	1,234,585.		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	350,565.	87,344.	141,814.	121,407.
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	1,029,469.	656,484.	183,026.	189,959.
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	53,205.	32,871.	9,896.	10,438.
<b>9</b> Other employee benefits	172,152.	106,912.	33,925.	31,315.
<b>10</b> Payroll taxes	96,372.	53,259.	22,081.	21,032.
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management				
<b>b</b> Legal	32,711.	22,121.	30.	10,560.
<b>c</b> Accounting	26,479.	14,539.	6,261.	5,679.
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees	171,259.		171,259.	
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	218,790.	101,000.	117,790.	
<b>12</b> Advertising and promotion	61,871.	39,915.	11,440.	10,516.
<b>13</b> Office expenses	118,118.	66,006.	19,160.	32,952.
<b>14</b> Information technology	82,542.	46,374.	17,202.	18,966.
<b>15</b> Royalties				
<b>16</b> Occupancy	46,839.	26,533.	10,606.	9,700.
<b>17</b> Travel	123,562.	80,131.	26,263.	17,168.
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	113,540.	38,894.	68,985.	5,661.
<b>20</b> Interest	157,747.	99,936.	25,599.	32,212.
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	112,853.	63,029.	26,056.	23,768.
<b>23</b> Insurance	24,701.	13,415.	5,898.	5,388.
<b>24</b> Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> PROVISION FOR LOAN LOSS	211,523.	211,523.		
<b>b</b> FUNDRAISING COSTS	55,074.			55,074.
<b>c</b> PUBLIC RELATIONS	30,929.	8,572.	20,243.	2,114.
<b>d</b> ADMINISTRATIVE FEES	0.	163,588.	-163,588.	
<b>e</b> All other expenses	57,735.	24,563.	32,307.	865.
<b>25</b> Total functional expenses. Add lines 1 through 24e	4,582,621.	3,191,594.	786,253.	604,774.
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here  if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	3,600.	1 3,600.
	2	Savings and temporary cash investments	2,588,235.	2 1,639,179.
	3	Pledges and grants receivable, net	508,809.	3 430,308.
	4	Accounts receivable, net		4
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6
	7	Notes and loans receivable, net	6,087,436.	7 7,078,765.
	8	Inventories for sale or use		8
	9	Prepaid expenses and deferred charges	20,291.	9 13,451.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 3,521,787.	
	b	Less: accumulated depreciation	10b 991,306.	10c 2,530,481.
	11	Investments - publicly traded securities	57,865,243.	11 60,423,224.
	12	Investments - other securities. See Part IV, line 11	9,291,045.	12 7,680,888.
	13	Investments - program-related. See Part IV, line 11		13
	14	Intangible assets		14
	15	Other assets. See Part IV, line 11	89,115.	15 126,047.
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	79,001,355.	16 79,925,943.	
Liabilities	17	Accounts payable and accrued expenses	274,536.	17 727,546.
	18	Grants payable	300,263.	18 135,732.
	19	Deferred revenue		19
	20	Tax-exempt bond liabilities	2,834,031.	20 2,731,831.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	1,354,330.	21 1,360,680.
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23	Secured mortgages and notes payable to unrelated third parties	1,965,148.	23 2,035,774.
	24	Unsecured notes and loans payable to unrelated third parties		24
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	4,119,255.	25 4,045,311.
	26	<b>Total liabilities.</b> Add lines 17 through 25	10,847,563.	26 11,036,874.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	22,700,531.	27 22,385,310.
	28	Temporarily restricted net assets	15,065,545.	28 14,895,252.
	29	Permanently restricted net assets	30,387,716.	29 31,608,507.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building, or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
33	<b>Total net assets or fund balances</b>	68,153,792.	33 68,889,069.	
34	<b>Total liabilities and net assets/fund balances</b>	79,001,355.	34 79,925,943.	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	6,139,652.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,582,621.
3	Revenue less expenses. Subtract line 2 from line 1	3	1,557,031.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	68,153,792.
5	Net unrealized gains (losses) on investments	5	-833,304.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	11,550.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	68,889,069.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

Form 990 (2014)



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	4,773,725.	4,024,754.	4,135,439.	4,176,639.	2,991,161.	20,101,718.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge ...						
<b>4 Total.</b> Add lines 1 through 3 .....	4,773,725.	4,024,754.	4,135,439.	4,176,639.	2,991,161.	20,101,718.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						6,409,142.
<b>6 Public support.</b> Subtract line 5 from line 4.						13,692,576.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>7</b> Amounts from line 4 .....	4,773,725.	4,024,754.	4,135,439.	4,176,639.	2,991,161.	20,101,718.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...	1,122,176.	1,327,009.	1,099,536.	1,109,517.	951,239.	5,609,477.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on ...						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						25,711,195.
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	2,675,092.
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)) .....	14	53.26	%
<b>15</b> Public support percentage from 2013 Schedule A, Part II, line 14 .....	15	53.27	%
<b>16a 33 1/3% support test - 2014.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....	<input checked="" type="checkbox"/>		
<b>b 33 1/3% support test - 2013.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>		
<b>17a 10% -facts-and-circumstances test - 2014.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>		
<b>b 10% -facts-and-circumstances test - 2013.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....	<input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....	<input type="checkbox"/>		

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.) .....						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) .....						

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** .....

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2013 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2013 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2014.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization .....

**b 33 1/3% support tests - 2013.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization .....

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions .....



**Part IV Supporting Organizations**

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

- 1 Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No" describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*
- 2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).*
- 3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below.*
- b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in Part VI when and how the organization made the determination.*
- c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in Part VI what controls the organization put in place to ensure such use.*
- 4a Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.*
- b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.*
- c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.*
- 5a Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).*
- b **Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?
- c **Substitutions only.** Was the substitution the result of an event beyond the organization's control?
- 6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in Part VI.*
- 7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990).*
- 8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990).*
- 9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in Part VI.*
- b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in Part VI.*
- c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in Part VI.*
- 10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer (b) below.*
- b Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)*

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

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

**Section D. Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

**Section E. Type III Functionally-Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
<b>2</b> Activities Test. Answer (a) and (b) below.		
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1**  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Net short-term capital gain	<b>1</b>	
<b>2</b>	Recoveries of prior-year distributions	<b>2</b>	
<b>3</b>	Other gross income (see instructions)	<b>3</b>	
<b>4</b>	Add lines 1 through 3	<b>4</b>	
<b>5</b>	Depreciation and depletion	<b>5</b>	
<b>6</b>	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>	
<b>7</b>	Other expenses (see instructions)	<b>7</b>	
<b>8</b>	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
<b>a</b>	Average monthly value of securities	<b>1a</b>	
<b>b</b>	Average monthly cash balances	<b>1b</b>	
<b>c</b>	Fair market value of other non-exempt-use assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>	
<b>e</b>	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
<b>2</b>	Acquisition indebtedness applicable to non-exempt-use assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	
<b>4</b>	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	<b>4</b>	
<b>5</b>	Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>	
<b>6</b>	Multiply line 5 by .035	<b>6</b>	
<b>7</b>	Recoveries of prior-year distributions	<b>7</b>	
<b>8</b>	<b>Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>	

Section C - Distributable Amount		(A) Prior Year	Current Year
<b>1</b>	Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>	
<b>2</b>	Enter 85% of line 1	<b>2</b>	
<b>3</b>	Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>	
<b>4</b>	Enter greater of line 2 or line 3	<b>4</b>	
<b>5</b>	Income tax imposed in prior year	<b>5</b>	
<b>6</b>	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>	
<b>7</b>	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2014

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 <b>Total annual distributions.</b> Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2014:			
a			
b			
c			
d			
e From 2013			
f <b>Total</b> of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2014 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 <b>Excess distributions carryover to 2015.</b> Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013			
e Excess from 2014			



**Schedule B**

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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Name of the organization <b>SOUTHWEST INITIATIVE FOUNDATION</b>	Employer identification number <b>41-155592</b>
--	--

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 boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled 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 totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)

Name of organization <b>SOUTHWEST INITIATIVE FOUNDATION</b>	Employer identification number <b>41-155592</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>		\$ <u>1,300,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
<u>2</u>		\$ <u>236,112.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>3</u>		\$ <u>65,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>4</u>		\$ <u>152,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>5</u>		\$ <u>60,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>SOUTHWEST INITIATIVE FOUNDATION</b>	Employer identification number  <b>41-155592</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	3M STOCK _____ _____ _____	\$ 995,601.	09/16/14
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____



Name of organization <b>SOUTHWEST INITIATIVE FOUNDATION</b>	Employer identification number <b>41-155592</b>
--	--

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**  
Open to Public Inspection

Name of the organization **SOUTHWEST INITIATIVE FOUNDATION** Employer identification number **41-155592**

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....	19	181
2 Aggregate value of contributions to (during year) .....	108,521.	2,947,594.
3 Aggregate value of grants from (during year) .....	35,810.	1,154,513.
4 Aggregate value at end of year .....	687,729.	68,226,342.
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).  
 Preservation of land for public use (e.g., recreation or education)  Preservation of a historically important land area  
 Protection of natural habitat  Preservation of a certified historic structure  
 Preservation of open space
- 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
- |  | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements .....   | 2a                              |
| b Total acreage restricted by conservation easements .....   | 2b                              |
| c Number of conservation easements on a certified historic structure included in (a) .....   | 2c                              |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register ..... | 2d                              |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_
- 4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....
- 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....
- 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenue included in Form 990, Part VIII, line 1 .....
- (ii) Assets included in Form 990, Part X .....
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
- a Revenue included in Form 990, Part VIII, line 1 .....
- b Assets included in Form 990, Part X .....

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

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- |  | Amount    |
|--|-----------|
| <b>c</b> Beginning balance             | <b>1c</b> |
| <b>d</b> Additions during the year     | <b>1d</b> |
| <b>e</b> Distributions during the year | <b>1e</b> |
| <b>f</b> Ending balance                | <b>1f</b> |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	45,965,928.	40,394,208.	36,815,739.	36,818,901.	30,144,384.
<b>b</b> Contributions	1,092,643.	871,173.	1,070,416.	1,277,905.	1,623,255.
<b>c</b> Net investment earnings, gains, and losses	1,274,953.	6,579,176.	4,095,036.	492,822.	6,363,890.
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs	1,797,652.	1,878,629.	1,586,983.	1,773,889.	1,312,628.
<b>f</b> Administrative expenses					
<b>g</b> End of year balance	46,535,872.	45,965,928.	40,394,208.	36,815,739.	36,818,901.

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment  33.20 %
  - b** Permanent endowment  61.20 %
  - c** Temporarily restricted endowment  5.60 %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |                                    | Yes | No                                  |
|------------------------------------|-----|-------------------------------------|
| <b>(i)</b> unrelated organizations |     | <input checked="" type="checkbox"/> |
| <b>(ii)</b> related organizations  |     | <input checked="" type="checkbox"/> |
- b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land		1,015,000.		1,015,000.
<b>b</b> Buildings		1,669,402.	374,234.	1,295,168.
<b>c</b> Leasehold improvements		189,200.	89,885.	99,315.
<b>d</b> Equipment		648,185.	527,187.	120,998.
<b>e</b> Other				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				2,530,481.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other		
(A) <b>DONATED REAL ESTATE HELD</b>		
(B) <b>AS INVESTMENTS</b>	1,360,500.	COST
(C) <b>FARMLAND WITH LIFE ESTATE</b>	6,120,915.	COST
(D) <b>CHARITABLE REMAINDER</b>		
(E) <b>UNITRUST</b>	199,473.	COST
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	<b>7,680,888.</b>	

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

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

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) <b>ANNUITY PAYABLE</b>	16,189.
(3) <b>CAPITAL LEASE PAYABLE</b>	29,136.
(4) <b>LIFE ESTATE LIABILITY</b>	3,800,513.
(5) <b>OBLIGATIONS OF SPLIT-INTEREST</b>	
(6) <b>AGREEMENTS</b>	199,473.
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	<b>4,045,311.</b>

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	5,094,748.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	-833,304.	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d	56,566.	
e	Add lines 2a through 2d	2e		-776,738.
3	Subtract line 2e from line 1	3		5,871,486.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	171,259.	
b	Other (Describe in Part XIII.)	4b	96,907.	
c	Add lines 4a and 4b	4c		268,166.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5		6,139,652.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	4,359,471.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d	7,365.	
e	Add lines 2a through 2d	2e		7,365.
3	Subtract line 2e from line 1	3		4,352,106.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	171,259.	
b	Other (Describe in Part XIII.)	4b	59,256.	
c	Add lines 4a and 4b	4c		230,515.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5		4,582,621.

**Part XIII Supplemental Information.**

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

**PART IV, LINE 2B:**

ASSETS HELD ON DONOR'S BEHALF CONSISTS OF 22 FUNDS IN WHICH THE BENEFICIARIES WERE DESIGNATED BY THE DONOR AT THE TIME THE FUNDS WERE ESTABLISHED. THEREFORE, THE FOUNDATION HAS NO CONTROL OVER THE DISTRIBUTION OF THESE FUNDS.

**PART V, LINE 4:**

THE SWIF GENERAL ENDOWMENT FUND IS ACCESSED THROUGH BOARD APPROVAL, GUIDED BY A SPENDING POLICY THAT ALLOWS RESOURCES TO BE USED TO SUPPLEMENT PROGRAM ACTIVITIES AND OPERATION BUDGET EXPENSES. OTHER DESIGNATED ENDOWED FUNDS ARE DIRECTED TO GRANTS AND EXPENSES RELATED TO THE DONOR'S ORIGINAL INTENT.

**Part XIII** Supplemental Information (continued)

## PART X, LINE 2:

THE FOUNDATION IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND SIMILAR STATE INCOME TAX LAWS. THE FOUNDATION IS A NON-PRIVATE FOUNDATION AND CONTRIBUTIONS TO THE ORGANIZATION QUALIFY AS A CHARITABLE TAX DEDUCTION BY THE CONTRIBUTOR. AWSM LLC. IS A 100% OWNED LLC AND AS SUCH IS CONSIDERED A DISREGARDED ENTITY FOR TAX PURPOSES. IT IS THE POLICY OF THE FOUNDATION, IN ACCORDANCE WITH GAAP, TO ASSESS ANY UNCERTAIN TAX PROVISIONS AND, IF NECESSARY, RECORD A TAX ASSET OR LIABILITY, AND THE RELATED INCOME TAX EXPENSE, FOR ANY UNCERTAIN TAX PROVISIONS. THE FOUNDATION DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS OR UNRELATED BUSINESS INCOME.

THE FOUNDATION FOLLOWS THE ACCOUNTING STANDARDS FOR CONTINGENCIES IN EVALUATING UNCERTAIN TAX POSITIONS. THIS GUIDANCE PRESCRIBES RECOGNITION THRESHOLD PRINCIPLES FOR THE FINANCIAL STATEMENT RECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN ON A TAX RETURN THAT ARE NOT CERTAIN TO BE REALIZED. THE FOUNDATION'S TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL AND STATE AUTHORITIES.

## PART XI, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN SPLIT INTEREST AGREEMENT	56,566.
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## PART XI, LINE 4B - OTHER ADJUSTMENTS:

AGENCY FUND REVENUES	104,272.
RENTAL EXPENSES	-7,365.
TOTAL TO SCHEDULE D, PART XI, LINE 4B	96,907.

**Part XIII** Supplemental Information (continued)

PART XII, LINE 2D - OTHER ADJUSTMENTS:

RENTAL EXPENSES 7,365.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

AGENCY FUND EXPENSES 59,256.

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

**2014**

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**SOUTHWEST INITIATIVE FOUNDATION**

Employer identification number

**41-155592**

**Part I** General Information on Grants and Assistance

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

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

**Part II** Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AVERA HEALTH 3900 W AVERA DRIVE SIOUX FALLS, SD 57108	46-0422673	501(C)(3)	10,000.	0	N/A	N/A	PIPESTONE COUNTY MEDICAL CENTER CAPITAL CAMPAIGN
BARN THEATRE 321 4TH ST SW WILLMAR, MN 56201	41-1357711	501(C)(3)	15,000.	0	N/A	N/A	BARN THEATRE CAPITAL CAMPAIGN
BLUE AND GOLD EDUCATIONAL FOUNDATION - DIST. 891 - 307 1ST ST W - CANBY, MN 56220	41-1522315	501(C)(3)	39,975.	0	N/A	N/A	CANBY HIGH SCHOOL SCHOLARSHIP AWARDS
CHILDREN'S DENTAL SERVICES 636 BROADWAY ST NE MINNEAPOLIS, MN 55413	41-0857929	501(C)(3)	8,000.	0	N/A	N/A	UNMET DENTAL NEEDS IN SOUTHWESTERN MINNESOTA
CITY OF APPLETON 323 W SCHLIEMAN AVE APPLETON, MN 56208	41-6004938	GOVERNMENT	10,000.	0	N/A	N/A	APPLETON SWIMMING POOL.
CITY OF HUTCHINSON 111 HASSAN ST SE HUTCHINSON, MN 55350	41-6005253	GOVERNMENT	78,833.	0	N/A	N/A	HUTCHINSON LAW ENFORCEMENT MEMORIAL PARK.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 30.

3 Enter total number of other organizations listed in the line 1 table ▶ 10.



**Part II** Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CITY OF LISMORE 249 E 2ND ST LISMORE, MN 56155	41-6005319	GOVERNMENT	36,530.	0.	N/A	N/A	LISMORE FIRE HALL EXPANSION
CITY OF LITCHFIELD 126 N MARSHALL AVE LITCHFIELD, MN 55355	41-6005320	GOVERNMENT	14,339.	0.	N/A	N/A	LITCHIFIELD COMMUNITY BUILT PLAYGROUND.
CITY OF MADISON 404 6TH AVE MADISON, MN 56256	41-6005355	GOVERNMENT	134,942.	0.	N/A	N/A	BASEBALL FIELD IRRIGATION AND SWIMMING POOL RENOVATION PROJECTS.
CITY OF MOUNTAIN LAKE 930 3RD AVE MOUNTAIN LAKE, MN 56159	41-6005401	GOVERNMENT	8,000.	0.	N/A	N/A	DEFIBRILLATOR
COUNCIL ON FOUNDATIONS 2121 CRYSTAL DR STE 700 ARLINGTON, VA 22202	13-6068327	501(C)(3)	6,270.	0.	N/A	N/A	2015 MEMBERSHIP
DAKOTA WICOHAN 230 W 2ND ST MORTON, MN 56270	42-1552956	501(C)(3)	10,000.	0.	N/A	N/A	ORGANIZATIONAL CAPACITY BUILDING
IMMIGRANT LAW CENTER 450 N SYNDICATE ST STE 200 ST PAUL, MN 55104	41-0909036	501(C)(3)	40,000.	0.	N/A	N/A	SOUTHWEST RURAL PROGRAMMING
ISD #2159 - BUFFALO LAKE/HECTOR/STEWART - 220 3RD ST W - HECTOR, MN 55342-0307	44-1751593	INDEP SCH DIST	5,959.	0.	N/A	N/A	TEACHER GRANT REQUESTS
ISD #2180 - M.A.C.C.R.A.Y. 711 WOLVERINE DR CLARA CITY, MN 56222	41-1783004	INDEP SCH DIST	19,118.	0.	N/A	N/A	SUPPORT FOR SCHOOL ACTIVITIES

Schedule I (Form 990)

## Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ISD #2853 - LAC QUI PARLE VALLEY ISD #2853 - LAC QUI PARLE VALLEY ISD #28 - 2860 291ST AVE - MADISON, MN 56256	41-1837788	INDEP SCH DIST	7,000.	0.	N/A	N/A	EAGLE EYE ROBOTICS TEAM
ISD #2895 - JACKSON COUNTY CENTRAL 1128 NORTH HWY JACKSON, MN 56143	41-1872029	INDEP SCH DIST	5,600.	0.	N/A	N/A	EDUCATION ENHANCEMENTS
ISD #2897 - REDWOOD AREA SCHOOLS 100 GEORGE RAMSETH DR REDWOOD FALLS, MN 56283-1938	41-8013222	INDEP SCH DIST	5,200.	0.	N/A	N/A	ROBOTICS IN THE CLASSROOM
ISD #2903 - ORTONVILLE PUBLIC SCHOOL - 200 TROJAN DR - ORTONVILLE, MN 56278	41-6000273	INDEP SCH DIST	8,490.	0.	N/A	N/A	AUDITORIUM SEATS
ISD #330 - SOUTHWEST STAR CONCEPT SCHOOLS - 124 N MINNESOTA - OKABENA, MN 56137	41-1330168	INDEP SCH DIST	19,177.	0.	N/A	N/A	SOFTBALL FIELD RENOVATION AND ENGLISH CURRICULUM.
ISD #347 - WILLMAR 611 5TH ST SW WILLMAR, MN 56201-1359	41-6001746	INDEP SCH DIST	10,294.	0.	N/A	N/A	WILLMAR SCHOOL MUSIC DEPARTMENT PURCHASES
ISD #378 - DAWSON/BOYD 848 CHESTNUT ST DAWSON, MN 56232	41-6001874	INDEP SCH DIST	9,141.	0.	N/A	N/A	BAND SHELL FOR THE MUSIC DEPARTMENT
ISD #403 - IVANHOE 421 N RECECCA ST IVANHOE, MN 56142-0009	41-6001990	INDEP SCH DIST	5,773.	0.	N/A	N/A	CLASSROOM PROJECTS
JACKSON COMMUNITY FOUNDATION PO BOX 91 JACKSON, MN 56143	41-1555592	501(C)(3)	7,000.	0.	N/A	N/A	KRISTI ELAINE TEIGEN SCHOLARSHIP AWARDS

Schedule I (Form 990)

**Part II** Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
JOHNSON MEMORIAL FOUNDATION 1282 WALNUT ST DAWSON, MN 56232	41-1678372	501(C)(3)	9,956.	0.	N/A	N/A	FISCAL YEAR 2015 DISBURSEMENT
MINNESOTA WEST COMMUNITY & TECH COLLEGE - 401 WEST ST - JACKSON, MN 56143	41-1558202	501(C)(3)	10,000.	0.	N/A	N/A	WELDING LAB AT THE JACKSON CAMPUS
MN EDUCATORS OF THE GIFTED AND TALENTED FOUNDATION - 2241 CO RD 5 - CARLTON, MN 55718	02-0764197	501(C)(3)	7,954.	0.	N/A	N/A	MINNESOTA'S GIFTED AND TALENTED YOUTH
PIPESTONE-JASPER HALL OF FAME 907 6TH AVE SE PIPESTONE, MN 56164	41-2006484	501(C)(3)	19,578.	0.	N/A	N/A	A'S FIELD/WESTVIEW PARK IMPROVEMENTS
PRAIRIE HOME HOSPICE 408 EAST MAIN STREET, #8 MARSHALL, MN 56258-1391	41-1494079	501(C)(3)	9,876.	0.	N/A	N/A	FISCAL YEAR 2015 DISBURSEMENT
PRAIRIE WOODS ENVIRONMENTAL LEARNING CENTER - 12718 10TH ST. NE - SPICER, MN 56288	41-1366265	501(C)(3)	14,000.	0.	N/A	N/A	YES! EMPOWERING YOUTH FOR SUSTAINABILITY AND YOUTH ENERGY SUMMIT.
SOUTHWEST INITIATIVE FOUNDATION 15 3RD AVE NW HUTCHINSON, MN 55350	41-1555592	501(C)(3)	48,000.	0.	N/A	N/A	CARE RELIEF AND WORTHINGTON AREA ADULT DAY CARE SCHOLARSHIP.
SOUTHWEST MINNESOTA STATE UNIVERSITY - 1501 STATE ST - MARSHALL, MN 56258-1391	41-1687554	501(C)(3)	22,000.	0.	N/A	N/A	SOUTHWEST SMALL BUSINESS DEVELOPMENT CENTER AND GOLD REGIONAL CONFERENCES.
SOUTHWEST MINNESOTA STATE UNIVERSITY FOUNDATION - 1501 STATE ST - MARSHALL, MN 56258-1391	23-7108470	501(C)(3)	10,000.	0.	N/A	N/A	MINNESOTA AGRICULTURE AND RURAL LEADERSHIP PROGRAM

Schedule I (Form 990)

**Part II** Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SOUTHWEST MN HOUSING PARTNERSHIP 2401 BROADWAY AVE STE 4 SLAYTON, MN 56172-1142	41-1721815	501(C)(3)	14,000.	0.	N/A	N/A	SWMHP ACHIEVE
SOUTHWEST REGIONAL DEVELOPMENT COMM. - 2401 BROADWAY AVE STE 1 - SLAYTON, MN 56172-1141	41-1235045	GOVERNMENT	7,300.	0.	N/A	N/A	MURRAY COUNTY ECI PROJECTS
ST. JAMES EPISCOPAL CHURCH 101 N 5TH ST MARSHALL, MN 56258-1391	41-6098516	501(C)(3)	12,285.	0.	N/A	N/A	FISCAL YEAR 2015 DISBURSEMENT
VACKER PLACE 69531 213TH STREET DARWIN, MN 55324	41-1758705	501(C)(3)	10,000.	0.	N/A	N/A	TRANSITION CARE
WILLMAR AREA MULTICULTURAL BUSINESS CENTER - 311 BENSON AVENUE SW - WILLMAR, MN 56201	01-0893778	501(C)(3)	37,000.	0.	N/A	N/A	WAM-BC ENTREPRENEURSHIP INITIATIVE
WONDER WORLD PRESCHOOL 2809 MAPLE AVE SLAYTON, MN 56172	41-1758705	501(C)(3)	10,000.	0.	N/A	N/A	KITCHEN REMODEL
YMCA OF WORTHINGTON 1501 COLLEGEWAY WORTHINGTON, MN 56187	41-0996295	501(C)(3)	7,648.	0.	N/A	N/A	FISCAL YEAR 2015 DISBURSEMENT

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

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

**Part IV** **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART I, LINE 2:

THE GRANTS MANAGEMENT FUNCTION OF THE DATABASE IS THE REPOSITORY FOR ALL RECORDS RELATED TO GRANTS MADE AND/OR ASSISTANCE PROVIDED. SWIF CONDUCTS RESEARCH TO VERIFY THE ELIGIBILITY OF ALL GRANTEEES, USING RESOURCES SUCH AS GUIDESTAR AND THE IRS PUBLICATION 78. EACH ADVISED FUND COMMITTEE MUST SUBMIT A ROSTER OF THEIR ADVISORS FOR BOARD REVIEW AND APPROVAL ANNUALLY, AND CRITERIA FOR THEIR GRANT IS REVIEWED TO ENSURE COMPLIANCE WITH ALL STATE AND FEDERAL REGULATIONS AND MEETS THE REQUIRED CHARITABLE PURPOSE OF THE FUND AGREEMENTS IN PLACE.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Open to Public Inspection

Name of the organization

**SOUTHWEST INITIATIVE FOUNDATION**

Employer identification number

**41-1555592**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input type="checkbox"/> Compensation committee                     | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant        | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a**
- b** Any related organization? **5b**
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a**
- b** Any related organization? **6b**
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		X
<b>4b</b>	X	
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

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

Schedule J (Form 990) 2014

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) SHERRY E. RISTAU FORMER PRESIDENT/CEO	(i)	140,165.	10,000.	8,288.	9,982.	9,986.	178,421.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							





**Supplemental Information on Tax-Exempt Bonds**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.  
▶ Attach to Form 990. ▶ Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**SOUTHWEST INITIATIVE FOUNDATION**

Employer identification number

**41-1555592**

**Part I Bond Issues** SEE PART VI FOR COLUMN (F) CONTINUATIONS

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A MCLEOD COUNTY	41-6005841	582258AG4	12/29/05	3,500,000.	LAND, BUILDING AND EQUIPMENT FOR		X		X		X
B											
C											
D											

**Part II Proceeds**

	A	B	C	D
1 Amount of bonds retired	768,169.			
2 Amount of bonds legally defeased				
3 Total proceeds of issue	3,500,000.			
4 Gross proceeds in reserve funds				
5 Capitalized interest from proceeds	55,108.			
6 Proceeds in refunding escrows				
7 Issuance costs from proceeds	70,000.			
8 Credit enhancement from proceeds				
9 Working capital expenditures from proceeds				
10 Capital expenditures from proceeds	3,500,000.			
11 Other spent proceeds				
12 Other unspent proceeds				
13 Year of substantial completion	2006			
	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		
15 Were the bonds issued as part of an advance refunding issue?		X		
16 Has the final allocation of proceeds been made?	X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

**Part III Private Business Use**

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

**Part III Private Business Use** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? .....		X						
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? .....								
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? .....		X						
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? .....								
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....		%		%		%		%
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....		%		%		%		%
<b>6</b> Total of lines 4 and 5 .....		%		%		%		%
<b>7</b> Does the bond issue meet the private security or payment test? .....		X						
<b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued? .....		X						
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....		%		%		%		%
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....								
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....		X						

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? .....		X						
<b>2</b> If "No" to line 1, did the following apply? .....								
<b>a</b> Rebate not due yet? .....		X						
<b>b</b> Exception to rebate? .....		X						
<b>c</b> No rebate due? .....		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed .....								
<b>3</b> Is the bond issue a variable rate issue? .....		X						
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....		X						
<b>b</b> Name of provider .....								
<b>c</b> Term of hedge .....								
<b>d</b> Was the hedge superintegrated? .....								
<b>e</b> Was the hedge terminated? .....								

**Part IV Arbitrage** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)? .....		X						
b Name of provider .....								
c Term of GIC .....								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period? .....		X						
7 Has the organization established written procedures to monitor the requirements of section 148? .....		X						

**Part V Procedures To Undertake Corrective Action**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations? .....		X						

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

**SCHEDULE K, PART I, BOND ISSUES:**

(A) ISSUER NAME: MCLEOD COUNTY

(F) DESCRIPTION OF PURPOSE: LAND, BUILDING AND EQUIPMENT FOR OFFICE SPACE

**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2014**

Open To Public Inspection

Department of the Treasury  
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

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

Part I	Types of Property	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art - Works of art .....				
2	Art - Historical treasures .....				
3	Art - Fractional interests .....				
4	Books and publications .....				
5	Clothing and household goods .....				
6	Cars and other vehicles .....				
7	Boats and planes .....				
8	Intellectual property .....				
9	Securities - Publicly traded .....	X	9	1,041,805.	HI/LOW AVERAGE SALE
10	Securities - Closely held stock .....				
11	Securities - Partnership, LLC, or trust interests .....				
12	Securities - Miscellaneous .....				
13	Qualified conservation contribution - Historic structures .....				
14	Qualified conservation contribution - Other .....				
15	Real estate - Residential .....				
16	Real estate - Commercial .....				
17	Real estate - Other .....				
18	Collectibles .....				
19	Food inventory .....				
20	Drugs and medical supplies .....				
21	Taxidermy .....				
22	Historical artifacts .....				
23	Scientific specimens .....				
24	Archeological artifacts .....				
25	Other ▶ ( <b>GRAIN</b> ) .....	X	8	10,474.	MKT VALUE PER BUSHEL
26	Other ▶ ( ) .....				
27	Other ▶ ( ) .....				
28	Other ▶ ( ) .....				

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) (2014)



**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Open to Public  
Inspection

Name of the organization

SOUTHWEST INITIATIVE FOUNDATION

Employer identification number

41-1555592

FORM 990, PART III, LINE 1, ORGANIZATION'S MISSION

SWIF'S MISSION IS TO BE A CATALYST, FACILITATING OPPORTUNITIES FOR  
ECONOMIC AND SOCIAL GROWTH BY DEVELOPING AND CHALLENGING LEADERS TO

BUILD ON THE REGION'S ASSETS. SWIF IS A SINGLE CONNECTION OFFERING

UNLIMITED POSSIBILITIES TO GROW AND PROMOTE PEOPLE, BUSINESSES,

ENTREPRENEURS AND COMMUNITIES IN RURAL SOUTHWEST MINNESOTA. AS A

REGIONAL COMMUNITY FOUNDATION, SWIF BRINGS TOGETHER THE EXPERTISE,

RESOURCES AND INSPIRATION TO MAKE ITS COMMUNITIES AND REGION STRONGER.

SWIF WORKS TO ENSURE THAT ITS 18-COUNTY SERVICE AREA IS A HIGHLY

PRODUCTIVE AND ENGAGED REGION WHERE GROWING NUMBERS OF PEOPLE CHOOSE TO

LIVE AND WORK. THE ORGANIZATION IS GOVERNED BY A 12-MEMBER BOARD OF

DIRECTORS REPRESENTING DIVERSE GEOGRAPHIC LOCATIONS, PROFESSIONS AND

BACKGROUNDS TO HELP GUIDE SWIF'S COMMUNITY LEADERSHIP DEVELOPMENT,

ECONOMIC DEVELOPMENT AND LOAN PROGRAMS, REGIONAL CAPACITY BUILDING,

GRANTMAKING AND PHILANTHROPIC INITIATIVES. LEARN MORE ABOUT SWIF'S

MISSION AND WORK AT [WWW.SWIFFOUNDATION.ORG](http://WWW.SWIFFOUNDATION.ORG).

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

LOAN PROGRAMS: SWIF LOAN PROGRAMS, INCLUDING ITS BUSINESS FINANCE

PROGRAM, SUPPORT ECONOMIC DEVELOPMENT AND GROWTH THROUGHOUT SOUTHWEST

MINNESOTA BY PROVIDING GAP FINANCING TO START, EXPAND, AND TRANSITION

BUSINESSES LOCATED IN ITS 18-COUNTY SERVICE AREA. ELIGIBLE PROJECTS

MUST CREATE AND RETAIN JOBS THAT PROVIDE A LIVING WAGE WITH BENEFITS,

GENERATE NEW WEALTH FOR THE REGION AND DIVERSIFY THE ECONOMY OF

SOUTHWEST MINNESOTA. LOAN FUNDS MAY BE USED FOR MACHINERY AND

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

Schedule O (Form 990 or 990-EZ) (2014)

432211  
08-27-14

Name of the organization SOUTHWEST INITIATIVE FOUNDATION	Employer identification number 41-155592
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EQUIPMENT, INVENTORY, WORKING CAPITAL AND REAL ESTATE. THE MICROENTERPRISE LOAN PROGRAM HELPS ENTREPRENEURS DEVELOP SMALL BUSINESSES AND SELF-EMPLOYMENT OPPORTUNITIES. THIS PROGRAM PROVIDES LOAN FUNDS NOT TO EXCEED \$50,000 TO BE USED FOR START-UP COSTS, EQUIPMENT, INVENTORY, FURNITURE AND FIXTURES AND WORKING CAPITAL. THIS PROGRAM ALSO PROVIDES CUSTOMIZED SUPPORT FOR ENTREPRENEURS THROUGH ON-GOING TECHNICAL ASSISTANCE AND TRAINING AS NEEDED FOR THE LENGTH OF THE LOAN. ELIGIBLE BUSINESSES MAY BE START-UP OR EXPANSION PROJECTS INCLUDING, BUT NOT LIMITED TO, MANUFACTURING, SERVICE RETAIL AND CHILD CARE. THIS PROGRAM ALSO PROVIDES THE CENTER OF RURAL ENTREPRENEURSHIP (CORE) WEBSITE, A RESOURCE SPECIFICALLY DESIGNED TO CONNECT ENTREPRENEURS AND BUSINESSES TO THE TOOLS, EDUCATION, AND RESOURCES THEY NEED TO START, EXPAND OR TRANSITION THEIR BUSINESS.

SWIF IS WORKING TO FURTHER FACILITATE ADVANCEMENT OF KEY ASSET SECTORS AND KEEP THE RESULTING WEALTH IN THE REGION. SWIF IS MAKING INVESTMENTS THAT SUPPORT THE REGION'S ECONOMIC ASSET SECTORS OF RENEWABLE ENERGY, FOOD AND AGRICULTURE, BIOSCIENCE, AND MANUFACTURING BY PROMOTING THESE INDUSTRIES AND THE OPPORTUNITIES THEY PRESENT, AS WELL AS FACILITATING DISCUSSIONS AND SOLUTIONS TO THE CHALLENGES THAT MAY ACCOMPANY THEM, INCLUDING HOUSING, WORKFORCE AND CHILD CARE SHORTAGES.

IN ADDITION TO BUSINESS AND BUSINESS LEADERSHIP DEVELOPMENT, RECENT WORK HAS INCLUDED THE YOUTH ENERGY SUMMIT (YES!) PROGRAM. YES! IS A TEAM-ORIENTED YOUTH PROGRAM THAT USES HANDS-ON, EXPERIENTIAL LEARNING AND ENERGY ACTION PROJECTS TO ADDRESS ENERGY OPPORTUNITIES AND ISSUES IN RURAL MINNESOTA COMMUNITIES. THE PROGRAM EMPOWERS YOUTH AND INSPIRES WIDESPREAD ADOPTION OF CLEAN ENERGY TECHNOLOGY AND ENERGY CONSERVATION

Name of the organization

SOUTHWEST INITIATIVE FOUNDATION

Employer identification number

41-155592

PRACTICES WHICH CONTRIBUTE TO THE ENVIRONMENTAL AND ECONOMIC HEALTH OF RURAL MINNESOTA COMMUNITIES.

HOSTING AND PARTICIPATING IN LEADERSHIP FORUMS, SEMINARS AND OTHER CONVENINGS PROVIDE OPPORTUNITIES FOR LEADERS TO NETWORK AND GAIN ACCESS TO RESOURCES THAT WILL SUPPORT KEY REGIONAL INDUSTRIES.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS

COMMUNITY FOUNDATIONS AND DESIGNATED FUNDS: MANY DONORS FIND COMMUNITY AND DESIGNATED FUNDS ATTRACTIVE OPTIONS TO SUPPORT THEIR CHARITABLE INTERESTS WHILE RELIEVING THEM OF THE ADMINISTRATIVE RESPONSIBILITIES THAT CAN OFTEN BECOME OVERWHELMING FOR FAMILIES AND VOLUNTEERS. SWIF CURRENTLY SERVES 24 COMMUNITY FOUNDATION FUND PARTNERS AND MORE THAN 90 DESIGNATED FUND PARTNERS. SWIF'S COMMUNITY FOUNDATION PROGRAM IS A TRUE PARTNERSHIP BETWEEN SWIF AND THE LOCAL COMMUNITY - ONE THAT HAS PROVEN TO BE MUTUALLY BENEFICIAL AND AN EFFECTIVE MEANS TO RETAIN CHARITABLE DOLLARS FOR THE BENEFIT OF SOUTHWEST MINNESOTA COMMUNITIES. SWIF PROVIDES THE ADMINISTRATIVE AND 501(C)(3) INFRASTRUCTURE TO ITS COMMUNITY FOUNDATION FUNDS. IT ALSO PROVIDES ONGOING TECHNICAL AND PROFESSIONAL SUPPORT IN AREAS SUCH AS STRATEGIC PLANNING, FUNDRAISING, MARKETING, PUBLIC RELATIONS AND GRANTMAKING. COMMUNITY FOUNDATION FUNDS ARE ADVISED BY LOCAL COMMITTEES OF COMMUNITY LEADERS WHO ARE RESPONSIBLE FOR RAISING FUNDS, RECOMMENDING GRANTEES AND RAISING PUBLIC AWARENESS. SINCE SWIF'S GRANTMAKING IS TARGETED TO PROJECTS RELATED TO ITS CURRENT PRIORITY AREAS, COMMUNITY FOUNDATION FUNDS OFTEN FILL A VALUABLE NICHE BY FUNDING WORTHWHILE PROJECTS THAT DON'T FIT WITHIN SWIF'S CURRENT GRANT CRITERIA. SWIF OFFERS A VARIETY OF DESIGNATED



Name of the organization SOUTHWEST INITIATIVE FOUNDATION	Employer identification number 41-155592
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FUNDS DESIGNED TO HELP DONORS MEET THEIR UNIQUE PHILANTHROPIC GOALS. DESIGNATED FUNDS CAN BE ENDOWED OR NON-ENDOWED (PASS-THROUGH) AND ARE CREATED WITH A SPECIFIC PURPOSE IN MIND. IN MOST CASES, A DESIGNATED FUND IS ADVISED BY A LOCAL COMMITTEE OF VOLUNTEER LEADERS. THE COMMITTEE RAISES MONEY FOR THE FUND, RECOMMENDS GRANT DISTRIBUTIONS, AND RAISES PUBLIC AWARENESS. SWIF PROVIDES ASSISTANCE IN THE PLANNING AND DEVELOPMENT OF DESIGNATED FUNDS. IT ALSO ADMINISTERS THE FUNDS AND PROVIDES ONGOING TECHNICAL AND PROFESSIONAL SUPPORT AS NEEDED, IN AREAS SUCH AS FUNDRAISING, MARKETING, PUBLIC RELATIONS AND GRANTMAKING. DESIGNATED FUNDS CAN RECEIVE MANY TYPES OF GIFTS, INCLUDING CASH, APPRECIATED STOCK, REAL ESTATE AND PLANNED GIFTS, SUCH AS CHARITABLE GIFT ANNUITIES AND BEQUESTS.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS LEADERSHIP & COMMUNITY DEVELOPMENT PROGRAMS: LEADERSHIP DEVELOPMENT AND COMMUNITY ENGAGEMENT ARE WOVEN THROUGHOUT ALL OF SWIF'S WORK, BUT WE HAVE CONTINUED TO HAVE SPECIFIC PROGRAMS DESIGNED TO FOCUS ON INDIVIDUAL, COMMUNITY AND BUSINESS LEADERSHIP SKILL-BUILDING. THE NONPROFIT LEADER'S ACADEMY IS ASSISTING NONPROFIT AND ORGANIZATIONAL LEADERS IN SOUTHWEST MINNESOTA BUILD CAPACITY BY ENCOURAGING AND PROVIDING PERSONAL LEADERSHIP DEVELOPMENT. NONPROFIT LEADERS ARE RECRUITED TO PARTICIPATE IN AN ENGAGING AND INTENSIVE DEVELOPMENT SESSION AND GIVEN TOOLS TO BETTER ACCOMPLISH THEIR WORK AND THEIR ORGANIZATIONS' MISSIONS. COMMUNITY FOUNDATION AND DESIGNATED FUND VOLUNTEERS ALSO RECEIVE INTENTIONAL LEADERSHIP AND CAPACITY BUILDING TRAINING AS PART OF THE FUND ORGANIZING PROCESS AND THROUGH ONGOING TECHNICAL ASSISTANCE.

Name of the organization

SOUTHWEST INITIATIVE FOUNDATION

Employer identification number

41-155592

SWIF IS ENGAGED IN THE MINNESOTA EARLY CHILDHOOD INITIATIVE, A NETWORK OF COALITIONS FOCUSED ON QUALITY CARE AND EDUCATIONAL OPPORTUNITIES FOR CHILDREN AGES BIRTH TO 5, TO HELP ENSURE THAT ALL OF SOUTHWEST MINNESOTA'S YOUNGEST CHILDREN THRIVE, AND HAVE A HEALTHY LIFE OF LEARNING, ACHIEVING, AND SUCCEEDING. THE MINNESOTA THRIVE INITIATIVE IS PART OF THE MINNESOTA EARLY CHILDHOOD INITIATIVE. THE OVERARCHING GOAL OF THRIVE IS TO CREATE SEAMLESS SYSTEMS OR NETWORKS OF LOCAL SERVICES THAT SUPPORT THE HEALTHY SOCIAL AND EMOTIONAL DEVELOPMENT OF MINNESOTA'S YOUNGEST CHILDREN AGES BIRTH TO 5, WITH AN EMPHASIS ON THE FIRST THREE YEARS OF LIFE. SWIF ACCOMPLISHES THESE GOALS BY WORKING WITH 16 SELECTED COALITION COMMUNITIES LOCATED THROUGHOUT THE 18 COUNTIES OF SOUTHWEST MINNESOTA. IN ADDITION, GRANT FUNDS ARE AVAILABLE TO PURSUE PARTNERSHIPS ON EARLY CARE AND EDUCATION PROJECTS THAT HAVE A REGION-WIDE SCOPE, WHICH HAVE INCLUDED TRAININGS FOR PROFESSIONALS, FAMILY-FRIENDLY EVENTS AND OTHER ACTIVITIES THAT ENGAGE THE COMMUNITIES AND RAISE AWARENESS OF YOUNG CHILDREN'S NEEDS. KEY ISSUES FOR THE EARLY CHILDHOOD INITIATIVE ARE ACCESS TO EARLY LEARNING OPPORTUNITIES, ACCESS TO QUALITY CHILD CARE, AND ACCESS TO DENTAL CARE.

FORM 990, PART VI, SECTION A, LINE 1:

THE EXECUTIVE COMMITTEE IS COMPRISED OF THE OFFICERS OF THE CORPORATION; CHAIRPERSON, VICE-CHAIRPERSON, SECRETARY AND TREASURER AS WELL AS THE IMMEDIATE PAST CHAIRPERSON. THE EXECUTIVE COMMITTEE MAY ACT ON BEHALF OF THE BOARD TO REVIEW AND ACT UPON GRANTS AND LOANS, REVIEW AND ACT UPON POLICIES, REVIEW AND ACT UPON BUDGETARY VARIANCES, AND CONDUCT OTHER BUSINESS OF THE CORPORATION BETWEEN REGULARLY SCHEDULED BOARD MEETINGS. ALL

Name of the organization

SOUTHWEST INITIATIVE FOUNDATION

Employer identification number

41-1555592

ACTIONS OF THE EXECUTIVE COMMITTEE ARE REVIEWED BY THE FULL BOARD THROUGH THE APPROVAL OF EXECUTIVE COMMITTEE MEETING MINUTES AT THE NEXT SCHEDULED FULL BOARD MEETING.

FORM 990, PART VI, SECTION B, LINE 11:

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

FORM 990, PART VI, SECTION B, LINE 12C:

AT THE START OF EACH YEAR, THE CONFLICT OF INTEREST POLICY, ACCOMPANYING QUESTIONNAIRE, AND THE CODE OF ETHICS AND CONDUCT ARE DISTRIBUTED TO ALL BOARD MEMBERS TO COMPLETE. DISCLOSURE OF CONFLICTS IS THE STANDING FIRST ITEM ON EVERY BOARD AGENDA. THE BOARD OF DIRECTORS ARE INSTRUCTED AT EACH MEETING TO DISCLOSE IF THEY FEEL THERE IS A CONFLICT OF INTEREST ON ANY AGENDA ITEM BEFORE IT IS BROUGHT TO DISCUSSION. THE BOARD AND/OR CEO QUESTION AND DETERMINE IF THE CONFLICT IS VALID AND IF SO, THE BOARD MEMEBER DOES NOT PARTICIPATE IN THE VOTE. THE CONFLICT IS NOTED IN THE MINUTES. THE EMPLOYEE CONFLICT OF INTEREST POLICY IS DISTRIBUTED TO KEY DECISION MAKING EMPLOYEES, REVIEWED, AND SIGNED ANNUALLY WITH UPDATES TO ANY POTENTIAL CONFLICTS OF INTERESTED NOTED. POTENTIAL CONFLICTS OF INTEREST FOR STAFF MUST BE REPORTED TO THE PRESIDENT/CEO AND ARE HANDLED ACCORDING TO THE BOARD APPROVED POLICY REQUIREMENTS.

Name of the organization

SOUTHWEST INITIATIVE FOUNDATION

Employer identification number

41-1555592

FORM 990, PART VI, SECTION B, LINE 15:

SOUTHWEST INITIATIVE FOUNDATION'S EXECUTIVE COMPENSATION PROGRAM IS ADMINISTERED BY THE EXECUTIVE COMMITTEE OF THE BOARD. THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR ESTABLISHING AND MAINTAINING A COMPETITIVE COMPENSATION PROGRAM FOR THE KEY EXECUTIVES OF THE FOUNDATION. THE EXECUTIVE COMMITTEE UNDERTAKES AN ANNUAL REVIEW TO EVALUATE THE FOUNDATION'S EXECUTIVE COMPENSATION PROGRAM AGAINST THE COMPETITIVE MARKET USING INFORMATION GATHERED ON COMPARABLE POSITIONS WITHIN THE SPECIFIC INDUSTRY SECTOR AND FROM INDEPENDENTLY PUBLISHED SURVEYS. THE EXECUTIVE COMMITTEE MEETS INDEPENDENT OF THE PRESIDENT/CEO TO DISCUSS PERFORMANCE RELATIVE TO THE POSITION DESCRIPTION. DURING THESE DELIBERATIONS, THE COMMITTEE ALSO CONSIDERS INPUT OBTAINED FROM OTHER BOARD MEMBERS, STAFF, PROFESSIONAL ADVISORS, GRANT RECIPIENTS, AND OTHER INFORMED COMMUNITY LEADERS. THE DATE OF DELIBERATIONS AND SUBSEQUENT MEETING WITH PRESIDENT/CEO ARE DOCUMENTED IN THE MINUTES OF THE BOARD MEETING AND THE OUTCOME MAINTAINED IN THE CONFIDENTIAL PERSONNEL FILES OF THE FOUNDATION.

THE LAST REVIEW WAS COMPLETED IN 2015 FOR THE PRESIDENT/CEO, D. ANDERSON.

FORM 990, PART VI, SECTION C, LINE 19:

CONDENSED FINANCIAL STATEMENTS ARE AVAILABLE ON THE ORGANIZATION'S WEBSITE AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST. THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE PUBLIC.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

CHANGE IN AGENCY FUNDS

-45,016.



**Related Organizations and Unrelated Partnerships**

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

▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**SOUTHWEST INITIATIVE FOUNDATION**

Employer identification number

**41-1555592**

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
AWSM, LLC - 41-1555592 413 1ST ST JACKSON, MN 56159	APARTMENT BLDG	MINNESOTA	129,557.		SOUTHWEST INITIATIVE FOUNDATION

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

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

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

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

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) AWSM, LLC	S	109,580.	FMV OF SALE
(2)			
(3)			
(4)			
(5)			
(6)			





**Part VII** Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).

Lined area for supplemental information.

# Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

Department of the Treasury  
Internal Revenue Service

▶ File a separate application for each return.  
▶ Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).

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

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

**Electronic filing (e-file)**. You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>SOUTHWEST INITIATIVE FOUNDATION</b>	Employer identification number (EIN) or <b>41-1555592</b>
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. <b>15 3RD AVE NW</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>HUTCHINSON, MN 55350</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**MARGIE NELSEN, CFO**

- The books are in the care of ▶ **15 3RD AVE NW - HUTCHINSON, MN 55350**  
Telephone No. ▶ **(320) 587-4848** Fax No. ▶ \_\_\_\_\_
- 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 is for.

**1** I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **FEBRUARY 15, 2016**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2014**, and ending **JUN 30, 2015**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution.** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.