

Return of Organization Exempt from Income Tax

2001

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Form 990 header section including: A For the 2001 calendar year, or tax year beginning Jul 1, 2001, and ending Jun 30, 2002; B Check if applicable; C Name of organization HEARTLAND COUNSELING SERVICES, INC; D Employer Identification Number 47-0763769; E Telephone number (402) 494-3337; F Accounting method Accrual; G Web site; J Organization type 501(c) 3; K Check here if gross receipts normally not more than \$25,000; L Gross receipts 555,366.

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

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, and Total. Includes rows for Contributions (1), Program service revenue (2), Other investment income (7), Special events (9), and Total revenue (12) ending at 555,366. Total expenses (17) are 497,292, resulting in a net asset increase of 58,074.

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RECEIVED NOV 29 2002

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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non cash \$ _____)	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25 98,696	70,616	28,080	0
26	Other salaries and wages	26 213,481	213,481	0	0
27	Pension plan contributions	27 1,075	994	81	0
28	Other employee benefits	28 22,487	20,449	2,038	0
29	Payroll taxes	29 22,650	20,613	2,037	0
30	Professional fundraising fees	30			
31	Accounting fees	31 5,805	0	5,805	0
32	Legal fees	32 244	0	244	0
33	Supplies	33 13,671	12,987	684	0
34	Telephone	34 5,117	5,117	0	0
35	Postage and shipping	35 1,912	1,912	0	0
36	Occupancy	36 35,535	33,758	1,777	0
37	Equipment rental and maintenance	37 4,952	4,952	0	0
38	Printing and publications	38			
39	Travel	39 1,576	1,576	0	0
40	Conferences, conventions, and meetings	40 1,320	1,320	0	0
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42 7,877	7,877	0	0
43	Other expenses not covered above (itemize)				
a	CONTRACTUAL FEES	43a 42,105	42,105	0	0
b	INSURANCE	43b 11,026	11,026	0	0
c	LOCAL TRANSPORTATION	43c 40	40	0	0
d	ADVERTISING	43d 3,055	3,055	0	0
e	See Other Expenses Stmt	43e 4,668	4,668	0	0
44	Total functional expenses (add lines 22-43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 497,292	456,546	40,746	0

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

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <u>PROVIDE MENTAL HEALTH & SUBSTANCE ABUSE SVCS</u>	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a <u>PROVIDE MENTAL HEALTH AND SUBSTANCE ABUSE COUNSELING AND EDUCATIONAL PROGRAMS SERVICES ARE PROVIDED WITHOUT REGARD FOR THE CLIENT(S) ABILITY TO PAY</u> (Grants and allocations \$ 0)	456,546
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44 column (B) program services)	456,546

Part IV Balance Sheets (See instructions)

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

		(A)		(B)
		Beginning of year		End of year
ASSETS	45 Cash – non interest-bearing	25	45	25
	46 Savings and temporary cash investments	42,897	46	80,834
	47a Accounts receivable	47a 641,645		
	b Less allowance for doubtful accounts	47b 531,300	98,795	47c 110,345
	48a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b		48c
	49 Grants receivable		12,354	49 40,991
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50
	51a Other notes & loans receivable (attach sch)	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges			53
	54 Investments – securities (attach schedule)			54
	55a Investments – land, buildings, & equipment basis	55a		
	b Less accumulated depreciation (attach schedule)	55b		55c
	56 Investments – other (attach schedule)			56
	57a Land buildings and equipment basis	57a 66,641		
	b Less accumulated depreciation (attach schedule) L-57 Stmt	57b 54,880	17,100	57c 11,761
	58 Other assets (describe _____)			58
59 Total assets (add lines 45 through 58) (must equal line 74)		171,171	59 243,956	
LIABILITIES	60 Accounts payable and accrued expenses	4,004	60	2,915
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe ▶ See Line 65 Stmt)		30,227	65 46,027
66 Total liabilities (add lines 60 through 65)		34,231	66 48,942	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted		134,440	67 195,014
	68 Temporarily restricted		2,500	68
	69 Permanently restricted			69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds			70
	71 Paid in or capital surplus, or land, building, and equipment fund			71
	72 Retained earnings, endowment, accumulated income, or other funds			72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19 and column (B) must equal line 21)		136,940	73 195,014
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)		171,171	74 243,956

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

BAA

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions)

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

a Total revenue, gains, and other support per audited financial statements	a	555,366
b Amounts included on line a but not on line 12, Form 990		
(1) Net unrealized gains on investments \$		
(2) Donated services and use of facilities \$		
(3) Recoveries of prior year grants \$		
(4) Other (specify)		
----- \$		
Add amounts on lines (1) through (4)	b	
c Line a minus line b	c	555,366
d Amounts included on line 12, Form 990 but not on line a		
(1) Investment expenses not included on line 6b, Form 990 \$		
(2) Other (specify)		
----- \$		
Add amounts on lines (1) and (2)	d	
e Total revenue per line 12, Form 990 (line c plus line d)	e	555,366

a Total expenses and losses per audited financial statements	a	497,292
b Amounts included on line a but not on line 17, Form 990		
(1) Donated services and use of facilities \$		
(2) Prior year adjustments reported on line 20, Form 990 \$		
(3) Losses reported on line 20, Form 990 \$		
(4) Other (specify)		
----- \$		
Add amounts on lines (1) through (4)	b	
c Line a minus line b	c	497,292
d Amounts included on line 17, Form 990 but not on line a		
(1) Investment expenses not included on line 6b, Form 990 \$		
(2) Other (specify)		
----- \$		
Add amounts on lines (1) and (2)	d	
e Total expenses per line 17, Form 990 (line c plus line d)	e	497,292

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
DIANE FARRELL-SABALIAUSKAS SOUTH SIOUX CITY, NE	EXEC DIRECTOR 40	31,200	0	0
JOSEPH STANKUS SOUTH SIOUX CITY, NE	CLINICAL DIRECTOR 40	67,496	0	0
SEE ATTACHED LIST FOR NONCOMPENSATED DIRECTORS	12	0	0	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If 'Yes,' attach schedule - see instructions

Part VI Other Information (See specific instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
81a	b If 'Yes,' enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures. See line 81 instructions	81a	0
81b	b Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
82b	b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		
85b	b Did the organization make only in house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
85c	c Dues, assessments, and similar amounts from members	85c	
85d	d Section 162(e) lobbying and political expenditures	85d	
85e	e Aggregate nondeductible amount of Section 6033(e)(1)(A) dues notices	85e	
85f	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
85g	g Does the organization elect to pay the Section 6033(e) tax on the amount on line 85f?	85g	
85h	h If Section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86a	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	
86b	b Gross receipts, included on line 12, for public use of club facilities	86b	
87a	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	
87b	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88	At any time during the year did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations Sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88	X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under Section 4911 ▶ 0, Section 4912 ▶ 0, Section 4955 ▶ 0		
89b	b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any Section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	X
	c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under Sections 4912, 4955, and 4958		0
	d Enter Amount of tax on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed ▶ NONE		
90b	b Number of employees employed in the pay period that includes March 12, 2001 (see instructions)	90b	14
91	The books are in care of ▶ DIANE FARRELL-SABALIAUSKAS Telephone number ▶ (402) 494-3337 Located at ▶ 917 WEST 21ST STREET, SOUTH SIOUX CITY NE ZIP + 4 ▶ 68776		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax exempt interest received or accrued during the tax year ▶ 92		

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

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a COUNSELING SVC					338,105
b WORKSHOPS					18,902
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	4	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b MISCELLANEOUS			01	2,121	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				2,125	357,007
105 Total (add line 104, columns (B), (D), and (E))					359,132

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93a	COUNSELING WAS PROVIDED TO ENABLE CLIENTS TO IMPROVE MENTAL HEALTH
93a	OR TO CONTROL SUBSTANCE ABUSE PROBLEM
93c	PROVIDED EDUCATIONAL PROGRAMS RELATING TO MENTAL HEALTH OR

See Relationship of Activities to the Accomplishment of Exempt Purposes Statement

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions) N/A

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

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

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note. If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

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

Date 10 27-02

Vice President

Schedule A
(Form 990 or 990-EZ)

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

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1)
Nonexempt Charitable Trust Supplementary Information - (See separate instructions)

2001

Supplementary Information - (see separate instructions)

▶ **Must be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Department of the Treasury
Internal Revenue Service

Name of the Organization

HEARTLAND COUNSELING SERVICES, INC

Employer Identification Number

47-0763769

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

(See instructions List each one If there are none, enter 'None')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Total number of other employees paid over \$50,000	▶ NONE			

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

(See instructions List each one (whether individuals or firms) If there are none, enter 'None')

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

Part III Statements About Activities (See instructions)

1 During the year has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities. ▶ \$ _____

(Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI B and attach a statement giving a detailed description of the lobbying activities

2 During the year, has the organization, either directly or indirectly engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes' attach a detailed statement explaining the transactions)

a Sale, exchange, or leasing of property?

b Lending of money or other extension of credit?

c Furnishing of goods, services, or facilities?

See Pt V, Fm 990

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

e Transfer of any part of its income or assets?

3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)

4 Do you have a section 403(b) annuity plan for your employees?

	Yes	No
1		X
2		X
2a		X
2b		X
2c		X
2d	X	
2e		X
3		X
4	X	

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is (please check only **One** applicable box)

- 5 A church, convention of churches or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV A)
- 11 a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV A)
- 11 b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV A)
- 12 An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions - subject to certain exceptions and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See instructions)

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

14 An organization organized and operated to test for public safety Section 509(a)(4) (See instructions)

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

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

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	134,668	176,899	183,097	163,065	657,729
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	244,986	240,436	221,301	183,580	890,303
18 Gross income from interest, dividends, amounts received from payments on securities loans (Section 512(a)(5)), rents, royalties, and unrelated business taxable income (less Section 511 taxes) from businesses acquired by the organization after June 30, 1975	5	5	5	5	20
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.	1,959	4,561	7,067	2,384	15,971
23 Total of lines 15 through 22	381,618	421,901	411,470	349,034	1,564,023
24 Line 23 minus line 17	136,632	181,465	190,169	165,454	673,720
25 Enter 1% of line 23	3,816	4,219	4,115	3,490	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	13,474
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.		26b	
c Total support for Section 509(a)(1) test. Enter line 24, column (e).		26c	673,720
d Add: Amounts from column (e) for lines 18 _____ 20 _____ 19 _____		26d	15,991
22 _____ 15,971 _____ 26b _____		26e	657,729
e Public support (line 26c minus line 26d total)		26f	97.63 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))			

27 Organizations described on line 12:	a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year.	(2000) _____ (1999) _____ (1998) _____ (1997) _____	
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.	(2000) _____ (1999) _____ (1998) _____ (1997) _____		
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____		27c	
d Add: Line 27a total _____ and line 27b total _____		27d	
e Public support (line 27c total minus line 27d total)		27e	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e).		27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		27h	%

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions)
 (To be completed Only by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space attach a separate statement) ----- ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75 50, 1975 2 C B 587, covering racial nondiscrimination? If 'No ' attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed **Only** by an eligible organization that filed Form 5768)

N/A

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

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table --			
If the amount on line 40 is --	The lobbying nontaxable amount is --		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		
Caution. If there is an amount on either line 43 or line 44, you must file Form 4720			

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a** Volunteers
- b** Paid staff or management (include compensation in expenses reported on lines c through h)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators their staffs, government officials, or a legislative body
- h** Rallies demonstrations, seminars conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines c through h.)

Yes	No	Amount

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

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545 0047

2001

Name of Organization

HEARTLAND COUNSELING SERVICES, INC

Employer Identification Number

47-0763769

Organization type (check one)

Filers of.

Form 990 or 990 EZ

Section:

- 501(c)(3) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

Check if your organization is covered by the **general rule** or a **special rule** (**Note** Only a Section 501(c)(7), (8), or (10) organization can check box(es) for both the general rule and a special rule – see instructions)

General Rule –

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

Special Rules –

- For a Section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)
- For a Section 501(c)(7), (8) or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)
- For a Section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990 EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose Do not complete any of the Parts unless the general rule applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year) ▶ \$ _____

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

BAA

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

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

Other expenses not covered above (itemize)	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
MISCELLANEOUS	1,109	1,109	0	0
ORGANIZATIONAL DUES	185	185	0	0
FLEX FUND SPENDING	3,374	3,374	0	0
Total	<u>4,668</u>	<u>4,668</u>	<u>0</u>	<u>0</u>

Form 990, Page 3, Part IV, Lines 57a & 57b

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
OFFICE EQUIPMENT	41,832	32,939	8,893
AUTOS	24,809	21,941	2,868
Total	<u>66,641</u>	<u>54,880</u>	<u>11,761</u>

Form 990, Page 3, Part IV, Line 65

Other Liabilities Statement

Line 65 - Other Liabilities:	Beginning of Year	End of Year
ACCRUED PAYROLL	10,767	12,284
ACCRUED PAID TIME OFF	19,460	33,743
Total	<u>30,227</u>	<u>46,027</u>

Form 990, Page 6, Part VIII

Relationship of Activities to the Accomplishment of Exempt Purposes Statement

Line Number ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93c	SUBSTANCE ABUSE PROBLEMS, I E PARENTING AND FOSTER CARE,
93c	AND DRIVING UNDER THE INFLUENCE INSTRUCTION

HEARTLAND COUNSELING SERVICES, INC. 47-0763769
BOARD MEMBERS

PART V- NONCOMPENSATED DIRECTORS

Cathie Eriksen
9 Crystal View
South Sioux City, NE 68776

Betty Anderson
207 N. Jefferson
P.O. Box 287
Ponca, NE 68770

Darrell G. Curry
Route 1, Box 116
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Jeffrey A. Morlok
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Wayne, NE 68787

Deb Finn, County Clerk
Wayne County Courthouse
510 Pearl St., P.O. Box 248
Wayne, NE 68757

Jim Miller
4280 Sergeant Road #200
P.O. Box 718
Sioux City, Iowa 51102