

Return of Organization Exempt From Income Tax

2005

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning Jul 1, 2005, and ending Jun 30, 2006

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

C Name of organization: HEARTLAND COUNSELING SERVICES INC, 917 WEST 21ST STREET, SOUTH SIOUX CITY NE 68776

D Employer Identification Number: 47-0763769, E Telephone number: (402) 494-3337, F Accounting method: Accrual

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? No. H(b) If 'Yes,' enter number of affiliates. H(c) Are all affiliates included? No. H(d) Is this a separate return filed by an organization covered by a group ruling? No.

G Web site: N/A

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

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12: 1,199,406.

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

SCANNED NOV 09 2005

Table with 21 rows for Revenue, Expenses, and Net Assets. Includes sub-rows for contributions, program revenue, rental income, special events, and inventory sales. Total revenue: 1,199,406. Total expenses: 1,283,179. Net assets at end of year: 267,706.

OCT 23 2006

Handwritten marks: P, 25

**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.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (att sch)	23	19,171.	19,171.		
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	139,973.	99,950.	40,023.	0.
26 Other salaries and wages	26	567,202.	541,659.	25,543.	0.
27 Pension plan contributions	27	434.	434.	0.	0.
28 Other employee benefits	28	117,155.	106,253.	10,902.	0.
29 Payroll taxes	29	53,111.	48,187.	4,924.	0.
30 Professional fundraising fees	30				
31 Accounting fees	31	7,825.	0.	7,825.	0.
32 Legal fees	32				
33 Supplies	33	31,750.	30,163.	1,587.	0.
34 Telephone	34	18,866.	18,866.	0.	0.
35 Postage and shipping	35	3,613.	3,429.	184.	0.
36 Occupancy	36	97,501.	94,219.	3,282.	0.
37 Equipment rental and maintenance	37	10,118.	10,118.	0.	0.
38 Printing and publications	38				
39 Travel	39	42,963.	42,963.	0.	0.
40 Conferences, conventions, and meetings	40	15,492.	15,492.	0.	0.
41 Interest	41	550.	550.	0.	0.
42 Depreciation, depletion, etc (attach schedule)	42	34,943.	34,943.	0.	0.
43 Other expenses not covered above (itemize):					
a CONTRACT SERVICES	43a	112,294.	112,294.	0.	0.
b ADVERTISING	43b	4,064.	4,064.	0.	0.
c MISCELLANEOUS	43c	6,154.	6,154.	0.	0.
d	43d				
e	43e				
f	43f				
g	43g				
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	1,283,179.	1,188,909.	94,270.	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**

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

What is the organization's primary exempt purpose? <b>COUNSELING SERVICES</b> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	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 WORKSHOPS. SERVICES ARE PROVIDED REGARDLESS OF CLIENTS ABILITY TO PAY.</u> ----- ----- ----- (Grants and allocations \$ 0. ) If this amount includes foreign grants, check here <input type="checkbox"/>	1,188,909.
b ----- ----- ----- (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
c ----- ----- ----- (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
d ----- ----- ----- (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
e Other program services ..... (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>f Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>	<b>1,188,909.</b>

**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) Beginning of year		(B) End of year	
ASSETS	45 Cash – non-interest-bearing	142.	45	125.	
	46 Savings and temporary cash investments	139,055.	46	78,634.	
	47a Accounts receivable	552,208.			
	b Less: allowance for doubtful accounts	407,000.	56,797.	47c	145,208.
	48a Pledges receivable				
	b Less: allowance for doubtful accounts			48c	
	49 Grants receivable		124,460.	49	72,719.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a Other notes & loans receivable (attach sch)				
	b Less: allowance for doubtful accounts			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				
	b Less: accumulated depreciation (attach schedule)			55c	
	56 Investments – other (attach schedule)			56	
	57a Land, buildings, and equipment: basis	244,958.			
	b Less: accumulated depreciation (attach schedule) L-57. Stmt	135,677.	136,880.	57c	109,281.
	58 Other assets (describe )			58	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58		457,334.	59	405,967.	
LIABILITIES	60 Accounts payable and accrued expenses		92,910.	60	132,933.
	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)		12,945.	64b	5,328.
	65 Other liabilities (describe )			65	
66 <b>Total liabilities.</b> Add lines 60 through 65		105,855.	66	138,261.	
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		351,479.	67	267,706.
	68 Temporarily restricted			68	
	69 Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		351,479.	73	267,706.	
74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73		457,334.	74	405,967.	

BAA

Form 990 (2005)

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

<b>a</b>	Total revenue, gains, and other support per audited financial statements		<b>a</b>	1,199,406.
<b>b</b>	Amounts included on line a but not on Part I, line 12:			
	1 Net unrealized gains on investments	<b>b1</b>		
	2 Donated services and use of facilities	<b>b2</b>		
	3 Recoveries of prior year grants	<b>b3</b>		
	4 Other (specify):	<b>b4</b>		
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	1,199,406.
<b>d</b>	Amounts included on Part I, line 12, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify):	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	Total revenue (Part I, line 12). Add lines <b>c</b> and <b>d</b>		<b>e</b>	1,199,406.

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

<b>a</b>	Total expenses and losses per audited financial statements		<b>a</b>	1,283,179.
<b>b</b>	Amounts included on line a but not on Part I, line 17:			
	1 Donated services and use of facilities	<b>b1</b>		
	2 Prior year adjustments reported on Part I, line 20	<b>b2</b>		
	3 Losses reported on Part I, line 20	<b>b3</b>		
	4 Other (specify):	<b>b4</b>		
	Add lines <b>b1</b> through <b>b4</b>		<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>		<b>c</b>	1,283,179.
<b>d</b>	Amounts included on Part I, line 17, but not on line a:			
	1 Investment expenses not included on Part I, line 6b	<b>d1</b>		
	2 Other (specify):	<b>d2</b>		
	Add lines <b>d1</b> and <b>d2</b>		<b>d</b>	
<b>e</b>	Total expenses (Part I, line 17). Add lines <b>c</b> and <b>d</b>		<b>e</b>	1,283,179.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
DIANE FARRELL-SABALIAUSKA SOUTH SIOUX CITY NE	EXEC DIR 40	44,470.	0.	0.
STEPHANIE M FULLER SOUTH SIOUX CITY NE	CLINICAL DIR 40	57,721.	0.	0.
MICHAELENE KOBES SOUTH SIOUX CITY NE	CLINICAL DIR 40	37,782.	0.	0.
SEE ATTACHED LIST OF NONCOMPENSATED OFFICERS		0.	0.	0.



Part VI Other Information (continued)

82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?
82 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.
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
83 b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
84 b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?
85 b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85 c Dues, assessments, and similar amounts from members
85 d Section 162(e) lobbying and political expenditures
85 e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85 f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85 g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85 h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12
86 b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) organizations. Enter: a Gross income from members or shareholders
87 b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3?
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0; section 4912 0; section 4955 0.
89 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?
90 a List the states with which a copy of this return is filed NONE
90 b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) 27
91 a The books are in care of DIANE FARREL-SABALIAUSKAS Telephone number (402) 494-3337
Located at 917 W 21ST STREET, SOUTH SIOUX CITY, NE ZIP + 4 68776
91 b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?
91 c At any time during the calendar year, did the organization maintain an office outside of the United States?
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92

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

Note: Enter gross amounts unless otherwise indicated.

	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 SVCS					570,862.
b CONSULTING FEES					9,571.
c EDUCATIONAL OUTREACH					20,587.
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	129.	
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	1,010.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				1,139.	601,020.
105 Total (add line 104, columns (B), (D), and (E))					602,159.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	COUNSELING SERVICES ENABLE CLIENTS TO IMPROVE LIVES
93B	CONSULTED WITH OTHER ENTITIES PROVIDING COUNSELING SERVICES
93C	EDUCATIONAL WORKSHOPS IMPROVES PARTICIPANTS MENTAL HEALTH

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the 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
	0			
	0			
	0			
	0			

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

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

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

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

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

Please Sign Here: Signature of officer: James M Miller Date: 10-10-06

Type or print name and title: James M Miller, Board Chairman

Paid Preparer's Use Only: Preparer's signature: Ann Hill Date: 9-28-06 Check if self-employed:  Preparer's SSN or PTIN (See General Instruction W):

Firm's name (or yours if self-employed), address, and ZIP + 4: Nichols, Rise & Company, L.L.P.  
705 Douglas St., Suite 502  
Sioux City IA 51101

EIN: Phone no: (712) 252-4309

**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 4947(a)(1) Nonexempt Charitable Trust**

**2005**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information — (See separate instructions.)**

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

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 and deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	NONE			

**Part II — A 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
NONE		
Total number of others receiving over \$50,000 for professional services	NONE	

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

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

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

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2005

**Part III Statements About Activities** (See instructions.)

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

**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). Check the box that describes the type of supporting organization: ▶  Type 1  Type 2  Type 3

Provide the following information about the supported organizations. (See 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 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

<b>Limits on Lobbying Expenditures</b> (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 Over \$1,500,000 but not over \$17,000,000      \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000      \$1,000,000	41	
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.)

	<b>Lobbying Expenditures During 4-Year Averaging Period</b>				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

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

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

	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h.)			

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

BAA



Form 990, Page 4, Part IV, Lines 57a &amp; 57b

**Land, Buildings and Equipment Statement**

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
EQUIPMENT	156,099.	96,991.	59,108.
VEHICLEES	88,859.	38,686.	50,173.
Total	<u>244,958.</u>	<u>135,677.</u>	<u>109,281.</u>

**HEARTLAND BOARD OF DIRECTORS**

47-0763769

*Noncompensated*

Gerald Newill  
P.O. Box 597  
Lyons, NE 68038

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

Jeff Morlok  
P.O. Box 396  
521 Centennial Road  
Wayne, NE 68787

Bob Peters  
Dakota City Manager  
P.O. Box 482  
Dakota City, Nebraska

Cathie Eriksen  
9 Crystal View  
South Sioux City, NE

Sheila Jensen  
125 Oakmont Drive  
South Sioux City, NE

*(No compensation is paid to Board members)*