

Form **990**

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

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning and ending

| | | | |
|--|--|--|---|
| B Check if applicable: <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization FRIENDS OF THE HENNEPIN COUNTY LIBRARY | | D Employer identification number 36-3579536 |
| | Doing Business As | | E Telephone number 612-543-8100 |
| | Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | G Gross receipts \$ 1,561,628. |
| | 300 NICOLLET MALL | | H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) |
| City or town, state or country, and ZIP + 4 MINNEAPOLIS, MN 55401 | | F Name and address of principal officer: MARGARET WUNDERLICH SAME AS C ABOVE | |
| I 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 | | | |
| J Website: ▶ WWW.SUPPORTHCLIB.ORG | | | |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ | | L Year of formation: 1986 | M State of legal domicile: MN |

Part I Summary

| | | |
|---|---|---|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: TO PROMOTE THE DEVELOPMENT AND IMPROVE THE SERVICE CAPABILITIES OF THE HENNEPIN COUNTY LIBRARY. | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | |
| | 3 Number of voting members of the governing body (Part VI, line 1a) | 37 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 37 |
| | 5 Total number of individuals employed in calendar year 2011 (Part V, line 2a) | 12 |
| | 6 Total number of volunteers (estimate if necessary) | 174 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 0. |
| 7b Net unrelated business taxable income from Form 990-T, line 34 | 0. | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year: 997,494. Current Year: 1,075,621. |
| | 9 Program service revenue (Part VIII, line 2g) | 213,794. 204,838. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 18,536. 33,922. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | -7,084. -17,629. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 1,222,740. 1,296,752. |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 410,594. 256,670. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0. 0. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 476,018. 505,048. |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 0. 0. |
| | b Total fundraising expenses (Part IX, column (D), line 25) ▶ 169,580. | |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 400,823. 478,772. |
| 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 1,287,435. 1,240,490. | |
| 19 Revenue less expenses. Subtract line 18 from line 12 | -64,695. 56,262. | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | Beginning of Current Year: 2,531,421. End of Year: 2,502,919. |
| | 21 Total liabilities (Part X, line 26) | 133,604. 139,513. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 2,397,817. 2,363,406. |

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.

| | | | | | |
|-------------------------------|--|---|-------------------------------|--|------------------------|
| Sign Here | Signature of officer: <i>Margaret Wunderlich</i> | Date: 4/05/2012 | | | |
| | Type or print name and title: MARGARET WUNDERLICH, TREASURER | | | | |
| Paid Preparer Use Only | Print/Type preparer's name: LARRY ADAMS | Preparer's signature: <i>Larry Adams, CPA</i> | Date: 4/11/12 | Check if self-employed: <input type="checkbox"/> | PTIN: P01314654 |
| | Firm's name: CLIFTONLARSONALLEN LLP | Firm's EIN: 41-0746749 | | | |
| | Firm's address: 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402 | | Phone no. 612-376-4500 | | |

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

SCANNED JUL 9 2012

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission: TO ENRICH THE SERVICES, RESOURCES AND CAPABILITIES OF THE HENNEPIN COUNTY LIBRARY.

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 No X

If "Yes," describe these new services on Schedule O

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

If "Yes," describe these changes on Schedule O.

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 and section 4947(a)(1) trusts 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 \$ 341,547. including grants of \$ 600.) (Revenue \$ 0.) PROGRAMS AND PUBLIC AWARENESS:

TALK OF THE STACKS IS A READING SERIES WHICH EXPLORES CONTEMPORARY LITERATURE AND CULTURE. THERE WERE 2,600 INDIVIDUALS WHO ATTENDED NINE PROGRAMS AT NO COST DURING THE YEAR. THERE WERE 20 VOLUNTEERS THAT CONTRIBUTED 180 HOURS TO ASSIST STAFF WITH THE SERIES.

CHILDISH FILMS IS A CHILDREN'S CINEMA PROGRAM FOR AGES THREE AND UP PRESENTED BY CHILDREN'S FILM CURATORS OF THE MINNEAPOLIS-ST. PAUL INTERNATIONAL FILM FESTIVAL. THERE WERE 2,775 INDIVIDUALS WHO ATTENDED 23 PROGRAMS AT NO COST DURING THE YEAR. THERE WERE 40 VOLUNTEERS THAT CONTRIBUTED 69 HOURS TO ASSIST STAFF WITH THE SERIES. THERE WERE 3,790

4b (Code) (Expenses \$ 287,611. including grants of \$ 256,070.) (Revenue \$ 0.) LIBRARY SUPPORT:

LIBRARY SUPPORT PROVIDES ADDITIONAL BOOKS, COLLECTIONS, MATERIALS, RESOURCES AND SERVICES TO THE HENNEPIN COUNTY LIBRARY SYSTEM. THIS PROGRAM ALSO SEEKS TO PROMOTE LITERACY AND ENCOURAGE ACCESS TO LIBRARY SERVICES BY DEVELOPING AND FUNDING READING PROGRAMS WITHIN THE LIBRARY SYSTEM. FUNDING IS SECURED THROUGH PRIVATE CONTRIBUTIONS, FOUNDATION GRANTS, AND CORPORATE GIVING.

4c (Code) (Expenses \$ 215,133. including grants of \$ 0.) (Revenue \$ 204,838.) PEN PALS AUTHOR SERIES:

PEN PALS IS AN AWARD-WINNING LECTURE SERIES FEATURING AUTHORS FROM AROUND THE COUNTRY. READERS ARE GIVEN THE OPPORTUNITY TO BECOME MORE FAMILIAR WITH BOTH THE AUTHORS' WORKS AND THEIR DAY TO DAY LIVES. WHEN FULLY SPONSORED, THIS LECTURE SERIES GENERATES INCOME SUPPORTING THE ORGANIZATION'S MISSION. THERE WERE 60 INDIVIDUALS THAT VOLUNTEERED AT TEN EVENTS, CONTRIBUTING 660 HOURS TO ASSIST STAFF WITH THE PROGRAM. THERE WERE 5,380 PEOPLE WHO ATTENDED THE SERIES IN 2011.

4d Other program services (Describe in Schedule O.) (Expenses \$ 57,162. including grants of \$) (Revenue \$)

4e Total program service expenses 901,453.

Part IV Checklist of Required Schedules

| | Yes | No |
|---|-----|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i> | X | |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? | X | |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i> | | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i> | | X |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III.</i> | | |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i> | | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II.</i> | | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i> | | X |
| 9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i> | | X |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> | X | |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i> | X | |
| b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i> | | X |
| c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i> | | X |
| d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i> | | X |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> | | X |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i> | X | |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i> | X | |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i> | | X |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i> | | X |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV.</i> | | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV.</i> | | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV.</i> | | X |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> | | X |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i> | | X |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i> | | X |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i> | | X |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | | |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|--|-----|----|
| 21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States 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 and other assistance to individuals in the United States 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 25</i> | | X |
| 24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| 24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| 24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25a Section 501(c)(3) and 501(c)(4) organizations. 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 |
| 25b 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 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <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): | | |
| 28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 28c 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, Parts II, III, IV, and V, line 1</i> | | X |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | | X |
| 35b 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 Section 501(c)(3) organizations. 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 11 and 19? | X | |

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question number, response, Yes, and No. Rows include questions 1a-1c, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, 14a-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 to any question in this Part VI

Section A. Governing Body and Management

| | | Yes | No |
|----|--|-----|----|
| 1a | Enter the number of voting members of the governing body at the end of the tax year 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. | | |
| | 37 | | |
| 1b | Enter the number of voting members included in line 1a, above, who are independent | | |
| | 37 | | |
| 2 | 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? | | X |
| 3 | 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? | | X |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | X | |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | X |
| 6 | Did the organization have members or stockholders? | | X |
| 7a | 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? | | X |
| 7b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | X |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | 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 | | X |

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

| | Yes | No |
|-----|-----|----|
| 10a | | X |
| b | | |
| 10b | | |
| 11a | X | |
| b | | |
| 11b | | |
| 12a | X | |
| b | X | |
| 12b | X | |
| c | X | |
| 12c | X | |
| 13 | X | |
| 14 | X | |
| 15 | | |
| a | X | |
| 15a | X | |
| b | | X |
| 15b | | X |
| 16a | | X |
| b | | |
| 16b | | |

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
- 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, physical address, and telephone number of the person who possesses the books and records of the organization: **LINDA K. MERRITT - 612-543-8100**
300 NICOLLET MALL, MINNEAPOLIS, MN 55401

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

Check if Schedule O contains a response to any question 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 (describe hours for related organizations in Schedule O) | (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) DANIEL H. SPILLER PRESIDENT | 1.00 | X | | X | | | 0. | 0. | 0. | |
| (2) LYNN CARLSON SCHELL VICE PRESIDENT | 1.00 | X | | X | | | 0. | 0. | 0. | |
| (3) MARGARET WUNDERLICH TREASURER | 1.00 | X | | X | | | 0. | 0. | 0. | |
| (4) SUE BUSCH NEHRING SECRETARY | 1.00 | X | | X | | | 0. | 0. | 0. | |
| (5) RICK BLISS DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (6) MARILYN CATHCART DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (7) BIZ COLBURN DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (8) EILEEN DAY DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (9) HOLLY DENIS DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (10) CHRIS FISCHBACH DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (11) G. BRYAN FLEMING DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (12) TOM GABRIEL DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (13) PAM GAGNON DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (14) JONATHAN GAW DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (15) JOHN GIBBS DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (16) KATHY GRAVES DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |
| (17) COURTNEY GRIMSRUD DIRECTOR | 1.00 | X | | | | | 0. | 0. | 0. | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (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 | | | |
| (18) TOM GROSSMAN DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (19) HOLLY GUNCHEON DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (20) STEPHEN KELLEHER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (21) IRENE KILPATRICK DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (22) MARY PAT LADNER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (23) LAURA LANGER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (24) RUSS LEMKER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (25) WILLIAM LEVIN, DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (26) ARLETA LITTLE DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| 1b Sub-total | | | | | | | | 0. | 0. | 0. |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 97,850. | 0. | 11,334. |
| d Total (add lines 1b and 1c) | | | | | | | | 97,850. | 0. | 11,334. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| NONE | | |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|--|--|----------------------|---|---|--|---------|
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 1075621. | | | | |
| | g <i>Noncash contributions included in lines 1a-1f \$</i> | | 126,869. | | | | |
| | h Total. Add lines 1a-1f | | 1075621. | | | | |
| Program Service Revenue | 2 a PROGRAM REVENUE | Business Code | 711130 | 204,838. | 204,838. | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a-2f | | | 204,838. | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | | 19,099. | | 19,099. | |
| | 4 Income from investment of tax-exempt bond proceeds | | | | | | |
| | 5 Royalties | | | | | | |
| | 6 a Gross rents | (i) Real | | | | | |
| | | (ii) Personal | | | | | |
| | | b Less: rental expenses | | | | | |
| | | c Rental income or (loss) | | | | | |
| | d Net rental income or (loss) | | | | | | |
| | 7 a Gross amount from sales of assets other than inventory | (i) Securities | | | | | |
| | | (ii) Other | | | | | |
| | | b Less: cost or other basis and sales expenses | | | | | |
| | | c Gain or (loss) | | | | | |
| | d Net gain or (loss) | | | | 14,823. | | 14,823. |
| | 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | a | | | | | |
| | | b Less: direct expenses | b | | | | |
| c Net income or (loss) from fundraising events | | | | | | | |
| 9 a Gross income from gaming activities. See Part IV, line 19 | a | | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10 a Gross sales of inventory, less returns and allowances | a | | | | | | |
| | b Less: cost of goods sold | b | 118773. | | | | |
| | c Net income or (loss) from sales of inventory | | 136402. | -17,629. | | -17,629. | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11 a | | | | | | | |
| b | | | | | | | |
| c | | | | | | | |
| d All other revenue | | | | | | | |
| e Total. Add lines 11a-11d | | | | | | | |
| 12 Total revenue. See instructions. | | | 1296752. | 204,838. | 0. | 16,293. | |

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) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question 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 |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | 256,670. | 256,670. | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 109,183. | 65,510. | 10,918. | 32,755. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 334,574. | 211,938. | 59,472. | 63,164. |
| 8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions) | 8,652. | 5,223. | 1,413. | 2,016. |
| 9 Other employee benefits | 21,368. | 12,942. | 4,208. | 4,218. |
| 10 Payroll taxes | 31,271. | 20,254. | 3,984. | 7,033. |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | 19,635. | | 19,635. | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other | 43,383. | 43,213. | | 170. |
| 12 Advertising and promotion | 8,602. | 8,602. | | |
| 13 Office expenses | 104,621. | 64,108. | 2,935. | 37,578. |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | 13,907. | 11,569. | 491. | 1,847. |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 7,883. | 1,332. | 4,976. | 1,575. |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 215. | | 215. | |
| 23 Insurance | 4,137. | | 4,137. | |
| 24 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.) | | | | |
| a PROGRAM LOGISTICS | 189,546. | 174,431. | 3,273. | 11,842. |
| b BAD DEBT EXPENSE | 50,000. | | 50,000. | |
| c PROCESSING FEES | 30,806. | 23,871. | 3,652. | 3,283. |
| d DUES AND SUBSCRIPTIONS | 6,037. | 1,790. | 148. | 4,099. |
| e All other expenses | | | | |
| 25 Total functional expenses. Add lines 1 through 24e | 1,240,490. | 901,453. | 169,457. | 169,580. |
| 26 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

| | | (A) Beginning of year | | (B) End of year |
|---|--|--------------------------|------------|--------------------|
| Assets | 1 Cash - non-interest-bearing | 204,439. | 1 | 254,321. |
| | 2 Savings and temporary cash investments | 213,550. | 2 | 1,003,590. |
| | 3 Pledges and grants receivable, net | 117,338. | 3 | 53,161. |
| | 4 Accounts receivable, net | 6,676. | 4 | 16,805. |
| | 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | | |
| | 6 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 instructions) | | | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 51,825. | 8 | 44,214. |
| | 9 Prepaid expenses and deferred charges | 20,582. | 9 | 16,380. |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 8,521. | | |
| | b Less: accumulated depreciation | 10b 7,770. | 965. | 10c 751. |
| | 11 Investments - publicly traded securities | 1,868,647. | 11 | 1,073,114. |
| | 12 Investments - other securities. See Part IV, line 11 | | 12 | |
| | 13 Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 47,399. | 15 | 40,583. |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 2,531,421. | 16 | 2,502,919. | |
| Liabilities | 17 Accounts payable and accrued expenses | 17,280. | 17 | 16,908. |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | 116,324. | 19 | 122,605. |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 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 | | 23 | |
| | 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 | | 25 | |
| | 26 Total liabilities. Add lines 17 through 25 | 133,604. | 26 | 139,513. |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | 1,526,700. | 27 | 1,563,154. |
| | 28 Temporarily restricted net assets | 329,147. | 28 | 257,172. |
| | 29 Permanently restricted net assets | 541,970. | 29 | 543,080. |
| | Organizations that do not follow SFAS 117, 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 Total net assets or fund balances | 2,397,817. | 33 | 2,363,406. | |
| 34 Total liabilities and net assets/fund balances | 2,531,421. | 34 | 2,502,919. | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

| | | | |
|---|--|---|------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 1,296,752. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 1,240,490. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 56,262. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 2,397,817. |
| 5 | Other changes in net assets or fund balances (explain in Schedule O) | 5 | -90,673. |
| 6 | Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) | 6 | 2,363,406. |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

- 1 Accounting method used to prepare the Form 990: Cash Accrual 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?
- b Were the organization's financial statements audited by an independent accountant?
- 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.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- 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?
- 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.

| | Yes | No |
|----|-----|----|
| 2a | | X |
| 2b | X | |
| 2c | X | |
| 3a | | X |
| 3b | | |

Form 990 (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Open to Public Inspection

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization: **FRIENDS OF THE HENNEPIN COUNTY LIBRARY**
Employer identification number: **36-3579536**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 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 exempt 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). (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | Yes | No |
|----------|-----|----|
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |

 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? | | (v) Did you notify the organization in col. (i) of your support? | | (vi) Is the organization in col. (i) organized in the U.S.? | | (vii) Amount of support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |

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

Schedule A (Form 990 or 990-EZ) 2011

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) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|----------|----------|------------|----------|------------|------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 450,525. | 612,827. | 1,465,966. | 997,494. | 1,075,621. | 4,602,433. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | 450,525. | 612,827. | 1,465,966. | 997,494. | 1,075,621. | 4,602,433. |
| 5 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) | | | | | | 131,703. |
| 6 Public support. Subtract line 5 from line 4 | | | | | | 4,470,730. |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|----------|----------|------------|----------|------------|------------|
| 7 Amounts from line 4 | 450,525. | 612,827. | 1,465,966. | 997,494. | 1,075,621. | 4,602,433. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 23,511. | 19,425. | 28,079. | 9,222. | 19,099. | 99,336. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | 4,701,769. |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | 1,287,158. |
| 13 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 <input type="checkbox"/> | | | | | | |

Section C. Computation of Public Support Percentage

| | | |
|--|----|---------|
| 14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) | 14 | 95.09 % |
| 15 Public support percentage from 2010 Schedule A, Part II, line 14 | 15 | 93.25 % |
| 16a 33 1/3% support test - 2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/> | | |
| b 33 1/3% support test - 2010. 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 stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/> | | |
| 17a 10% -facts-and-circumstances test - 2011. 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 stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/> | | |
| b 10% -facts-and-circumstances test - 2010. 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 stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/> | | |
| 18 Private foundation. 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) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 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 | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| 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 | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 Public support (Subtract line 7c from line 6) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 Total support (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

| | | |
|--|-----------|---|
| 15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2010 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|---|-----------|---|
| 17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2010 Schedule A, Part III, line 17 | 18 | % |

19a 33 1/3% support tests - 2011. 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 - 2010. 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

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. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

FRIENDS OF THE HENNEPIN COUNTY LIBRARY

Employer identification number

36-3579536

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 | | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 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 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 type="checkbox"/> Yes <input type="checkbox"/> No |

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

- Purpose(s) of conservation easements held by the organization (check all that apply).

| | |
|--|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |
- 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 |
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- Number of states where property subject to conservation easement is located ▶ _____
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- 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)? Yes No
- In Part XIV, 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.

- 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 XIV, the text of the footnote to its financial statements that describes these items.
- 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) Revenues included in Form 990, Part VIII, line 1 | ▶ \$ _____ |
| (ii) Assets included in Form 990, Part X | ▶ \$ _____ |
- 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 Revenues 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 XIV.

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 XIV and complete the following table:

| | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

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

| | (a) Current year | (b) Pnor year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|---------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 1,183,283. | 991,617. | 1,007,652. | 504,117. | |
| b Contributions | 1,110. | 13,120. | 13,119. | 490,108. | |
| c Net investment earnings, gains, and losses | -49,306. | 181,090. | 22,208. | 13,427. | |
| d Grants or scholarships | 40,164. | 2,544. | 51,362. | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | 1,094,923. | 1,183,283. | 991,617. | 1,007,652. | |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment 45.00 %
- b Permanent endowment 50.00 %
- c Temporarily restricted endowment 5.00 %

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:

- (i) unrelated organizations
- (ii) related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | X |
| 3a(ii) | | X |
| 3b | | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. 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 |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | | 8,521. | 7,770. | 751. |
| e Other | | | | |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)) | | | | 751. |

Part VII Investments - Other Securities. 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) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| (I) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶ | | |

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|--|----------------|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶ | | |

Part IX Other Assets. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶ | |

Part X Other Liabilities. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| (11) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶ | |

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

| | | | |
|----|--|----|------------|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 1,296,752. |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 1,240,490. |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | 56,262. |
| 4 | Net unrealized gains (losses) on investments | 4 | -83,857. |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV.) | 8 | -6,816. |
| 9 | Total adjustments (net). Add lines 4 through 8 | 9 | -90,673. |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | -34,411. |

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

| | | | |
|---|---|----|------------|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | 1,562,245. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains on investments | 2a | -83,857. |
| b | Donated services and use of facilities | 2b | 219,764. |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIV.) | 2d | 129,586. |
| e | Add lines 2a through 2d | 2e | 265,493. |
| 3 | Subtract line 2e from line 1 | 3 | 1,296,752. |
| 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 | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | 0. |
| 5 | Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | 5 | 1,296,752. |

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

| | | | |
|---|--|----|------------|
| 1 | Total expenses and losses per audited financial statements | 1 | 1,596,656. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | 219,764. |
| b | Prior year adjustments | 2b | |
| c | Other losses | 2c | |
| d | Other (Describe in Part XIV.) | 2d | 136,402. |
| e | Add lines 2a through 2d | 2e | 356,166. |
| 3 | Subtract line 2e from line 1 | 3 | 1,240,490. |
| 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 | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | 0. |
| 5 | Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | 5 | 1,240,490. |

Part XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4: ENDOWMENT FUNDS ARE TO BE USED TO ENHANCE THE HENNEPIN

COUNTY LIBRARY COLLECTIONS AND PROGRAMS.

PART X, LINE 2: FRIENDS OF THE HENNEPIN COUNTY LIBRARY FOLLOWS

GUIDANCE REGARDING THE RECOGNITION OF UNCERTAIN TAX POSITIONS. THIS

GUIDANCE PRESCRIBES A RECOGNITION THRESHOLD 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. FRIENDS OF OF THE HENNEPIN COUNTY

Part XIV Supplemental Information (continued)

LIBRARY'S TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL AND STATE AUTHORITIES. THE TAX RETURNS FOR THE YEARS 2008 THROUGH 2011 ARE OPEN TO EXAMINATION BY FEDERAL AND STATE AUTHORITIES.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

CHANGE IN ANNUITY TRUST VALUE -6,816.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

COST OF GOODS SOLD 136,402.

CHANGE IN ANNUITY TRUST VALUE -6,816.

TOTAL TO SCHEDULE D, PART XII, LINE 2D 129,586.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

COST OF GOODS SOLD 136,402.

SCHEDULE I (Form 990)
 Department of the Treasury
 Internal Revenue Service

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

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

Name of the organization: **FRIENDS OF THE HENNEPIN COUNTY LIBRARY**
 Employer identification number: **36-3579536**

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. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient 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 |
|--|------------|-------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| HENNEPIN COUNTY LIBRARY 12601 RIDGEDALE DRIVE MINNETONKA, MN 55305 | 41-6005801 | 115(1) | 256,670 | 0 | N/A | N/A | GENERAL OPERATING SUPPORT |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

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

3 Enter total number of other organizations listed in the line 1 table: **0**

Part III. Grants and Other Assistance to Individuals in the United States. 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. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: FRIENDS OF THE HENNEPIN COUNTY LIBRARY STAFF
 WORK CLOSELY WITH THE HENNEPIN COUNTY LIBRARY STAFF TO SEEK PRIVATE FUNDING
 TO ENHANCE COLLECTIONS AND PROGRAMS NOT FULLY FUNDED THROUGH PUBLIC REVENUE
 STREAMS. LIBRARY AND FRIENDS THE HENNEPIN COUNTY LIBRARY STAFF WORK
 TOGETHER TO DOCUMENT AND REPORT ON THE EXPENDITURE OF THESE PRIVATELY
 SECURED GRANT FUNDS.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2011

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.

Name of the organization: **FRIENDS OF THE HENNEPIN COUNTY LIBRARY**
Employer identification number: **36-3579536**

| 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 | X | | 102,205. | ESTIMATED FMV |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities - Publicly traded | X | 10 | 24,664. | FMV |
| 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 ▶ () | | | | |
| 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**

| | Yes | No |
|---|-----|----|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 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) (2011)

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE M, LINE 32B: FUND FINDERS SELLS UNUSUAL BOOKS ONLINE ON THE ORGANIZATION'S BEHALF.

Lined area for supplemental information.

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.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization

FRIENDS OF THE HENNEPIN COUNTY LIBRARY

Employer identification number

36-3579536

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

PEOPLE WHO ATTENDED A VARIETY OF 19 ADDITIONAL LITERARY EVENTS
THROUGHOUT THE YEAR. THERE WERE 44 VOLUNTEERS THAT ASSISTED STAFF WITH
THESE AD-HOC PROGRAMS.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

BOOKSTORE:

THE FRIENDS OPERATED ONE USED BOOKSTORE. THE BOOKSTORE 'RECYCLES'
RETIRED LIBRARY MATERIALS AS WELL AS BOOKS DONATED BY THE PUBLIC AT
VERY REASONABLE PRICES TO THE COMMUNITY. THE STORES ARE STAFFED BY A
STORE MANAGER AND ASSISTANT MANAGER WITH THE HELP OF 37 VOLUNTEERS, WHO
CONTRIBUTED 3,182 HOURS.

EXPENSES \$ 57,162. INCLUDING GRANTS OF \$ 0. REVENUE \$ 0.

**FORM 990, PART VI, SECTION A, LINE 1: THE CHARTER OF THE EXECUTIVE
COMMITTEE IS TO PROVIDE OVERALL LEADERSHIP AND DIRECTION FOR THE
ORGANIZATION, ENSURE THAT THE BOARD OF DIRECTORS FULFILLS ITS GOVERNANCE
FUNCTION, AND SUPPORTS THE EXECUTIVE DIRECTOR. BETWEEN REGULARLY SCHEDULED
MEETINGS OF THE BOARD, THE EXECUTIVE COMMITTEE IS EMPOWERED TO ACT AND MAKE
DECISIONS FOR THE ORGANIZATION REGARDING MOST DAY-TO-DAY OPERATIONS.**

THE COMMITTEE WILL CONCERN ITSELF WITH INSURING THAT THE BOARD STRUCTURE
ENABLES THE BOARD TO CARRY OUT ITS FIDUCIARY RESPONSIBILITIES BY LEADING
EFFORTS TO ESTABLISH AND REVIEW STRATEGIC PLANS, ORGANIZING AND
COORDINATING THE WORK OF COMMITTEES, RECRUITING AND ORIENTING NEW BOARD

| | |
|---|---|
| Name of the organization FRIENDS OF THE HENNEPIN COUNTY LIBRARY | Employer identification number 36-3579536 |
|---|---|

MEMBERS AND DESIGNING SELF-EVALUATION SYSTEMS FOR THE BOARD. THE EXECUTIVE COMMITTEE WILL CARRY OUT AND REPORT TO THE BOARD A YEARLY EVALUATION OF THE EXECUTIVE DIRECTOR. THE EXECUTIVE COMMITTEE IS COMPRISED OF THE FOLLOWING PEOPLE:

DAN SPILLER, PRESIDENT

LYNN CARLSON SCHELL, VICE PRESIDENT

MARGARET WUNDERLICH, TREASURER

SUE BUSCH NEHRING, SECRETARY

HOLLY DENIS, DEVELOPMENT COMMITTEE CO-CHAIR

TOM GROSSMAN, DEVELOPMENT COMMITTEE CO- CHAIR

LAURA LANGER, PUBLIC AWARENESS COMMITTEE CHAIR

WES SKOGLUND, ADVOCACY COMMITTEE CHAIR

KATHY GRAVES, AT-LARGE

VELIA MELROSE, AT-LARGE

LOIS LANGER THOMPSON, INTERIM LIBRARY DIRECTOR - EX-OFFICIO

STU WILSON, STAFF - EX-OFFICIO

FORM 990, PART VI, SECTION A, LINE 4: THE ORGANIZATION HAS REVISED ITS ARTICLES OF INCORPORATION AND BYLAWS TO REFLECT THE NAME CHANGE TO FRIENDS OF THE HENNEPIN COUNTY LIBRARY.

FORM 990, PART VI, SECTION B, LINE 11: THE FINANCE COMMITTEE REVIEWS THE FORM 990 FOR ACCURACY AND COMPLETENESS, THEN FORWARDS FOR APPROVAL OF THE FULL BOARD PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION'S CONFLICT OF INTEREST POLICY COVERS DIRECTORS, STAFF OR FAMILY MEMBERS OF DIRECTORS AND

Name of the organization

FRIENDS OF THE HENNEPIN COUNTY LIBRARY

Employer identification number

36-3579536

STAFF. EACH RESPONSIBLE PERSON SHALL ANNUALLY COMPLETE A DISCLOSURE FORM IDENTIFYING ANY RELATIONSHIPS, POSITIONS OR CIRCUMSTANCES IN WHICH THE RESPONSIBLE PERSON IS INVOLVED THAT HE OR SHE BELIEVES COULD CONTRIBUTE TO A CONFLICT OF INTEREST ARISING. SUCH RELATIONSHIPS, POSITIONS OR CIRCUMSTANCES MIGHT INCLUDE SERVICE AS A DIRECTOR OF OR CONSULTANT TO A NONPROFIT ORGANIZATION, OR OWNERSHIP OF A BUSINESS THAT MIGHT PROVIDE GOODS OR SERVICES TO FRIENDS OF THE HENNEPIN COUNTY LIBRARY. ANY SUCH INFORMATION REGARDING BUSINESS INTERESTS OF A RESPONSIBLE PERSON OR A FAMILY MEMBER SHALL BE TREATED AS CONFIDENTIAL AND SHALL GENERALLY BE MADE AVAILABLE ONLY TO THE CHAIR, THE PRESIDENT, AND ANY COMMITTEE APPOINTED TO ADDRESS CONFLICTS OF INTEREST, EXCEPT TO THE EXTENT ADDITIONAL DISCLOSURE IS NECESSARY IN CONNECTION WITH THE IMPLEMENTATION OF THIS POLICY. PERSONS WHO HAVE A CONFLICT OF INTEREST MAY NOT PARTICIPATE IN THE DISCUSSION OR VOTE ON DECISIONS THAT MAY HAVE AN IMPACT ON THE SUBJECT OF THE CONFLICT. THE MEETING MINUTES DOCUMENT ANY INDIVIDUAL EXCUSED FROM A A MEETING, DISCUSSION OR VOTE DUE TO A POTENTIAL CONFLICT.

THIS POLICY SHALL BE REVIEWED ANNUALLY BY EACH MEMBER OF THE BOARD OF DIRECTORS. ANY CHANGES TO THE POLICY SHALL BE COMMUNICATED IMMEDIATELY TO ALL RESPONSIBLE PERSONS.

FORM 990, PART VI, SECTION B, LINE 15A: THE FULL BOARD PARTICIPATES IN THE EXECUTIVE DIRECTOR'S ANNUAL REVIEW. THE EXECUTIVE DIRECTOR SUBMITS A WRITTEN ASSESSMENT TO THE BOARD CHAIR AND MEMBERS OF THE EXECUTIVE COMMITTEE. THE COMMITTEE MEMBERS SUBMIT THEIR EVALUATIONS BASED ON TWO ASSESSMENT INSTRUMENTS: (A) A NUMERICAL "SKILLS ASSESSMENT" FORM COMPRISING SIX AREAS LEADERSHIP, FUND DEVELOPMENT, PROGRAMS AND ACTIVITIES,

ADMINISTRATIVE MANAGEMENT, FISCAL MANAGEMENT, AND BOARD RELATIONSHIPS), AND

Name of the organization

FRIENDS OF THE HENNEPIN COUNTY LIBRARY

Employer identification number

36-3579536

(B) A SET OF SIX QUESTIONS INVITING THEIR WRITTEN RESPONSES RELATING TO THE EXECUTIVE DIRECTOR'S ACHIEVEMENTS AND SOLICITING THEIR SUGGESTIONS FOR ENHANCING THE EXECUTIVE DIRECTOR'S PERFORMANCE IN THE COMING YEAR.

MEMBERS OF THE BOARD ARE ALSO PROVIDED THE SECOND INSTRUMENT. EVERY OTHER YEAR OR SO, THE STAFF ARE SURVEYED AND SUGGESTIONS MAY BE USED BY THE BOARD FOR INFORMAL FEEDBACK THE EXECUTIVE DIRECTOR. BASED ON COMMENTS AND SURVEY RESULTS, THE CHAIR WRITES AND SUBMITS A DRAFT PERFORMANCE SUMMARY TO THE EXECUTIVE COMMITTEE. AFTER COMMITTEE REVIEW, A FORMAL PERFORMANCE SUMMARY IS FORWARDED TO THE EXECUTIVE DIRECTOR AND ALSO PLACED IN THE EXECUTIVE DIRECTOR'S PERSONNEL FILE. THE EXECUTIVE DIRECTOR AND BOARD CHAIR MEET IN PERSON TO DISCUSS THE REVIEW. THE EXECUTIVE DIRECTOR MAY MAKE A WRITTEN RESPONSE TO THE REVIEW WHICH IS ALSO PLACED IN THE PERSONNEL FILE. THE LAST REVIEW FOR EXECUTIVE DIRECTOR, STU WILSON WAS COMPLETED IN 2011.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION SUBMITS ANNUAL REPORTS TO THE MINNESOTA OFFICE OF THE ATTORNEY GENERAL AND THE CHARITIES REVIEW COUNCIL. THESE REPORTS ARE MADE AVAILABLE TO THE PUBLIC THROUGH THEIR OFFICES AND WEBSITES. ADDITIONALLY, THE ORGANIZATION PRODUCES AN ANNUAL REPORT WHICH DISCLOSES THE OPERATIONS OF THE FISCAL YEAR. THE ORGANIZATION MAKES AVAILABLE TO THE PUBLIC COPIES OF OUR ANNUAL AUDITED FINANCIAL STATEMENTS, TAX FILINGS, CONFLICT OF INTEREST POLICY, AND OTHER GOVERNING DOCUMENTS UPON REQUEST.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

| | |
|---------------------------------------|----------|
| NET UNREALIZED LOSSES ON INVESTMENTS: | -83,857. |
| CHANGE IN ANNUITY TRUST VALUE | -6,816. |
| TOTAL TO FORM 990, PART XI, LINE 5 | -90,673. |

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
FRIENDS OF THE HENNEPIN COUNTY LIBRARY**

**ARTICLE I
NAME**

The name of the corporation is Friends of the Hennepin County Library.

**ARTICLE II
PURPOSES AND POWERS**

1. The Corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future federal tax law (the "Code"), and in particular, to bring together persons interested in stimulating public support, understanding and use of the Hennepin County Library; to encourage and receive gifts, endowments, and bequests for the benefit of the Library; and to support and cooperate with the Library representatives in developing services and programs for all libraries in the Hennepin County Library system.
2. The Corporation may receive gifts and bequests and hold, administer, and dispose of the same exclusively for the accomplishment of the charitable purposes for which the Corporation was created. The Corporation in carrying out its purposes shall have all powers granted by law to a corporation formed under the Minnesota Nonprofit Corporation Act, Minnesota Statutes Chapter 317A, as amended.
3. Notwithstanding any provision herein, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code.
4. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, except to the extent permitted by law, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

**ARTICLE III
NO PRIVATE INUREMENT**

No part of the net earnings of the Corporation shall inure to the benefit of any private individual, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and make payments and distributions in furtherance of the purposes set forth in Article II hereof.

**ARTICLE IV
REGISTERED OFFICE**

The registered office of the Corporation in the State of Minnesota shall be

300 Nicollet Mall
Minneapolis, Minnesota 55401

**ARTICLE V
NO VOTING MEMBERS**

The Corporation shall not have voting members. One or more classes of non-voting members may be established in the Bylaws of the Corporation.

**ARTICLE VI
BOARD OF DIRECTORS**

1. The general management of the Corporation shall be vested in a Board of Directors. The number, qualifications, term of office, method of election, powers, authorities, and duties of the Directors, the time and place of their meetings, and such other provisions with respect to them as are not inconsistent with the express provisions of the Articles of Incorporation shall be as specified in the Bylaws of the Corporation.

2. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting by written action signed by the number of Directors that would be required to take the same action at a meeting of the Board of Directors at which all Directors were present, provided that when the action is taken by less than all Directors, all Directors must be notified immediately of its text and effective date. The written action shall be effective when signed by the required number of Directors, unless a different effective time is provided in the written action. A Director who does not sign or consent to the written action is not liable for the action.

**ARTICLE VII
DISSOLUTION**

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for payment of all liabilities of the Corporation, distribute the assets of the Corporation to such organization or organizations as the Board may determine which are organized and operated exclusively for charitable or educational purposes and which qualify as exempt organizations under Section 501(c)(3) of the Code. Any assets not so disposed of shall be disposed of by the district court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated exclusively for such purposes. Notwithstanding any provisions herein to the contrary, nothing herein shall be construed to affect the disposition of property and assets held by the Corporation upon trust or other condition, or subject to any executory or special limitation, and such property, upon dissolution of the Corporation, shall be transferred in accordance with the trust, condition or limitation imposed with respect to it.

**ARTICLE VIII
AMENDMENT**

The Articles of Incorporation may be amended or revoked by majority vote of all Directors.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week | (C) Position (check all that apply) | | | | | | (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 | | | |
| (27) HILARY MARDEN-RESNIK DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (28) CHRISTINA MELLOH DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (29) VELIA MELROSE DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (30) KRISTI PEARSON DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (31) ANN PHILLIPS DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (32) JENNY SKINNER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (33) WES SKOGLUND DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (34) MAURA STEBLAY DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (35) ARDIS WEXLER DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (36) GREG WEYANDT DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (37) LISA WHITEHILL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (38) LOIS LANGER EX-OFFICIO | 1.00 | X | | | | | | 0. | 0. | 0. |
| (39) THERESE VANBLARCOM EX-OFFICIO | 1.00 | X | | | | | | 0. | 0. | 0. |
| (40) STU WILSON EXECUTIVE DIRECTOR | 40.00 | | | X | | | | 97,850. | 0. | 11,334. |
| Total to Part VII, Section A, line 1c | | | | | | | | 97,850. | | 11,334. |