

Return of Organization Exempt From Income Tax

2008

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.

Header section containing organization name (DIVERSITY COUNCIL), address (1130 1/2 7TH STREET NW, ROCHESTER, MN 55901), EIN (1709139), and other identifying information.

Part I Summary

Summary table with columns for line number, description, and amounts for Prior Year and Current Year. Includes sections for Activities & Governance, Revenue, Expenses, and Net Assets or Fund Balances.

Part II Signature Block

Declaration of preparer: 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.

Signature block containing the signature of Stephen W. Lehmkuhle, President, dated Aug. 3, 2009, and preparer information.

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:
TO CREATE AN INCLUSIVE AND WELCOMING COMMUNITY THROUGH EDUCATION

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

4 Describe the exempt purpose achievements for each of the organization's three largest program services 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 \$ 166,574, including grants of \$ 0.) (Revenue \$ 65,456.)
EDUCATION: WE EDUCATE CHILDREN, YOUTH, AND ADULTS IN ORDER TO INCREASE EMPATHY, SELF-ESTEEM, AND KNOWLEDGE AND DEVELOP CRITICAL THINKING SKILLS. IN 2008 WE: HELD PREJUDICE REDUCTION WORKSHOPS FOR 16,834 STUDENTS IN GRADES K-12, DEVELOPED NEW CURRICULA FOR GRADES 5 (RACISM), 6 (DIVERSITY IN MN), AND 7 (BULLYING) AND CUSTOMIZED CURRICULA TO THE NEEDS OF SPECIFIC HIGH SCHOOLS; LED AFTER SCHOOL PROGRAMS OF GAMES, ACTIVITIES, AND DISCUSSIONS TO CHALLENGE AT-RISK MIDDLE SCHOOL STUDENTS TO BREAK OUT OF THE BOUNDARIES THAT LIMIT THEIR OPPORTUNITIES; TRAINED 300 FAMILIES IN THE EFFICACY INSTITUTE MODEL, WHICH EQUIPS PARENTS TO HELP THEIR CHILDREN ACHIEVE ACADEMIC PROFICIENCY; PROVIDED WORKSHOPS FOR 350 TEACHERS AND ADMINISTRATORS ON RACE, WHITE PRIVILEGE, AND THE RELATIONSHIP BETWEEN RACE AND THE ACHIEVEMENT GAP; LED VOICES (VALUING OUR IMMIGRANTS' CONTRIBUTIONS TO ECONOMIC SUCCESS), A COMMUNITY ENGAGEMENT PROJECT TO CREATE MUTUAL ECONOMIC SUCCESS; AND SERVED 2000 ADULTS WITH WORKSHOPS.

4b (Code:) (Expenses \$ 35,787, including grants of \$ 0.) (Revenue \$ 1,338.)
COMMUNITY COLLABORATION: WE COLLABORATE WITH INDIVIDUALS AND GROUPS AND LEND OUR EXPERTISE IN ORDER TO STRENGTHEN COMMUNITY EFFORTS TO ELIMINATE DISCRIMINATION, REDUCE VIOLENCE, PROMOTE DIVERSITY, AND SUPPORT DIVERSE COMMUNITIES. IN 2008 WE: JOINED WITH SEVERAL LOCAL ORGANIZATIONS TO ORGANIZE "FAITH AND FAIRNESS," A FORUM ON THE GLBT COMMUNITY AND RELIGIOUS INSTITUTIONS; HELPED SPONSOR A TWO-DAY CONFERENCE FEATURING VICTOR LEWIS, DIRECTOR OF THE CENTER OF DIVERSITY LEADERSHIP, TO FOSTER DISCUSSION ON RACIAL JUSTICE IN THE COMMUNITY; FACILITATED DISCUSSION OF THE AWARD-WINNING DOCUMENTARY "THE COLOR OF FEAR" IN THE U OF MN EXTENSION DIVERSITY DIALOGUES SERIES; WORKED WITH THE ROCHESTER PUBLIC LIBRARY TO PROMOTE COMMUNITY-WIDE DISCUSSION OF "THREE CUPS OF TEA: ONE MAN'S MISSION TO PROMOTE PEACE...ONE SCHOOL AT A TIME"; ASSISTED ORGANIZATIONS SUCH AS ROCHESTER CIVIC THEATRE, SEASONS HOSPICE, AND BOY SCOUTS IN THEIR EFFORTS TO INCLUDE AND SERVE DIVERSE COMMUNITIES

4c (Code:) (Expenses \$ 12,699, including grants of \$ 0.) (Revenue \$ 0.)
COMMUNICATION: WE COMMUNICATE ACCURATE INFORMATION THAT CHALLENGES STEREOTYPES, PROVIDES INFORMATION ABOUT THE RICH DIVERSITY OF HUMAN EXPERIENCE, AND SUGGESTS CONCRETE ACTIONS TO REDUCE PREJUDICE AND DISCRIMINATION. IN 2008 WE: PUBLISHED 3 NEWSLETTERS IN THE "POST BULLETIN," ROCHESTER'S DAILY NEWSPAPER (CIRC. 40,950), EXPLORING TOPICS SUCH AS PARENTAL ENGAGEMENT AND STUDENT SUCCESS, COSTUMES AND STEREOTYPES ON HALLOWEEN, AND CLOSING THE VOTER PARTICIPATION GAP; DISTRIBUTED MONTHLY ELECTRONIC NEWSLETTER TO 500 SUBSCRIBERS WITH UPDATES ON LOCAL DIVERSITY ISSUES, OPPORTUNITIES, AND EVENTS; AND SENT THE "BUSINESS EDGE" NEWSLETTER TO 235 BUSINESSES, FOCUSING ON THE CHALLENGES AND OPPORTUNITIES OF A DIVERSE WORKFORCE AND CUSTOMER BASE, AS WELL AS SUCCESS STORIES FROM LOCAL BUSINESSES.

4d Other program services. (Describe in Schedule O.)
(Expenses \$ 6,781, including grants of \$ 0.) (Revenue \$ 0.)

4e Total program service expenses ► \$ 221,841 (Must equal Part IX, Line 25, column (B).)

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)? If "Yes," complete Schedule A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	<input type="checkbox"/>	<input type="checkbox"/>
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? If "Yes," complete Schedule D, Part IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(iii)? If "Yes," complete Schedule E	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? If "Yes," complete Schedule F, Part II.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? If "Yes," complete Schedule F, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	<input type="checkbox"/>	<input checked="" type="checkbox"/>
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<input type="checkbox"/>	<input type="checkbox"/>
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	<input type="checkbox"/>	<input type="checkbox"/>
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<input type="checkbox"/>	<input type="checkbox"/>
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? If "Yes," complete Schedule L, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? If "Yes," complete Schedule L, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		✓
28a			✓
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		✓
28b			✓
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		✓
28c			✓
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
29			✓
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>		✓
30			✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
31			✓
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>		✓
32			✓
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>		✓
33			✓
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>		✓
34			✓
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
35			✓
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>		✓
36			✓
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>		✓
37			✓

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No		
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	4		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	6		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to <i>e-file</i> this return. (see instructions)	2b	✓		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a		✓	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		✓	
4b	If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		✓	
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		✓	
5c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Did the organization solicit any contributions that were not tax deductible?	6a		✓	
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	Organizations that may receive deductible contributions under section 170(c).				
7a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a		✓	
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		✓	
7d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		✓	
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		✓	
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	✓		
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	✓		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.				
9a	Did the organization make any taxable distributions under section 4966?	9a			
9b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	Section 501(c)(7) organizations. Enter:				
10a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations. Enter:				
11a	Gross income from members or shareholders	11a			
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		14
1b	Enter the number of voting members that are independent		14
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?		✓
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?		✓
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	✓	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		✓
6	Does the organization have members or stockholders?	✓	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	✓	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	✓	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	✓	
b	Each committee with authority to act on behalf of the governing body?	✓	
9a	Does the organization have local chapters, branches, or affiliates?		✓
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	✓	
11	Is there any officer, director or 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		✓

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	✓	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	✓	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	✓	
13	Does the organization have a written whistleblower policy?	✓	
14	Does the organization have a written document retention and destruction policy?		✓
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a	The organization's CEO, Executive Director, or top management official?	✓	
b	Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	✓	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		✓
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

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 (501(c)(3)s only) available for public inspection. Indicate how you make 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 makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **KATHRYN BRUTINEL, 1130 1/2 7TH STREET NW, SUITE 204, ROCHESTER, MN (507)282-9951**

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- 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 the organization did not compensate any officer, director, trustee, or key employee.

(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			
ALI ABDULLAHI BOARD OF DIRECTORS	1	✓						0.	0.	0.
JOAN BACHMAN BOARD OF DIRECTORS	1	✓						0.	0.	0.
JIM BIER BOARD OF DIRECTORS	1	✓						0.	0.	0.
MARY CALLIER BOARD OF DIRECTORS	1	✓						0.	0.	0.
KIMBERLY HALL BOARD OF DIRECTORS	1	✓						0.	0.	0.
STEPHEN LEHMKUHLE BOARD OF DIRECTORS	1	✓						0.	0.	0.
LINDSAY-RAE MCINTYRE BOARD OF DIRECTORS	1	✓						0.	0.	0.
RAY PHELPS-BOWMAN BOARD OF DIRECTORS	1	✓						0.	0.	0.
BRUCE SNYDER BOARD OF DIRECTORS	1	✓						0.	0.	0.
AL WALBURN BOARD OF DIRECTORS	1	✓						0.	0.	0.
BARBARA PORTER PRESIDENT	2	✓		✓				0.	0.	0.
DAWN LITTLETON VICE PRESIDENT	1	✓		✓				0.	0.	0.
LINDA MATTI SECRETARY	1	✓		✓				0.	0.	0.
MARILYN HANSMANN TREASURER	1.5	✓		✓				0.	0.	0.
KAY HOCKER EXECUTIVE DIRECTOR	40			✓				49,920.	0.	2,496.

Part VII Statement of Revenue				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants, and other similar amounts	1a Federated campaigns	1a	34,543.					
	b Membership dues	1b	46,939.					
	c Fundraising events	1c	0.					
	d Related organizations	1d	0.					
	e Government grants (contributions).	1e	94,000.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	73,979					
	g Noncash contributions included in lines 1a-1f: \$		4,924.					
	h Total. Add lines 1a-1f			249,461.				
	Program Service Revenue	2a PRESENTATIONS & WKSHPs	Business Code	611600	66,294.	66,294.	0.	0.
b CURRICULUM			611600	499.	499.	0.	0.	
c								
d								
e								
f All other program service revenue								
g Total. Add lines 2a-2f					66,793.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			2,649.	0.	0.	2,649.	
	4 Income from investment of tax-exempt bond proceeds							
	5 Royalties							
	6a Gross Rents	(i) Real	(ii) Personal					
		b Less: rental expenses						
		c Rental income or (loss)						
		d Net rental income or (loss)						
	7a 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)						
	8a 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						
	9a Gross income from gaming activities. See Part IV, line 19	a						
b Less: direct expenses.		b						
c Net income or (loss) from gaming activities								
10a Gross sales of inventory, less returns and allowances	a							
	b Less: cost of goods sold	b						
	c Net income or (loss) from sales of inventory							
Miscellaneous Revenue		Business Code						
11a								
	b							
	c							
	d All other revenue							
e Total. Add lines 11a-11d								
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e				318,903.	66,793.	0.	2,649.	

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>		(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 U.S. See Part IV, line 21	0.	0.		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.	0.		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.	0.		
4	Benefits paid to or for members	0.	0.		
5	Compensation of current officers, directors, trustees, and key employees	52,773.	37,099.	10,344.	5,330.
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7	Other salaries and wages	95,119.	77,482.	3,109.	14,528.
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,095.	1,688.	146.	261.
9	Other employee benefits	6,216.	5,002.	353.	861.
10	Payroll taxes	12,261.	9,532.	1,065.	1,664.
11	Fees for services (non-employees):				
a	Management	0.	0.	0.	0.
b	Legal	0.	0.	0.	0.
c	Accounting	3,025.	0.	3,025.	0.
d	Lobbying	0.	0.	0.	0.
e	Professional fundraising services. See Part IV, line 17	0.	0.	0.	0.
f	Investment management fees	0.	0.	0.	0.
g	Other	0.	0.	0.	0.
12	Advertising and promotion	0.	0.	0.	0.
13	Office expenses	15,910.	11,939.	2,530.	1,441.
14	Information technology	1,454.	1,172.	130.	152.
15	Royalties	0.	0.	0.	0.
16	Occupancy	17,748.	14,309.	1,591.	1,848.
17	Travel	1,144.	1,032.	2.	110.
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0.	0.	0.	0.
19	Conferences, conventions, and meetings	2,259.	2,239.	0.	20.
20	Interest	166.	134.	15.	17.
21	Payments to affiliates	0.	0.	0.	0.
22	Depreciation, depletion, and amortization	5,471.	4,411.	490.	570.
23	Insurance	1,921.	1,548.	173.	200.
24	Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a	SUBCONTRACTED SERVICES	52,243.	49,457.	1,289.	1,497.
b	BOARD & STAFF DEVELOPMENT	4,534.	3,963.	65.	506.
c	WORKERS' COMPENSATION INS	1,034.	834.	92.	108.
d				
e				
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	275,373.	221,841.	24,419.	29,113.
26	Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year		
Assets	1	Cash—non-interest-bearing	35,192.	1	5,012.	
	2	Savings and temporary cash investments	113,625.	2	196,510.	
	3	Pledges and grants receivable, net	22,495.	3	15,993.	
	4	Accounts receivable, net	800.	4	500.	
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	0.	5	0.	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0.	6	0.	
	7	Notes and loans receivable, net	0.	7	0.	
	8	Inventories for sale or use	0.	8	0.	
	9	Prepaid expenses and deferred charges	1,772.	9	2,695.	
	10a	Land, buildings, and equipment: cost basis 10a	44,862.			
	b	Less: accumulated depreciation. Complete Part VI of Schedule D 10b	34,567.	7,564.	10c	10,295.
	11	Investments—publicly traded securities	0.	11	0.	
	12	Investments—other securities. See Part IV, line 11	0.	12	0.	
	13	Investments—program-related. See Part IV, line 11	0.	13	0.	
	14	Intangible assets	0.	14	0.	
	15	Other assets. See Part IV, line 11	3,096.	15	544.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	184,544.	16	231,549.		
Liabilities	17	Accounts payable and accrued expenses	6,373.	17	10,829.	
	18	Grants payable	0.	18	0.	
	19	Deferred revenue	0.	19	0.	
	20	Tax-exempt bond liabilities	0.	20	0.	
	21	Escrow account liability. Complete Part IV of Schedule D	0.	21	0.	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0.	22	0.	
	23	Secured mortgages and notes payable to unrelated third parties	0.	23	0.	
	24	Unsecured notes and loans payable	0.	24	0.	
	25	Other liabilities. Complete Part X of Schedule D	1,493.	25	512.	
	26	Total liabilities. Add lines 17 through 25	7,866.	26	11,341.	
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	159,778.	27	177,053.	
	28	Temporarily restricted net assets	16,900.	28	43,155.	
	29	Permanently restricted net assets	0.	29	0.	
	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	0.	30	0.	
	31	Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.	
	32	Retained earnings, endowment, accumulated income, or other funds	0.	32	0.	
33	Total net assets or fund balances	176,678.	33	220,208.		
34	Total liabilities and net assets/fund balances	184,544.	34	231,549.		

Part XI Financial Statements and Reporting

- 1 Accounting method used to prepare the Form 990: Cash Accrual Other
- 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 lines 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?
- 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?

	Yes	No
2a	✓	
2b	✓	
2c		✓
3a		✓
3b		

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	250,780.	245,744.	243,281.	230,031.	249,461.	1,219,297.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0.	0.	0.	0.	0.	0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0.	0.	0.	0.	0.	0.
4 Total. Add lines 1-3	250,780.	245,744.	243,281.	230,031.	249,461.	1,219,297.
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)						21,166.
6 Public support. Subtract line 5 from line 4.						1,198,231.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	250,780.	245,744.	243,281.	230,031.	249,461.	1,219,297.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	729.	2,908.	5,436.	7,868.	2,649.	19,590.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0.	0.	0.	0.	0.	0.
11 Total support. Add lines 7 through 10						1,238,887.
12 Gross receipts from related activities, etc. (see instructions)					12	183,610.
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 2008 (line 6, column (f) divided by line 11, column (f))	14	96.72 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	98.99 %
16a 33 1/3% support test—2008. 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—2007. 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—2008. 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—2007. 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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 1-5						
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 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
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) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3 % support tests—2008. 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—2007. 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 B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No. 1545-0047

2008

Name of the organization

Diversity Council

Employer identification number

41

1709139

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

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

Special Rules

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
DIVERSITY COUNCILEmployer identification number
41 1709139**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	UNITED WAY OF OLMSTED COUNTY 903 WEST CENTER STREET ROCHESTER, MN 55902	\$ 32,942.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	OLMSTED COUNTY 151 FOURTH STREET SE ROCHESTER, MN 55904	\$ 32,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	CITY OF ROCHESTER 201 FOURTH STREET SE ROCHESTER, MN 55904	\$ 62,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	MAYO CLINIC 200 FIRST STREET SW ROCHESTER, MN 55902	\$ 37,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	THINK 5200 MEMBERS PARKWAY NW ROCHESTER, MN 55901	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	ST. PAUL FOUNDATION 55 FIFTH STREET EAST SUITE 600 ST. PAUL, MN 55101	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization DIVERSITY COUNCIL	Employer identification number 41 1709139
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	GEORGE & PATRICIA ANN FISHER FOUNDATION ----- 1620 7TH AVENUE WEST ----- SEATTLE, WA 98119 -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	IBM ----- 3605 HWY 52 NORTH ----- ROCHESTER, MN 55901 -----	\$ 7,525.	Person <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization DIVERSITY COUNCIL	Employer identification number 41 1709139
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Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
8	4 THINKCENTRE PC'S AND THINKVISION MONITORS	\$ 4,924.	06 / 04 / 2008
.....	\$ / ... /
.....	\$ / ... /
.....	\$ / ... /
.....	\$ / ... /
.....	\$ / ... /
.....	\$ / ... /

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization
DIVERSITY COUNCIL

Employer identification number
41 1709139

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? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? Yes No

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of certified historic structure
 Preservation of open space
- 2 Complete lines 2a-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 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 | 2d |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____
- 4 Number of states where property subject to conservation easement is located ▶ _____
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? Yes No
- 6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- 9 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.

- 1a If the organization elected, as permitted under SFAS 116, 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.
- b If the organization elected, as permitted under SFAS 116, 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 ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 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 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 Trust, Escrow and Custodial Arrangements. Complete if 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 |
|---|--------|
| 1c Beginning balance | |
| 1d Additions during the year | |
| 1e Distributions during the year | |
| 1f Ending balance | |
- 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 organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the year end balance held as:
- a** Board designated or quasi-endowment ▶%
 - b** Permanent endowment ▶%
 - c** Term endowment ▶%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|------------------------------------|-----|----|
| (i) unrelated organizations | | |
| (ii) related organizations | | |
- b** If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No
- 4** Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land	0.	0.		0.
b Buildings	0.	0.	0.	0.
c Leasehold improvements	0.	0.	0.	0.
d Equipment	0.	44,862.	34,567.	10,295.
e Other	0.	0.	0.	0.
Total. Add lines 1a–1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				10,295.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

DIVERSITY COUNCIL

Employer identification number

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FORM 990, PART I, LINE 15. THE INSTRUCTIONS FOR THE PRIOR YEAR (2007) CONVERSION DO NOT INCLUDE THE LINE FOR PAYROLL TAXES, WHILE THE CURRENT YEAR (2008) INSTRUCTIONS DO INCLUDE THE LINE FOR PAYROLL TAXES. IN ORDER TO MAKE THE YEAR-TO-YEAR COMPARISON MEANINGFUL, WE HAVE CHOSEN TO INCLUDE THE AMOUNT FOR PAYROLL TAXES IN THE 2007 COMPUTATION. WITHOUT THIS AMOUNT THE PRIOR YEAR AMOUNT WOULD BE \$144,765.

FORM 990, PART III, LINE 4A. PROGRAM SERVICE ACCOMPLISHMENTS PRESENTATIONS AND DISCUSSION GROUPS ADDRESSING INCLUSION, EQUITY, AND RESPECT.

FORM 990, PART III, LINE 4D. OTHER PROGRAM SERVICES CELEBRATION: WE SUPPORT AND CELEBRATE THE RICH VARIETY OF CULTURE, RELIGION, SEXUAL ORIENTATION, ABILITIES, AND PERSONAL EXPERIENCES IN OUR COMMUNITY IN ORDER TO BREAK DOWN BARRIERS BETWEEN PEOPLE. IN 2008 WE: CREATED A CALENDAR OF EVENTS AND WEBSITE LINKS TO ENCOURAGE PARTICIPATION IN MULTICULTURAL CELEBRATIONS; PARTICIPATED IN EVENTS SUCH AS THE CELEBRATION OF THE BIRTHDAY OF MARTIN LUTHER KING, JR., THE GREAT COUNTRY PUMPKIN PARTY FOR CHILDREN WITH DISABILITIES, AND THE DEIDRE MCCALLA CONCERT AND WORKSHOPS ON THE DEFINITION OF FAMILY; AND CELEBRATED INDIVIDUALS WHO HAVE MADE OUTSTANDING CONTRIBUTIONS TO THE CREATION OF A WELCOMING AND INCLUSIVE COMMUNITY (EXPENSES \$6,781. INCLUDING GRANTS OF \$ 0.) (REVENUE \$ 0.)

FORM 990, PART V, LINE 7G. WE DID NOT RECEIVE ANY CONTRIBUTIONS OF QUALIFIED INTELLECTUAL PROPERTY.

FORM 990, PART V, LINE 7H. WE DID NOT RECEIVE ANY CONTRIBUTIONS OF CARS, BOATS, AIRPLANES, OR OTHER VEHICLES.

FORM 990, PART VI, LINE 4. THE DIVERSITY COUNCIL TRANSITIONED TO A POLICY STYLE OF GOVERNANCE,

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SOMETIMES KNOWN AS THE "CARVER MODEL," AND APPROVED NEW BYLAWS ON JULY 16, 2008. THE PURPOSE AND OBJECTIVES OF THE ORGANIZATION AND THE RIGHTS OF MEMBERS DID NOT CHANGE, BUT THE FOLLOWING BYLAW CHANGES WERE MADE:

1. NUMBER, COMPOSITION, AND DUTIES OF OFFICERS AND BOARD MEMBERS CHANGED

2. PROCESS FOR REMOVAL OF BOARD MEMBERS FROM THE BOARD CHANGED

3. STANDING PROGRAM AND FUNDRAISING COMMITTEES DELETED

FORM 990, PART VI, LINES 6 & 7A. THE DIVERSITY COUNCIL HAS INDIVIDUAL AND CORPORATE MEMBERS AND BOTH HAVE THE RIGHT TO ELECT MEMBERS OF THE BOARD OF DIRECTORS AT THE ANNUAL MEETING.

FORM 990, PART VI, LINE 7B. A RESOLUTION OF THE BOARD TO CEASE OPERATIONS AND DISTRIBUTE THE ASSETS OF THE CORPORATION MUST BE APPROVED BY 3/4 OF THE MEMBERS VOTING AT A MEETING DULY CALLED FOR THAT PURPOSE.

FORM 990, PART VI, LINE 10. THE FORM 990 AND REQUIRED SCHEDULES WERE PROVIDED TO THE BOARD OF DIRECTORS BEFORE FILING. NO REVIEW WAS OR WILL BE CONDUCTED.

FORM 990, PART VI, LINE 12C. IMMEDIATELY AFTER THE ELECTION OF BOARD MEMBERS AT THE ANNUAL MEETING, THE EXECUTIVE DIRECTOR DISTRIBUTES THE CONFLICT OF INTEREST POLICY TO EACH BOARD MEMBER, EMPLOYEE, AND VOLUNTEER OF THE DIVERSITY COUNCIL WHO HAS DECISION-MAKING AUTHORITY, ALONG WITH A DISCLOSURE FORM TO BE COMPLETED AND PLACED IN THE ORGANIZATION'S OFFICIAL RECORDS. PRIOR TO BOARD DISCUSSION AND ACTION, ANY BOARD MEMBER, EMPLOYEE, OR VOLUNTEER HAVING A REAL OR APPARENT CONFLICT OF INTEREST DISCLOSES ALL FACTS MATERIAL TO THE CONFLICT AND ABSTAINS FROM PARTICIPATING IN THE DISCUSSION, USING PERSONAL INFLUENCE TO AFFECT DELIBERATIONS, AND BEING PRESENT WHEN A VOTE IS TAKEN. ADHERENCE TO THE POLICY IS REFLECTED THE MINUTES OF THE MEETING.

FORM 990, PART VI, LINE 15A. AT ITS NOVEMBER 2008 MEETING, THE BOARD OF DIRECTORS CONSIDERED THE

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COMPENSATION OF THE EXECUTIVE DIRECTOR FOR 2009. THE EXECUTIVE DIRECTOR WAS EXCUSED FOR THE DISCUSSION. ALL BOARD MEMBERS ARE INDEPENDENT PERSONS. THE BOARD REVIEWED COMPARABILITY DATA, BASED ON THE ORGANIZATION'S OPERATING BUDGET AND THE DIRECTOR'S SCOPE OF RESPONSIBILITY, FROM THE MINNESOTA COUNCIL OF NONPROFITS' "2008 MINNESOTA NONPROFIT SALARY AND BENEFITS SURVEY." THE COMPARATIVE DATA REVIEWED BY THE BOARD AND ITS DECISION TO INCREASE THE EXECUTIVE DIRECTOR'S COMPENSATION WAS DOCUMENTED IN THE MINUTES OF THE MEETING.

FORM 990, PART VI, LINE 15B. THE PROCESS DESCRIBED ABOVE WOULD HAVE BEEN FOLLOWED FOR ANY OTHER OFFICERS OR KEY EMPLOYEES, BUT WE HAVE NO OTHERS WHO RECEIVE COMPENSATION.

FORM 990, PART VI, LINE 19. OUR GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE PROVIDED UPON REQUEST. OUR UNAUDITED FINANCIAL STATEMENTS ARE INCLUDED IN THE ANNUAL REPORT, WHICH IS MAILED IN PRINT FORM TO ALL GRANTORS AND CORPORATE MEMBERS AND POSTED ON OUR WEBSITE. THE AUDITED FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.