



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

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MINNESOTA ZOOLOGICAL GARDEN
FOUNDATION
BOARD MEETING

October 5, 1984
9:00 A.M.

AGENDA

For a meeting of the Board of Directors of the Minnesota Zoological Garden Foundation to be held at 9:00 a.m. on Friday, October 5, 1984 in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

MINUTES OF THE MEETING OF NOVEMBER 3, 1983

The Minutes of the meeting of November 3, 1983 are included with this Agenda as EXHIBIT A for your review and acceptance.

AUDIT FOR THE YEAR ENDED JUNE 30, 1984

The audit for the year ended June 30, 1984 is included with this Agenda as EXHIBIT B.

It is recommended that the following resolution be adopted:

RESOLVED that the audit of the financial records of the Minnesota Zoological Garden Foundation for the year ended June 30, 1984, as prepared by Peat, Marwick, Mitchell & Co., is reviewed and accepted.

FORM 990 TAX RETURN AND MINNESOTA CHARITABLE ORGANIZATIONS ANNUAL REPORT

EXHIBIT C of this Agenda contains photocopies of the completed IRS Form 990 (pages one through 10) and the Minnesota Charitable Organizations Annual Report for the year ended June 30, 1984 (pages 11 through 18).

It is recommended that the following resolution be adopted:

WHEREAS the Charitable Organizations Annual Report on the Minnesota Zoological Garden Foundation for the fiscal year ended June 30, 1984 has been reviewed by the Board of Directors of the Minnesota Zoological Garden Foundation,

NOW THEREFORE BE IT RESOLVED that the Vice President, Malcolm W. McDonald and the Secretary, Paul A. Verret, of the Minnesota Zoological Garden Foundation are authorized and directed to submit this report to the State of Minnesota Department of Commerce.

FINANCIAL REPORT

The 1985 budget and a financial report for the two months ended August 31, 1984 are included with this Agenda as EXHIBIT D. This Exhibit contains an analysis of the Foundation's restricted funds, stating the name, purpose and financial analysis of these funds through August 31, 1984.

RATIFICATION OF GRANTS

EXHIBIT E of this Agenda contains a list of all grants made in fiscal year 1984 and to date in fiscal year 1985.

It is recommended that the following resolution be adopted:

RESOLVED that the following grants paid from the funds of the Minnesota Zoological Garden Foundation, from November 3, 1983 through August 31, 1984, are ratified and confirmed:

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
96-83	\$ 1,315.00	To MECC for Apple Instructional Package from Minnesota Zoological Society Special Fund
97-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
98-83	\$ 1,312.06	To Xerox, for Xerox Copy Machine, from Northern Trek Fund
99-83	\$ 14.15	To John Lewis, for seminar attendance, from Minnesota Zoological Society Seminar Fund
100-83	\$ 200.00	To Christen Wemmer, for seminar attendance, from Minnesota Zoological Society Seminar Fund
101-83	\$ 1,000.00	To Minnesota Zoological Garden, for Interpretive Programming, from Sanford Education Fund
101-83	\$ 1,939.56	To Minnesota Zoological Garden, for Interpretive Programming, from Thorp Education Fund
101-83	\$ 395.00	To Minnesota Zoological Garden, for Interpretive Programming, from Minnesota Zoological Society Special Event Fund

102-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
103-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
1-84	\$ 444.00	To Software Banc, for d Base II Software, from Minnesota Zoological Society Biotelemetry Fund
2-84	\$ 1,870.00	To Computer Applications, for Purchase of Kaypro Model 4 Microcomputer, from ISIS
3-84	\$28,700.00	To Minnesota Zoological Garden, for Development of Northern Trek, from Northern Trek Fund
4-84	\$ 344.00	To Minnesota Zoological Garden, for reimbursement to MZG for expenses of John Lewis trip to Kahna Park in India, from Onan Foundation
5-84	\$ 100.00	To Columbia University, for purchase of software, from ISIS

REPORT ON STUDY OF FUNDRAISING STRUCTURE FOR THE MINNESOTA ZOOLOGICAL GARDEN

EXHIBIT F of the Agenda contains a report, prepared by Mariam Noland of The Saint Paul Foundation, on the activities of the Fundraising Study. A copy of the final report of the Advisory Committee is provided.

Larry D. Buegler, Chair, Fundraising Study Advisory Committee, will be present to discuss the work of the Committee and the recommendations. Also present to comment on the study will be Patricia Davies, member, Fundraising Study Advisory and Chair, Minnesota Zoological Garden Board, and Bruce Flessner, Bentz, Whaley, Flessner and Associates.

It is recommended that the following resolution be adopted:

RESOLVED that the July 1984 report of the Minnesota Zoological Garden Fundraising Study Advisory Committee be accepted. Further, the approval of the Conclusions and Recommendations indicates the intent of the Minnesota Zoological Garden Foundation to support the implementation of those recommendations.

OTHER ITEMS OF INTEREST

EXHIBIT G of this Agenda contains other Items of Interest as follows:

PAGE REFERENCE
EXHIBIT G

ITEM

1-3

December 16, 1983 status report to past Zoo Foundation donors. This report was sent in accord with the suggestion made at the November 1983 Board Meeting.

4-5

Award letters for recent grants received by the Minnesota Zoological Garden Foundation.

OTHER BUSINESS

ADJOURNMENT

MINUTES

Of a meeting of the Board of Directors of the Minnesota Zoological Garden Foundation, held at 3:00 p.m., on Thursday, November 3, 1983, in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Malcolm W. McDonald, Vice President
Harold S. Webster, Treasurer
Connie Deland
D. Stephen Farley
Richard S. Gray, Sr.
Kathleen Gretsch
Hazel Reinhardt, by proxy
James Weaver, by proxy
Gordon Rosenmeier, by proxy

Also present were: David Bender, Director Public Programs,
Minnesota Zoological Garden
Stephen A. Iserman, General Director,
Minnesota Zoological Garden
Mariam C. Noland, Vice President, The
Saint Paul Foundation
Paul A. Verret, Secretary

Mr. McDonald presided and Mr. Verret acted as Secretary.

MINUTES OF THE JUNE 8, 1983 MEETING

The Minutes of the meeting of June 8, 1983 were reviewed and accepted.

AUDIT FOR THE YEAR ENDING JUNE 30, 1982

The Directors reviewed the audit for the year ended June 30, 1983.

On motion, duly seconded, the following resolution was adopted, unanimously:

RESOLVED that the audit of the financial records of the Minnesota Zoological Garden Foundation for the year ended June 30, 1983, as prepared by Peat, Marwick, Mitchell & Co., is reviewed and accepted.

FORM 990 TAX RETURN AND MINNESOTA CHARITABLE ORGANIZATIONS ANNUAL REPORT

The Directors reviewed photocopies of completed IRS Form 990 and the Minnesota Charitable Organizations Annual Report for the year ended June 30, 1983.

On motion, duly seconded, the following resolution was adopted, unanimously:

WHEREAS the Charitable Organizations Annual Report of the Minnesota Zoological Garden Foundation for the fiscal year ended June 30, 1983 has been reviewed by the Board of Directors of the Minnesota Zoological Garden Foundation,

NOW THEREFORE BE IT RESOLVED that Vice President, Malcolm W. McDonald, and the Secretary, Paul A. Verret, of the Minnesota Zoological Garden Foundation are authorized and directed to submit this report to the State of Minnesota Department of Commerce.

FINANCIAL REPORT

A financial report on the 1983-84 operating budget was presented.

On motion, duly seconded, the following resolution was adopted, unanimously:

RESOLVED that the financial report on the 1983-84 operating budget of the Minnesota Zoological Garden Foundation, as presented at this meeting, is accepted.

BE IT FURTHER RESOLVED that the operating budget for the Minnesota Zoological Garden Foundation for fiscal year 1983-84 is adopted as follows:

<u>RECEIPTS</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
Contributions	\$ -0-	\$ 9,000	\$ 9,000
Interest	16,800	-0-	16,800
Other	-0-	600	600
Total Receipts	16,800	9,600	26,400

<u>EXPENDITURES</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>
Admin/Acctg. Services	12,600	-0-	12,600
Audit	2,250	-0-	2,250
Legal	250	-0-	250
Xerox	450	-0-	450
Miscellaneous	1,250	-0-	1,250
Grants	-0-	34,800	34,800
Total Expenses	16,800	34,800	51,600
Excess (Deficit)	-0-	(25,200)	(25,200)
Beginning Balance	9,296	217,428	226,724
Ending Balance	\$ 9,296	\$192,228	\$201,524

RATIFICATION OF GRANTS

The Directors reviewed a schedule of all grants paid out since the June Board Meeting.

On motion, duly seconded, the following resolution was adopted, unanimously:

RESOLVED that the following grants paid from the funds of the Minnesota Zoological Garden Foundation, from May 31, 1983 through September 30, 1983, are ratified and confirmed:

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
67-83	\$ 220.00	To AVC Systems, Inc., for a Telex phone, from the Thorpe Education Fund.
68-83	\$ 145.44	To AVC Systems, Inc., for 3M Scotch/Telex equipment, from the Thorpe Education Fund.
69-83	\$ 151.69	To Able Amusement Company, for equipment repair, from the Thorpe Education Fund.
70-83	\$ 12.50	To Radio Shack, for supplies, from the Thorpe Education Fund.
71-83	\$ 25.00	To Digital Den, for a computer cover, from the Thorpe Education Fund.
72-83	\$ 83.23	To Coast To Coast, for supplies, from the Thorpe Education Fund.

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
73-83	\$ 71.00	To Able Amusement Company, for equipment repair, from the Thorpe Education Fund.
74-83	\$ 674.08	To Travel Store, for two airline tickets, from the Onan Foundation.
75-83	\$ 132.50	To Schaak Electronics, Inc., for a micro keypad, from the Thorpe Education Fund.
76-83	\$ 46.26	To True Value Hardware, for supplies, from the Thorpe Education Fund.
77-83	\$ 53.40	To Able Amusement Company, for equipment repair, from the Thorpe Education Fund.
78-83	\$ 27.09	To Carolina Biological Supply Company, for a grip strength manometer, from the Thorpe Education Fund.
79-83	\$ 224.45	To Frank Wright, for conference travel, from the Onan Foundation.
80-83	\$ 150.00	To Rebecca Nelson, for internship, from the Minnesota Zoological Society Interns Fund.
81-83	\$ 29.45	To Coast To Coast, for supplies, from the Thorpe Education Fund.
82-83	\$ 100.00	To Cheryl Needham, for internship, from the Minnesota Zoological Society Interns Fund.
83-83	\$1,995.00	To Schaak's Digital Den, for the Apple Daisy Wheel System, from the Emergency Equipment Fund.
84-83	\$ 267.05	To Ahlgren Construction Company, for graphic panel materials, from the Thorpe Education Fund.
85-83	\$ 9.85	To Nelson's Office Supply, for supplies, from the Thorpe Education Fund.
86-83	\$ 25.87	To Radio Shack, for Outfitters computer supplies, from the Thorpe Education Fund.

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
87-83	\$ 175.00	To Data Copy, Inc., for computer rental for one month, from the ISIS Fund.
88-83	\$ 150.00	To Rebecca J. Nelson, for internship, from the Minnesota Zoological Society Interns Fund.
89-83	\$ 100.00	To Cheryl Needham, for internship, from the Minnesota Zoological Society Interns Fund.
90-83	\$ 100.00	To Cheryl Needham, for internship, from the Minnesota Zoological Society Interns Fund.
91-83	\$ 70.00	To Kathryn Cassem, for internship, from the Minnesota Zoological Society Interns Fund.
92-83	\$ 500.00	To Joel Sund, for internship, from the Minnesota Zoological Society Interns Fund.
93-83	\$ 171.60	To Martha Bigalk, for conference travel, from the Onan Foundation.
94-83	\$ 290.44	To Radio Shack Accounts Receivable, for supplies, from the Minnesota Zoological Society Biotelemetry Fund.
95-83	\$ 630.00	To Kathryn Casseum, for internship, from the Minnesota Zoological Society Interns Fund.

REPORT ON THE STUDY OF THE FUNDRAISING STRUCTURE FOR THE MINNESOTA ZOOLOGICAL GARDEN

On June 28, 1983 the F.R. Bigelow Foundation approved a grant of \$10,000 to The Saint Paul Foundation to finance a study of fundraising options for the Minnesota Zoological Garden. The resolution authorizing this grant reads as follows:

RESOLVED that a grant of up to \$10,000, to The Saint Paul Foundation, Inc., to help finance a study of the best identifiable fundraising models currently being used by organizations similar to the Minnesota Zoological Garden and Minnesota Zoological Garden Foundation, is approved, with the understanding that:

1. Payment of this grant will be made upon receipt of a satisfactory plan of action and the selection of consultants to do the work envisioned.
2. If possible, this project is to be completed in time for review by the Trustees at their December, 1983 meeting.

Study Charge

The purpose of the Fundraising Options Study is to review possible fundraising models for the Minnesota Zoological Garden and develop a recommended model or models including an implementation plan, budget, staffing requirements, timeline and specific action items. As a part of this review, the structure and relationship of the Minnesota Zoological Garden and the Minnesota Zoological Garden Foundation will be considered. Preliminary findings will be reviewed with appropriate external parties and the final report shared with the Board of the Minnesota Zoological Garden Foundation and the Executive Director of the Minnesota Zoological Garden.

Specific items to be considered include:

1. Organization and reporting responsibilities for the fundraising function.
2. Appropriate job descriptions.
3. Organizational setting.
4. Future role of the Minnesota Zoological Garden Foundation.
5. Strategic plan for development of a case statement and/or plan for growth of the Minnesota Zoological Garden in relation to fundraising objectives.
6. Role of advisory committees and/or boards including the Board of the Minnesota Zoological Garden.
7. Relationship to the State of Minnesota in conjunction with fundraising efforts.

Work Plan

A consultant will be secured to assist in this study and draft the report. The consultant will be hired by The Saint Paul Foundation and report to the Foundation. It is understood that full cooperation will be given by the Director of the Minnesota Zoological Garden and key staff. Zoo staff has done considerable work in securing information and visiting other zoos to move this study along. That information will be an integral part of the study. The spirit of this study is cooperation among all parties and findings of the study will be carefully developed and reviewed with the Director of the Zoo.

The Saint Paul Foundation will appoint an Advisory Committee of five to nine members to assist in this study. The Director of the Minnesota Zoological Garden will be a member of the Advisory Committee.

Proposed timeline for this study is as follows:

October 14, 1983 - Request proposals from appropriate consultants.

October 28, 1983 - Review consultants' proposals.

November 3-4, 1983 - Interview possible consultants and finalize selection.

January 31, 1984 - First draft of study.

March 15, 1984 - Submission of final study to Director, Minnesota Zoological Garden, and Board of the Minnesota Zoological Garden Foundation.

Current Status

This Action Plan has been reviewed with Steve Iserman, Director of the Minnesota Zoological Garden and he is in agreement with this Plan. On October 13, 1983 a meeting to review the study outline was held with Patricia Davies, Chair, Minnesota Zoological Board; Toni Hengesteg, member Minnesota Zoological Board; Steve Iserman; David Bender, Director Public Programs, Minnesota Zoological Garden; Mariam Noland and Paul Verret. At the conclusion of the meeting, Mrs. Davies expressed her support for the study and the proposed work plan.

The Saint Paul Foundation has discussed the study with numerous potential consultants located around the country and requested proposals from two local vendors: John C. Whaley of Bentz, Whaley, Flessner & Associates, Inc., and Don Maysack of Development Counsel, Inc.

Upon request, the opportunity to submit a proposal was also given to Bernie Klein, an independent consultant.

NEXT MEETING

It was agreed, informally, that the next meeting of the Directors will be held in 1984 to review a report on the study of the fundraising structure of the Minnesota Zoological Garden and the Minnesota Zoological Garden Foundation.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

Paul A. Verret
Secretary



MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Financial Statements

June 30, 1984 and 1983



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
612-224-7466

The Board of Directors
Minnesota Zoological Garden Foundation:

We have examined the balance sheet of Minnesota Zoological Garden Foundation as of June 30, 1984 and the related statements of support and revenue, expenses and changes in fund balances, and functional expenses for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of Minnesota Zoological Garden Foundation at June 30, 1984 and the results of its operations and changes in its fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

August 14, 1984

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Balance Sheet

June 30, 1984
with comparative totals for June 30, 1983

<u>Assets</u>	<u>1984</u>	<u>1983</u>
Cash (note 2)	\$ 199,808	231,297
Photo copying equipment, net of accumulated depreciation of \$2,865 in 1983 (note 3)	-	1,435
Total assets	<u>\$ 199,808</u>	<u>232,732</u>
 <u>Liabilities and Fund Balances</u> 		
Accounts payable and accrued expenses	\$ 3,592	4,160
Capital lease obligation (note 3)	-	1,848
Total liabilities	<u>3,592</u>	<u>6,008</u>
Fund balances:		
Unrestricted	21,399	9,296
Restricted for zoo capital improvements	<u>174,817</u>	<u>217,428</u>
Total fund balances	<u>196,216</u>	<u>226,724</u>
Total liabilities and fund balances	<u>\$ 199,808</u>	<u>232,732</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Support and Revenue, Expenses and Changes in Fund Balances

Year ended June 30, 1984
with comparative totals for year ended June 30, 1983

	1984		Total	
	Unrestricted	Restricted for zoo capital improvements	1984	1983
Public support and revenue:				
Cash contributions	\$ 5,550	100	5,650	60,866
Interest income	17,551	-	17,551	21,499
Miscellaneous	12	-	12	3,486
Total public support and revenue	<u>23,113</u>	<u>100</u>	<u>23,213</u>	<u>85,851</u>
Expenses:				
Contributions to the Zoo	-	42,711	42,711	58,927
Management and general	11,010	-	11,010	23,424
Fund-raising	-	-	-	27,703
Total expenses	<u>11,010</u>	<u>42,711</u>	<u>53,721</u>	<u>110,054</u>
Excess (deficiency) of public support and revenue over expenses	12,103	(42,611)	(30,508)	(24,203)
Fund balances, beginning of year	<u>9,296</u>	<u>217,428</u>	<u>226,724</u>	<u>250,927</u>
Fund balances, end of year	<u>\$ 21,399</u>	<u>174,817</u>	<u>196,216</u>	<u>226,724</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Functional Expenses

Year ended June 30, 1984
with comparable totals for year ended June 30, 1983

	1984		Total	
	Contributions to Zoo	Management and general	1984	1983
Salaries and wages	-	-	-	23,389
Employee benefits	-	-	-	1,445
Employee retirement	-	-	-	3,027
Total salaries and related expenses	-	-	-	27,861
Program grants (note 6)	42,711	-	42,711	58,927
Professional fees	-	2,551	2,551	4,300
Office supplies	-	-	-	282
Insurance	-	-	-	223
Postage	-	-	-	143
Telephone	-	-	-	1,157
Printing and promotion	-	152	152	1,135
Interest expense	-	53	53	462
Depreciation expense	-	358	358	1,433
Reimbursable expenses	-	-	-	1,421
Occupancy	-	-	-	3,836
Services of The Saint Paul Foundation (note 5)	-	7,879	7,879	8,505
Other expenses	-	17	17	369
	<u>\$ 42,711</u>	<u>11,010</u>	<u>53,721</u>	<u>110,054</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements

June 30, 1984

(1) Summary of Significant Accounting Policies

The Minnesota Zoological Garden Foundation solicits contributions and provides other necessary services for the Minnesota Zoological Garden (the Zoo). The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Fund Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

To ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into funds for specific purposes.

The unrestricted fund balance represents all resources over which the Foundation's Board of Directors has discretionary control.

The restricted fund balance represents contributions received but uncommitted by the Board of Directors to certain projects at the Zoo. Direct contributions may only be utilized in accordance with the restrictions established by the donor.

Pledges

Pledges are not reflected in the financial statements until the contributions are actually received. There were no outstanding pledges at June 30, 1984 or 1983.

(2) Cash

Cash at June 30, 1984 is summarized as follows:

Checking account	\$ 2,009
Money market savings account at 8.2% on June 30, 1984 (rate changes weekly)	<u>197,799</u>
	<u>\$ 199,808</u>

(Continued)

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements, Continued

(3) Capital Lease Obligation

The Foundation entered into the three year lease for photocopying equipment on June 24, 1981. The monthly payment of \$225 included a \$75 charge for maintenance, taxes and insurance which was the responsibility of the lessor. The lease was capitalized at 17.8%. The equipment recorded as an asset was being depreciated over the life of the lease using the straight-line method. The present value of the lease payments, excluding the portion for maintenance, taxes and insurance had been recorded as a liability and were being reduced by the principal portion of the monthly payments.

On August 15, 1983 the Foundation purchased the photocopying equipment by exercising the purchase option in their lease agreement. The equipment was then donated to the Zoo. The related asset, accumulated depreciation and capital lease obligation balances were eliminated and a program grant of approximately \$1,800 was recorded for the difference between the amount paid and the balances eliminated.

(4) Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of support and revenue, expenses and changes in fund balances. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation of operating expenses between management and general and fund-raising were based on estimates by management. In making such estimates, consideration has been given to the proportion of time spent performing each of the functions.

(5) Administrative Fee

As of November 1982, the Foundation ceased to employ administrative or program staff. With this change the Foundation contracted with the Saint Paul Foundation to act as its administrative agent. The Saint Paul Foundation maintains the financial reports and records of the Foundation and provides additional services as requested. The Foundation is charged a fee for these services (representing allocations of The Saint Paul Foundation's staff costs, insurance, printing, and other expenses) which amounted to \$7,879 during the year ended June 30, 1984 (\$8,505 for the year ended June 30, 1983). An officer of The Saint Paul Foundation also serves as an officer of the Foundation.

(6) Contribution from Minnesota Zoological Society

In June, 1982 the Foundation received a contribution of \$35,160 from the Minnesota Zoological Society (Society), which was restricted for capital projects at the Zoo. This amount was included as a cash contribution in 1982 and was included in restricted fund balance at June 30, 1982. The Board of the Zoo wanted the funds to be remitted to them through the Foundation, instead of the Society, to maintain higher flexibility in the use of the funds. During the year ended June 30, 1984, the Foundation remitted \$6,400 (\$25,667 during the year ended June 30, 1983) of these funds to the Zoo.

Return of Organization Exempt from Income Tax

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

1983

For the calendar year 1983, or fiscal year beginning 7-1, 1983, and ending 6-30, 1984

Use IRS label. Otherwise, please print or type.	Name of organization Minnesota Zoological Garden Foundation	A Employer identification number (see instruction L) 51 : 0147653
	Address (number and street) <i>c/o The Saint Paul Foundation</i> 1120 Norwest Center	B State registration number (see instruction D) N/A
	City or town, State, and ZIP code St. Paul, MN 55101	C If address changed, check here <input type="checkbox"/>

- D** Check applicable box—Exempt under section 501(c) (3) (insert number), OR section 4947(a)(1) trust
- E** Accounting method: Cash Accrual Other (specify)
- F** Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here (see instruction C10). **N/A**
- G** Is this a group return (see instruction J) filed for affiliates? Yes No. If "Yes" to either, give four-digit group exemption number
Is this a separate return filed by a group affiliate? Yes No. (GEN) **N/A**

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.
Check here if gross receipts are normally not more than \$25,000. (See instruction B11.) You are not required to complete and file this return with IRS but may have to file it with one or more States.

Check here if gross receipts are normally more than \$25,000 and line 12 is \$25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than \$25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

PART I.—Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	(B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Direct public support	5650	5550	100
	(b) Indirect public support			
	(c) Government grants			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)	5650	5550	100
	2 Program service revenue (from Part IV, line (f))			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments	17551	17551	
	5 Dividends and interest from securities			
	6 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)			
7 Other investment income (Describe <input type="checkbox"/> Securities <input type="checkbox"/> Other)				
8 (a) Gross amount from sale of assets other than inventory				
(b) Minus: cost or other basis and sales expenses				
(c) Gain (loss) (attach schedule)				
9 Special fundraising events and activities (attach schedule—see instructions):				
(a) Gross revenue (not including \$ of contributions reported on line 1(a))				
(b) Minus: direct expenses				
(c) Net income (line 9(a) minus line 9(b))				
10 (a) Gross sales minus returns and allowances				
(b) Minus: Cost of goods sold (attach schedule)				
(c) Gross profit (loss)				
11 Other revenue (from Part IV, line (g))	12	12		
12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)	23213	23113	100	
Expenses	13 Program services (from line 44(B)) (see instructions)	42711		42711
	14 Management and general (from line 44(C)) (see instructions)	11010	11010	
	15 Fundraising (from line 44(D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44(A))	53721	11010	42711
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	(30508)	12103	(42611)
	19 Fund balances or net worth at beginning of year (from line 74(A))	226724	9296	217428
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)	196216	21399	174817

PART II.—Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on line 6(b), 8(b), 9(b), 10(b), or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule)	42711	42711		
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.				
	26 Other salaries and wages				
	27 Pension plan contributions				
	28 Other employee benefits				
	29 Payroll taxes				
	30 Professional fundraising fees				
	31 Accounting fees				
	32 Legal fees	2551		2551	
	33 Supplies				
	34 Telephone				
	35 Postage and shipping				
	36 Occupancy				
	37 Equipment rental and maintenance				
	38 Printing and publications	152		152	
	39 Travel				
	40 Conferences, conventions and meetings				
	41 Interest	53		53	
	42 Depreciation, depletion, etc. (attach schedule)	358		358	
	43 Other expenses (itemize): (a) Misc.	17		17	
	(b) Administrative Expenses	7879		7879	
	(c)				
(d)					
(e)					
(f)					
44 Total functional expenses (add lines 22 through 43)	53721	42711	11010		

PART III.—Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

	Expenses (Optional for some organizations—see instructions)
(a) Organization's primary purpose is to provide funds to Minnesota Zoological Garden.	
(b) (Grants and allocations \$ 42711)	
(c) (Grants and allocations \$)	
(d) (Grants and allocations \$)	
(e) Other program service activities (attach schedule)	(Grants and allocations \$)
(f) Total (add lines (a) through (e)) (should equal line 44(B))	(Grants and allocations \$)

PART IV.—Program Service Revenue and Other Revenue (State Nature)		Program service revenue	Other revenue
(a)	Fees from government agencies		
(b)	Miscellaneous		12 .
(c)		
(d)		
(e)		
(f)	Total program service revenue (enter here and on line 2)		
(g)	Total other revenue (enter here and on line 11)		12 .

PART V.—Balance Sheets If line 12, Part I, and line 59 are \$25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than \$25,000, complete the entire balance sheet. See instructions.

Note: Columns (C) and (D) are optional. Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.	(A) Beginning of year	End of year		
		(B) Total	(C) Unrestricted/Expendable	(D) Restricted/Nonexpendable
Assets				
45	Cash—non-interest bearing	231297	199808 .	
46	Savings and temporary cash investments			
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
49	Grants receivable			
50	Receivables due from officers, directors, trustees and key employees (attach schedule)			
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
52	Inventories for sale or use			
53	Prepaid expenses and deferred charges			
54	Investments—securities (attach schedule)			
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)			
56	Investments—other (attach schedule)			
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)	1435		
58	Other assets: _____			
59	Total assets (add lines 45 through 58)	232732 .	199808 .	
Liabilities				
60	Accounts payable and accrued expenses	4160	3592 .	
61	Grants payable			
62	Support and revenue designated for future periods (attach schedule)			
63	Loans from officers, directors, trustees and key employees (attach schedule)			
64	Mortgages and other notes payable (attach schedule)			
65	Other liabilities: _____	1848		
66	Total liabilities (add lines 60 through 65)	6008	3592 .	
Fund Balances or Net Worth				
Organizations that use fund accounting, check here <input type="checkbox"/> and complete lines 67 through 70 and lines 74 and 75.				
67	Current funds	226724	196216 .	
68	Land, buildings and equipment fund			
69	Endowment fund			
70	Other funds (Describe ▶ _____)			
Organizations that do not use fund accounting, check here <input type="checkbox"/> and complete lines 71 through 75.				
71	Capital stock or trust principal			
72	Paid-in or capital surplus			
73	Retained earnings or accumulated income			
74	Total fund balances or net worth (see instructions)	226724	196216 .	
75	Total liabilities and fund balances/net worth (see instructions)	232732 .	199808 .	

PART VI.—List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)

(A) Name and address.	(B) Title and average hours per week devoted to position	(C) Compensation (If any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
SCHEDULE ATTACHED				

PART VII.—Other Information

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		<input checked="" type="checkbox"/>
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		<input checked="" type="checkbox"/>
78	(a) Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? (b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year? (c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		<input checked="" type="checkbox"/>
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ <u>The Minnesota Zoological Board</u>	<input checked="" type="checkbox"/>	
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions (b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		N/A
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ <u>N/A</u>		N/A
83	Section 501(c)(5) or (6) organizations.—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose ▶ <u>N/A</u>		N/A
84	Section 501(c)(7) organizations.—Enter amount of: (a) Initiation fees and capital contributions included on line 12 ▶ <u>N/A</u> (b) Gross receipts, included in line 12, for public use of club facilities (see instructions) ▶ <u>N/A</u> (c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		N/A
85	Section 501(c)(12) organizations.—Enter amount of: (a) Gross income received from members or shareholders ▶ <u>N/A</u> (b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them) ▶ <u>N/A</u>		N/A
86	Public interest law firms.—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶ <u>Minnesota</u>		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		<input checked="" type="checkbox"/>
89	The books are in care of ▶ <u>Paul A. Verret</u> Telephone No. ▶ <u>224-5463</u> Located at ▶ <u>c/o The Saint Paul Foundation, 1120 Norwest Center, St.</u>		

Please Sign Here

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 taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: _____ Date: _____ Title: _____

Paid Preparer's Use Only

Preparer's signature: Richard D. Olson, CPA Date: 8/27/84 Check if self-employed:

Firm's name (or yours, if self-employed) and address: PEAT, MARWICK, FITZMELL & CO. ZIP code: 468-60-4

Minnesota Zoological Garden Foundation
St. Paul, Minnesota
I.D. Number 510147653
6/30/84

Officers

<u>Name</u>	<u>Title</u>
Open	President
Kathleen Gretschi	Vice President
Margee Kinney	Vice President
Malcolm W. McDonald	Vice President
Wayne Peterson	Vice President
Paul A. Verret	Secretary
Harold S. Webster	Treasurer

Board of Directors

Name

Anthony L. Andersen
D. Stephen Farley
Margee Kinney
Malcolm W. McDonald
Joseph T. O'Neill
Wayne Peterson
Richard S. Gray, Sr.
Chy Morrison
Harold S. Webster
Firmin Alexander
Connie Deland
Kathleen Gretschi
Gordon Rosenmeier

Appointed Directors

James L. Hetland
Hazel Reinhardt
James Weaver

SCHEDULE A (Form 990)

Department of the Treasury Internal Revenue Service

Organization Exempt Under 501(c)(3) (Except Private Foundation), 501(e), 501(f), or Section 4947(a)(1) Trust Supplementary Information Attach to Form 990.

OMB No. 1545-004

1983

Name Minnesota Zoological Garden Foundation

Employer identification number 51 : 0147653

PART I.—Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Table with 5 columns: Name and address of employees paid more than \$30,000, Title and average hours per week devoted to position, Compensation, Contributions to employee benefit plans, Expense account and other allowances. Row 1 contains 'NONE'.

Total number of other employees paid over \$30,000.

PART II.—Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Table with 3 columns: Name and address of persons paid more than \$30,000, Type of service, Compensation. Row 1 contains 'NONE'.

Total number of others receiving over \$30,000 for professional services

PART III.—Statements About Activities

Table with 2 columns: Yes, No. Contains 5 numbered questions regarding legislative influence, grants, and contributions.

PART IV.—Reason for Non-Private Foundation Status (See Instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

- 6 ¹ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 7 ² A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
- 8 ³ A hospital. Section 170(b)(1)(A)(iii).
- 9 ⁴ A Federal, State or local government or governmental unit. Section 170(b)(1)(A)(v).
- 10 ⁵ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name and address of hospital ▶
- 11 ⁶ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)
- 12 ⁷ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)
- 13 ⁸ An organization that normally receives: (a) no more than 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, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Use cash receipts and disbursements method of accounting; also complete Support Schedule.)
- 14 ⁹ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 6 through 13 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 14.)

(a) Name of supported organizations	(b) Box number from above
Minnesota Zoological Garden	9

(c) Relationship of supported organizations to your organization:

- (1) Check here if the supported organizations acting together appoint a majority of your governing board.
- (2) Check here if a majority of your governing board belong to governing boards of the supported organizations.
- (3) Check here if (1) or (2) above does not apply. (See Regulations 1.509(a)-4.)

(d) If applicable, enter the number of supported organizations exempt under:

(1) Section 501(c)(4)	NONE
(2) Section 501(c)(5)	None
(3) Section 501(c)(6)	NONE

(e) Check here if your organization's sole or primary purpose is to provide funds to the supported organizations.

15 ⁰ An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 11, 12, or 13 above)

Calendar year (or fiscal year beginning in) ▶	(a)	(b)	(c)	(d)	(e)
	1982	1981	1980	1979	Total
16 Gifts, grants, and contributions received. (Do not include unusual grants. See line 29 below.)					
17 Membership fees received					
18 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose.		N/A			
19 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
20 Net income from unrelated business activities not included in line 19					

(Continued on page 3)

PART IV.—Support Schedule (continued) (Complete only if you checked box 11, 12, or 13 on page 2)

Calendar year (or fiscal year beginning in) ▶	(a)	(b)	(c)	(d)	(e)
	1982	1981	1980	1979	Total
21 Tax revenues levied for your benefit and either paid to you or expended on your behalf.					
22 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.		N/A			
23 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets.					
24 Total of lines 16 through 23					
25 Line 24 minus line 18					
26 Enter 1% of line 24					
27 Organizations described in box 11 or 12, page 2:					N/A
(a) Enter 2% of amount in column (e), line 25.					N/A
(b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1979 through 1982 exceeded the amount shown in 27(a). Enter the sum of all excess amounts here.					N/A
28 Organizations described in box 13, page 2: N/A					
(a) Attach a list, for amounts shown on lines 16, 17, and 18, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:					
(1982).....(1981).....(1980).....(1979).....					
(b) Attach a list showing, for 1979 through 1982, the name and amount included in line 18 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 2 for the year or \$5,000. Include organizations described in boxes 6 through 12 as well as individuals. Enter the sum of these excess amounts for each year:					
(1982).....(1981).....(1980).....(1979).....					
29 For an organization described in boxes 11, 12, or 13, page 2, that received any unusual grants during 1979 through 1982, attach list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 16 above. (See specific instructions.)					N/A

PART V.—Private School Questionnaire

To Be Completed ONLY by Schools that Checked Box 7 in Part IV

N/A

	Yes	No
30 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
31 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
32 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
33 Do you maintain the following:		
(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
(d) Copies of all material used by you or on your behalf to solicit contributions? If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		



STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

500 METRO SQUARE BUILDING
ST. PAUL, MINNESOTA 55101
(612) 296-6324

CHARITABLE ORGANIZATIONS ANNUAL REPORT

For Twelve Months Ending
June 30, 1984

A charitable organization which is required to file a Registration Statement must also file an Annual Report (including financial statements) within six months of the accounting year end. A charitable organization filing for the first time must include an Annual Report for the most recent fiscal year. See Minn. Stat. § 309.53.

Legally Established Name of Organization Minnesota Zoological Garden Foundation	
Address of Principal Office C/O St. Paul Foundation 1120 Norwest Center	
City, State, Zip Code St. Paul, MN 55101	Telephone No. (Include Area Code) 612 224-5463

CLIENT'S COPY

- Date Registration Statement filed: _____
- Indicate any pertinent changes since the last report including, but not limited to, changes of names, affiliations, address, telephone, officers, directors, organization's purpose, accounting year end, and any action against the organization by any court or governmental agency. None See attached
- Attach Financial Statement, prepared in accordance with generally accepted accounting principles. This statement must include: a) balance sheet, b) statement of income and expenses, c) statement of functional expenses, amounts spent in Minnesota, broken down into amounts spent for each major program, using "public education" as one program, e) basis of allocations between functional expenses. *(6/30/84 AUDIT REPORT ATTACHED)*

NOTE: Minnesota accepts the Federal Form 990 (revised 1-1-82) as satisfying Minnesota reporting requirements only if the following requirements are observed: for all organizations required to file this Report, the form 990 must be completed in its entirety and in accordance with generally accepted accounting principles as supplemented by separate schedules for items 3(d) and 3(e) above. For organizations receiving contributions in excess of \$50,000, an opinion by a certified public accountant that the statements fairly represent the operations of the organization must accompany the report.

- Amount of funds or properties transferred out of state, with explanation as to recipient and amount:
NONE

5. Compensation to Professional Fund Raiser:

Fund Raiser Name and Address	Date License Received	Amount of Compensation	% of Gross Receipts Associated with Fund Raiser's Activities
_____	_____	\$ _____	_____ %
_____	_____		
_____	_____		

- Does your organization sell, rent, or trade names of Minnesota Contributors? No Yes

NOTE: A professional fund raiser is any person (including a corporation or other entity) who for financial compensation or profit, participates in public solicitation in Minnesota of contributions for or on behalf of a reporting organization. This includes a bona fide officer or employee whose compensation is computed in whole or in part on the basis of funds to be raised or actually raised.

SIGNATURES AND ACKNOWLEDGMENT

We hereby state and acknowledge, that we are duly constituted officers of the organization named in this Annual Report, being the _____, and _____, and _____, respectively, that this Annual Report is executed on behalf of said organization by us pursuant to resolution of the _____ (Board of Directors or Trustees, or if none, other Managing Group) duly adopted on the _____ day of _____, 19 _____, approving the content of this Annual Report which includes the attached Financial Statement.

Signature
Title
Date

Signature
Title
Date

REPORT OF CERTIFIED PUBLIC ACCOUNTANT (FEDERAL FORM 990)

We (I) have examined the balance sheet (Part V) of _____ included in Federal Form 990 as of _____ and the related statements of support revenue, and expense and changes in fund balances (Part I) and of functional expenses (Part II) for the year then ended. Our (my) examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of accounting records and other such auditing procedures as we (I) considered necessary in the circumstances.

In our (my) opinion, the financial statements referred to above present fairly the financial position of _____ as of _____ and the results of operations and changes in fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our (my) examination has been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in Parts III, IV and VI _____

_____ inclusive, of this report, although not considered necessary for a fair presentation of financial position and results of operations and changes in fund balances, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In our (my) opinion, these data are fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

(6/30/84 AUDIT REPORT ATTACHED)

CERTIFIED PUBLIC ACCOUNTANTS



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
612-224-7466

The Board of Directors
Minnesota Zoological Garden Foundation:

We have examined the balance sheet of Minnesota Zoological Garden Foundation as of June 30, 1984 and the related statements of support and revenue, expenses and changes in fund balances, and functional expenses for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of Minnesota Zoological Garden Foundation at June 30, 1984 and the results of its operations and changes in its fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

August 14, 1984

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Balance Sheet

June 30, 1984
with comparative totals for June 30, 1983

<u>Assets</u>	<u>1984</u>	<u>1983</u>
Cash (note 2)	\$ 199,808	231,297
Photo copying equipment, net of accumulated depreciation of \$2,865 in 1983 (note 3)	-	1,435
Total assets	\$ 199,808	232,732
 <u>Liabilities and Fund Balances</u>		
Accounts payable and accrued expenses	\$ 3,592	4,160
Capital lease obligation (note 3)	-	1,848
Total liabilities	3,592	6,008
Fund balances:		
Unrestricted	21,399	9,296
Restricted for zoo capital improvements	174,817	217,428
Total fund balances	196,216	226,724
Total liabilities and fund balances	\$ 199,808	232,732

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Support and Revenue, Expenses and Changes in Fund Balances

Year ended June 30, 1984
with comparative totals for year ended June 30, 1983

	1984		Total	
	Unrestricted	Restricted for zoo capital improvements	1984	1983
Public support and revenue:				
Cash contributions	\$ 5,550	100	5,650	60,866
Interest income	17,551	-	17,551	21,499
Miscellaneous	12	-	12	3,486
Total public support and revenue	<u>23,113</u>	<u>100</u>	<u>23,213</u>	<u>85,851</u>
Expenses:				
Contributions to the Zoo	-	42,711	42,711	58,927
Management and general	11,010	-	11,010	23,424
Fund-raising	-	-	-	27,703
Total expenses	<u>11,010</u>	<u>42,711</u>	<u>53,721</u>	<u>110,054</u>
Excess (deficiency) of public support and revenue over expenses	12,103	(42,611)	(30,508)	(24,203)
Fund balances, beginning of year	<u>9,296</u>	<u>217,428</u>	<u>226,724</u>	<u>250,927</u>
Fund balances, end of year	<u>\$ 21,399</u>	<u>174,817</u>	<u>196,216</u>	<u>226,724</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Functional Expenses

Year ended June 30, 1984
 with comparable totals for year ended June 30, 1983

	1984		Total	
	Contributions to Zoo	Management and general	1984	1983
Salaries and wages	-	-	-	23,389
Employee benefits	-	-	-	1,445
Employee retirement	-	-	-	3,027
Total salaries and related expenses	-	-	-	27,861
Program grants (note 6)	42,711	-	42,711	58,927
Professional fees	-	2,551	2,551	4,300
Office supplies	-	-	-	282
Insurance	-	-	-	223
Postage	-	-	-	143
Telephone	-	-	-	1,157
Printing and promotion	-	152	152	1,135
Interest expense	-	53	53	462
Depreciation expense	-	358	358	1,433
Reimbursable expenses	-	-	-	1,421
Occupancy	-	-	-	3,836
Services of The Saint Paul Foundation (note 5)	-	7,879	7,879	8,505
Other expenses	-	17	17	369
	<u>\$ 42,711</u>	<u>11,010</u>	<u>53,721</u>	<u>110,054</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements

June 30, 1984

(1) Summary of Significant Accounting Policies

The Minnesota Zoological Garden Foundation solicits contributions and provides other necessary services for the Minnesota Zoological Garden (the Zoo). The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Fund Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

To ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into funds for specific purposes.

The unrestricted fund balance represents all resources over which the Foundation's Board of Directors has discretionary control.

The restricted fund balance represents contributions received but uncommitted by the Board of Directors to certain projects at the Zoo. Direct contributions may only be utilized in accordance with the restrictions established by the donor.

Pledges

Pledges are not reflected in the financial statements until the contributions are actually received. There were no outstanding pledges at June 30, 1984 or 1983.

(2) Cash

Cash at June 30, 1984 is summarized as follows:

Checking account	\$ 2,009
Money market savings account at 8.2% on June 30, 1984 (rate changes weekly)	<u>197,799</u>
	<u>\$ 199,808</u>

(Continued)

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements, Continued

(3) Capital Lease Obligation

The Foundation entered into the three year lease for photocopying equipment on June 24, 1981. The monthly payment of \$225 included a \$75 charge for maintenance, taxes and insurance which was the responsibility of the lessor. The lease was capitalized at 17.8%. The equipment recorded as an asset was being depreciated over the life of the lease using the straight-line method. The present value of the lease payments, excluding the portion for maintenance, taxes and insurance had been recorded as a liability and were being reduced by the principal portion of the monthly payments.

On August 15, 1983 the Foundation purchased the photocopying equipment by exercising the purchase option in their lease agreement. The equipment was then donated to the Zoo. The related asset, accumulated depreciation and capital lease obligation balances were eliminated and a program grant of approximately \$1,800 was recorded for the difference between the amount paid and the balances eliminated.

(4) Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of support and revenue, expenses and changes in fund balances. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation of operating expenses between management and general and fund-raising were based on estimates by management. In making such estimates, consideration has been given to the proportion of time spent performing each of the functions.

(5) Administrative Fee

As of November 1982, the Foundation ceased to employ administrative or program staff. With this change the Foundation contracted with the Saint Paul Foundation to act as its administrative agent. The Saint Paul Foundation maintains the financial reports and records of the Foundation and provides additional services as requested. The Foundation is charged a fee for these services (representing allocations of The Saint Paul Foundation's staff costs, insurance, printing, and other expenses) which amounted to \$7,879 during the year ended June 30, 1984 (\$8,505 for the year ended June 30, 1983). An officer of The Saint Paul Foundation also serves as an officer of the Foundation.

(6) Contribution from Minnesota Zoological Society

In June, 1982 the Foundation received a contribution of \$35,160 from the Minnesota Zoological Society (Society), which was restricted for capital projects at the Zoo. This amount was included as a cash contribution in 1982 and was included in restricted fund balance at June 30, 1982. The Board of the Zoo wanted the funds to be remitted to them through the Foundation, instead of the Society, to maintain higher flexibility in the use of the funds. During the year ended June 30, 1984, the Foundation remitted \$6,400 (\$25,667 during the year ended June 30, 1983) of these funds to the Zoo.

Minnesota Zoological Garden Foundation
Comparison of Actual to Budget
Activity For The Fiscal Year Ended June 30, 1984

	Budget For Year Ended June 30 1984	Actual For Year Ended June 30 1984	Variance Actual > (<) Budget
<u>INCOME</u>			
Contribution	\$ 9,000	\$ 5,650	\$ (3,350)
Interest	16,800	17,551	751
Other	600	12	(588)
TOTAL INCOME	\$ 26,400	\$ 23,213	\$ (3,187)
<u>EXPENSES</u>			
TSPF-Administrative Service	12,600	7,879	(4,721)
Program Expenditures	34,800	42,711	7,911
Professional Fees	2,500	2,551	51
Office Supplies	-0-	-0-	-0-
Insurance	-0-	-0-	-0-
Postage	-0-	-0-	-0-
Telephone	-0-	-0-	-0-
Xerox, Printing, Promotion	450	152	(298)
Interest Expense	-0-	53	53
Depreciation Expense	-0-	358	358
Reimbursable Expense	-0-	-0-	-0-
Occupancy	-0-	-0-	-0-
Other Expenses	1,250	17	(1,233)
TOTAL EXPENSES	\$ 51,600	\$ 53,721	\$ 2,121
CHANGES IN FUND BALANCE	\$ (25,200)	\$ (30,508)	\$ 5,308

1985 Budget
Minnesota Zoological Garden Foundation

<u>RECEIPTS</u>	Unrestricted	Restricted	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	
Contributions	\$ -0-	\$ 55,000	\$ 55,000
Interest	8,000	-0-	8,000
Other	-0-	-0-	-0-
Total Receipts	<u>8,000</u>	<u>55,000</u>	<u>63,000</u>
 <u>Expenditures</u>			
Admin/Acctg. Services	12,000	-0-	12,000
Audit	1,950	-0-	1,950
Legal	650	-0-	650
Xerox	-0-	-0-	-0-
Miscellaneous	500	-0-	500
Grants	-0-	<u>163,500</u>	<u>163,500</u>
Total Expenses	<u>15,100</u>	<u>163,500</u>	<u>178,600</u>
Excess(Deficit)	(7,100)	(108,500)	(115,600)
Beginning Balance	<u>21,399</u>	<u>174,817</u>	<u>196,216</u>
Ending Balance	<u><u>\$ 14,299</u></u>	<u><u>\$ 66,317</u></u>	<u><u>\$ 80,616</u></u>

Minnesota Zoological Garden Foundation
Statement of Activity
August 31, 1984

	Two Months Ended Aug. 31, 1984	Year Ended June 30, 1984
<u>INCOME</u>		
Contributions	\$ 2,500	\$ 5,650
Interest	2,661	17,551
Other	<u>-0-</u>	<u>12</u>
TOTAL INCOME	<u>\$ 5,161</u>	<u>\$ 23,213</u>
<u>EXPENSES</u>		
TSPF-Administrative Service	-0-	7,879
Program Expenditures	40,100	42,711
Professional Fees	-0-	2,551
Office Supplies	-0-	-0-
Insurance	-0-	-0-
Postage	-0-	-0-
Telephone	-0-	-0-
Xerox, Printing, Promotion	-0-	152
Interest Expense	-0-	53
Depreciation Expense	-0-	358
Reimbursable Expense	-0-	-0-
Occupancy	-0-	-0-
Other Expenses	<u>-0-</u>	<u>17</u>
TOTAL EXPENSES	<u>\$ 40,100</u>	<u>\$ 53,721</u>
CHANGES IN FUND BALANCE	<u>\$ (34,939)</u>	<u>\$ (30,508)</u>

Minnesota Zoological Garden Foundation
Balance Sheet
August 31, 1984

	Two Months Ended <u>August 31, 1984</u>	Year Ended <u>June 30, 1984</u>
<u>ASSETS</u>		
Cash	\$ 161,277	\$ 199,808
Short-term Investments	-0-	-0-
Interest Receivable	-0-	-0-
Photocopier (Net of depreciation)	-0-	-0-
Other Assets	<u>-0-</u>	<u>-0-</u>
TOTAL ASSETS	<u>\$ 161,277</u>	<u>\$ 199,808</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Accounts Payable	\$ -0-	\$ 3,592
Capital Lease	<u>-0-</u>	<u>-0-</u>
TOTAL LIABILITIES	-0-	3,592
<u>FUND BALANCES</u>		
Unrestricted	24,060	21,399
Restricted	<u>137,217</u>	<u>174,817</u>
TOTAL FUND BALANCES	<u>161,277</u>	<u>196,216</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 161,277</u>	<u>\$ 199,808</u>

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: International Species Inventory System (I.S.I.S.) Fund

History and Purpose:

The fund was established in early 1980 to hold designated gifts for the International Species Inventory System. Contributions to date have been principally from Mr. William Gruenerwald of Colorado Springs, Colorado.

Disbursement Procedures:

Disbursements from the fund are made to I.S.I.S. or to third party vendors based upon written requests prepared by I.S.I.S. staff and approved by the Minnesota Zoological Garden Director.

Balance @ 8/31/84: \$2,404

Donors July 1, 1984 to August 31, 1984:

Chicago Zoological Society - \$2,500

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Onan Foundation Conference Fund

History and Purpose:

The Fund was established in July of 1982. A contribution was made from the Onan Family Foundation to support attendance of Zoological Garden staff at an international conference in Helsinki. Zoological Garden staff cannot attend such conferences with state funds because a moratorium on travel has been imposed by the State. Although attendance at the original conference in Helsinki was cancelled, the Onan Family Foundation agreed to leave these funds with the Zoological Garden Foundation for possible future conference attendance.

Disbursement Procedures:

Requests for specific conference attendance will be requested by Zoological Garden staff and will be approved by the Director of the Zoological Garden. Support for a particular conference should be reviewed with the Onan Family Foundation staff.

Balance @ 8/31/84: \$ 585

Donors July 1, 1984 to August 31, 1984:

None

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Emergency Equipment Fund

History and Purpose:

The Fund was established in May of 1978 through an initial allocation of \$30,000 of unrestricted Zoological Garden Funds for the purpose of securing equipment based upon Zoological Garden staff requests. The equipment which has been purchased has been highly specialized and has been purchased through this fund to avoid competitive bidding practices (required for expenditures of state money). Although the primary funding source since inception has been allocations of unrestricted funds, several contributions have been made directly to the Fund (when contributors desired to share in the cost of certain equipment purchases).

Disbursement Procedures:

Disbursements are made to particular equipment vendors based upon Zoological Garden staff requests which have been approved by the Director of the Zoological Garden.

Balance @ 8/31/84: \$3,936

Donors July 1, 1984 to August 31, 1984:

None

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Minnesota Zoological Society Fund

History and Purpose:

The Fund was established in June of 1982 after the Minnesota Zoological Society granted \$35,160 to the Foundation. This grant was made immediately after the Minnesota Zoological Garden Board designated the Minnesota Zoological Garden Foundation as the primary fundraising organization of the Zoological Garden. The following amounts were contributed by the Society for the purpose indicated:

Audio Equipment	\$ 2,684
Biotelemetry	17,605
Special Events	1,710
Interns	7,780
Seminars	<u>5,381</u>
	\$35,160
	=====

Disbursement Procedures:

Disbursements are requested by Zoological Garden staff who indicate the designation within the society fund. All requests are approved by the Director of the Zoological Garden before payment.

Balance @ 8/31/84:

Audio Equipment	\$ 1,042
Biotelemetry	10
Special Events	-0-
Interns	890
Seminars	<u>2,791</u>
	\$ 4,733
	=====

Donors July 1, 1984 to August 31, 1984:

None

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Snow Leopard Exhibit Fund

History and Purpose:

The Fund was created in September of 1978 when Rahr Melting Company donated \$10,000 to begin a fund for the Snow Leopard Exhibit. The total required for this exhibit is now more than \$1,000,000 and the exhibit has not been scheduled for construction.

Disbursement Procedures:

Disbursements for construction costs related to Snow Leopard Exhibit. Payment only after written request approved by the Director of the Zoological Garden.

Balance @ 8/31/84: \$10,000

Donors July 1, 1984 to August 31, 1984:

None

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Donor Recognition Fund

History and Purpose:

Contributions have been received since December of 1980 (largely reimbursement checks from the state to a ^{BOARD MEMBER} state legislator who then contributed them to this fund). A Donor Recognition event was held in May of 1982 with the majority of these funds. A small balance remains.

Disbursement Procedures:

To be disbursed for activities related to Donor Recognition.

Balance @ 8/31/84: \$158

Donors July 1, 1984 to August 31, 1984:

None

ANALYSIS OF RESTRICTED FUNDS
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Name: Northern Trek Fund

History and Purpose:

These funds are the remainder of the largest single fundraising effort of the Foundation. Over one million dollars was raised between May of 1979 and the present time. Approximately \$860,000 has been granted to the Zoological Gardens or vendors for Northern Trek Exhibits.

Disbursement Procedures:

Proposals for use of these funds are to be submitted for review. These proposals are to be approved by the Director of the Zoological Garden.

Balance @ 8/31/84: \$115,401

Donors July 1, 1984 to August 31, 1984:

None

Minnesota Zoological Garden Foundation
 Grants Listing for the Fiscal Year Ending June 30, 1984
 June 30, 1984

Grant No.	Grantee	Payee	Amount	Fund	Date Paid	Purpose
79-83	Minnesota Zoological Garden	Frank Wright	224.45	Onan Foundation	7/12/83	Conference Travel
80-83	Minnesota Zoological Garden	Rebecca Nelson	150.00	MN Zoo Society: Interns	7/12/83	Internship
81-83	Minnesota Zoological Garden	Coast to Coast	29.45	Education Thorpe	7/12/83	Supplies
82-83	Minnesota Zoological Garden	Cheryl Needham	100.00	MN Zoo Society: Interns	7/12/83	Internship
83-83	Minnesota Zoological Garden	Schaak's Digital Den	1,995.00	Emergency Equipment Fund	7/12/83	Apple Daisy Wheel Fund
84-83	Minnesota Zoological Garden	Ahlgren Construction Co.	267.05	Education Thorpe	8/03/83	Graphic Panel/ Materials
85-83	Minnesota Zoological Garden	Nelson's Office Supply	9.85	Education Thorpe	8/03/83	Supplies
86-83	Minnesota Zoological Garden	Radio Shaak	25.87	Education Thorpe	8/03/83	Outfitters Computer Supplies
87-83	Minnesota Zoological Garden	Data Copy, Inc.	175.00	ISIS	8/03/83	Computer Rental/one month
88-83	Minnesota Zoological Garden	Rebecca J. Nelson	150.00	MN Zoo Society: Interns	8/25/83	Internship
89-83	Minnesota Zoological Garden	Cheryl Needham	100.00	MN Zoo Society: Interns	8/25/83	Internship
90-83	Minnesota Zoological Garden	Cheryl Needham	100.00	MN Zoo Society: Interns	8/25/83	Internship
91-83	Minnesota Zoological Garden	Kathryn Cassem	70.00	MN Zoo Society: Interns	9/09/83	Internship
92-83	Minnesota Zoological Garden	Joel Sund	500.00	MN Zoo Society: Interns	9/09/83	Internship
93-83	Minnesota Zoological Garden	Martha Bigalk	171.60	Onan Foundation	9/09/83	Conference Travel
94-83	Minnesota Zoological Garden	Radio Shack	290.44	MN Zoo Society: Biotelemetry	9/19/83	Supplies
95-83	Minnesota Zoological Garden	Accounts Receivable Kathryn Casseum	630.00	MN Zoo Society: Interns	9/26/83	Internship
96-83	Minnesota Zoological Garden	MECC	1,315.00	MN Zoo Society: Special	10/05/83	Apple Instructional Package
97-83	Minnesota Zoological Garden	Diane Merchlewitz	100.00	MN Zoo Society: Interns	10/07/83	Internship
98-83	Minnesota Zoological Garden	Xerox	1,200.20	Northern Trek	10/13/83	Xerox Copy Machine
99-83	Minnesota Zoological Garden	John Lewis	14.15	MN Zoo Society: Seminar	11/04/83	Seminar Attendance
100-83	Minnesota Zoological Garden	Christen Wemmer	200.00	MN Zoo Society: Seminar	11/04/83	Seminar Attendance
101-83	Minnesota Zoological Garden	Minnesota Zoological Garden	1,000.00	Education Sanford	11/04/83	Interpretive Programming
			1,939.56	Education Thorp		
			395.00	MN Zoo Society: Special Event		
102-83	Minnesota Zoological Garden	Diane Merchlewitz	100.00	MN Zoo Society: Interns	11/15/83	Internship
103-83	Minnesota Zoological Garden	Diane Merchlewitz	100.00	MN Zoo Society: Interns	11/18/83	Internship
<u>1984</u>						
1-84	Minnesota Zoological Garden	Software Banc	444.00	MN Zoo Society: Biotelemetry	1/24/84	d Base II Software
2-84	Minnesota Zoological Garden	Computer Applications	1,870.00	ISIS	2/24/84	Purchase Kaypro Model 4 Microcomputer
3-84	Minnesota Zoological Garden	Minnesota Zoological Garden	28,700.00	Northern Trek Fund	5/18/84	Development of Northern Trek
4-84	Minnesota Zoological Garden	Minnesota Zoological Garden	344.38	Onan Foundation	5/15/84	Reimburse MZG for expenses of John Lewis Trip to Kahna Park in India
Total Grants for Fiscal Year			42,711.00			

Minnesota Zoological Garden Foundation
Grants Listing for the Fiscal Year Ending June 30, 1985
Through August 31, 1984

Grant No.	Grantee	Payee	Amount	Fund	Date Paid	Purpose
3-84	Minnesota Zoological Garden	Minnesota Zoological Garden	40,000.00	Northern Trek Fund	08/20/84	Development of Northern Trek
5-84	Minnesota Zoological Garden	Columbia Univesity	100.00	ISIS	08/06/84	purchase of software
Total for the Two Months Ended August 31,1984			<u>40,100.00</u> *****			

TSPF.0862

REPORT ON THE WORK OF THE MINNESOTA ZOOLOGICAL GARDEN FUNDRAISING
STUDY ADVISORY COMMITTEE

BACKGROUND

On June 28, 1983 the F.R. Bigelow Foundation approved a grant of \$10,000 to The Saint Paul Foundation to finance a study of fundraising options for the Minnesota Zoological Garden. At the November 3, 1983 Board Meeting of the Minnesota Zoological Garden Foundation the purpose and work plan for the study was reviewed.

In summary, the purpose of the Fundraising Options Study was to review possible fundraising models for the Minnesota Zoological Garden and to develop a recommended model or models including an implementation plan, budget, staffing requirements, timeline and specific action items. As a part of this review the structure and relationship of the Minnesota Zoological Garden and the Minnesota Zoological Garden Foundation were to be considered. The primary findings were to be reviewed with appropriate external parties and the final report shared with the Board of the Minnesota Zoological Garden Foundation, the Executive Director of the Minnesota Zoological Garden and the Board of the Minnesota Zoological Garden.

Specific items to be considered included:

1. Organization and reporting responsibilities for the fundraising function.
2. Appropriate job descriptions.
3. Organizational setting.
4. Future role of the Minnesota Zoological Garden Foundation.
5. Strategic plan for development of a case statement and/or plan for growth of the Minnesota Zoological Garden in relation to fundraising objectives.
6. Role of advisory committees and/or boards including the Board of the Minnesota Zoological Garden.
7. Relationship to the State of Minnesota in conjunction with fundraising efforts.

In the fall of 1983 the consulting firm of Bentz, Whaley, Flessner & Associates was hired by the Foundation to prepare the report. An advisory committee was also appointed. The members of that committee are as follows:

Larry D. Buegler, Chair	Chairman and CEO, Norwest Bank Saint Paul, N.A.
Patricia Davies	Chair, Minnesota Zoological Garden
Richard G. Gray, Sr.	Chairman of the Board, Freshwater Biological Institute
Peter C. Hutchinson	Chairman, Dayton-Hudson Foundation
Stephen A. Iserman	General Director, Minnesota Zoological Garden
Malcolm W. McDonald	Corporate Secretary, Space Center
Mariam C. Noland	Vice President, The Saint Paul Foundation
Medora Perlman	Vice President, Norwest Bank Minneapolis, N.A.
Hazel Reinhardt	Vice President of Research, Minneapolis Star & Tribune
James Weaver	Treasurer, General Mills

The detailed design and work plan of the study was approved by the Advisory Committee in February 1984 (Minutes of the Advisory Committee Meeting held on February 24, 1984 are attached, pages 5 through 12.). During the spring of 1984 the study was implemented and preliminary results reviewed with committee members. The final study report was officially approved by the Advisory Committee on June 26, 1984 (Minutes of the June 26, 1984 Advisory Committee Meeting are attached, pages 13 through 16.).

STUDY FINDINGS AND RECOMMENDATIONS

The report of the Minnesota Zoological Garden Fundraising Study Advisory Committee which includes the primary Findings and Recommendations is provided in this Exhibit, pages 17 through 43. In summary, the three primary conclusions of the study are as follows:

1. There is a need for major strategic planning, including all major constituencies of the Zoo, to create a long-range agenda for capital expansion, finances and programmatic thrusts.

2. There is a need for a Champion - - either an individual or small core of leaders - - whose interest in the Zoo is high and who is prepared to provide the leadership for the Zoo's external relations efforts.
3. There is a need for a vehicle to involve financial and business leaders in the external relation efforts of the Zoo.

Based on these findings the following major Recommendations were approved by the Advisory Committee:

1. A Blue Ribbon Committee be created to assist the Minnesota Zoological Garden in strategic planning.
2. The Minnesota Zoological Garden should establish a Development Office as a central part of its external relations and marketing efforts and the Minnesota Zoological Garden Foundation should be reorganized to better serve the fundraising efforts of the Minnesota Zoological Garden.
3. After the establishment of the planning effort and the decision to establish a new development effort based on the Minnesota Zoological Garden - Minnesota Zoological Garden Foundation partnership outlined in Recommendation 2, the following specific strategies are recommended:
 - A. The Minnesota Zoological Garden should, in 1985 fiscal year, hire a senior level person to serve as the Director of Development. The search committee should be composed of representatives from the Minnesota Zoological Garden Board, Minnesota Zoological Garden Foundation Board, the Planning Committee and the Minnesota Zoological Garden staff.

The selected person would serve as Executive Director of the Minnesota Zoological Garden Foundation as well as Director of Development of the Minnesota Zoological Garden. The Zoo should consider hiring two additional staff members, a research secretary and a bookkeeper/secretary.

- B. A budget of \$45,000 would be needed in 1984-85 and a budget of \$153,000 would be needed in 1985-86.

It was agreed by the Advisory Committee that the final report would be transmitted to the Boards of the Minnesota Zoological Garden and the Minnesota Zoological Garden Foundation for their consideration and action. The report is accompanied by the personal support of the Advisory Committee members.

IMPLEMENTATION

The Advisory Committee has continued to support the implementation of the study. The development of a Blue Ribbon Commission is underway with potential membership being developed and with efforts underway to ask for the support of the Governor for the activities of this Blue Ribbon Commission. A copy of the proposed Responsibilities and Work Plan for the Commission is included on pages 44 through 46. In addition, efforts are underway to secure approximately \$50,000 to assure adequate staffing of the strategic planning effort and Blue Ribbon Commission activities. To date the following grants have been received:

F.R. Bigelow Foundation	\$10,000
The Saint Paul Foundation	\$24,470

The F.R. Bigelow Foundation will consider an additional \$15,000 at its December board meeting.

MINUTES

Of a meeting of the Minnesota Zoological Garden Fund Raising Study Advisory Committee of The Saint Paul Foundation, Incorporated, held on Friday, February 24, 1984, at 10:00 a.m., in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Larry D. Buegler, Chair
 Patricia Davies
 Stephen A. Iserman
 Malcolm W. McDonald
 Mariam C. Noland

Mr. Buegler presided and Ms. Noland acted as Secretary.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORK PLAN

The Committee reviewed and accepted the Committee's purpose as follows. The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding future fund raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advise on fund raising organizational issues and it will operate for approximately four months. The role of the Committee and work plan is presented in EXHIBIT A.

BRIEFING ON BACKGROUND FOR CURRENT STUDY

Ms. Noland, as Vice President of The Saint Paul Foundation, welcomed the Committee and expressed the appreciation of The Saint Paul Foundation to the Chair and Committee members for their service. In providing a background for this Study, it was indicated that the Minnesota Zoological Garden Foundation (MZG Foundation) was formed in 1975 as a supporting organization of the Minnesota Zoological Garden (MZG). The Foundation was staffed and since 1975 raised approximately \$2 million. In recent years the Foundation showed a steady decline in fund raised and in November 1982 The Saint Paul Foundation, upon the request of the Board of the MZG Foundation, agreed to provide management services to the Foundation. During the past fifteen months the MZG Foundation offices have been closed, and all federal and state reporting brought current. During that period the Foundation has not undertaken any significant fund raising

activities. Annual requests to and grants from corporations have been maintained but gifts have been few in number.

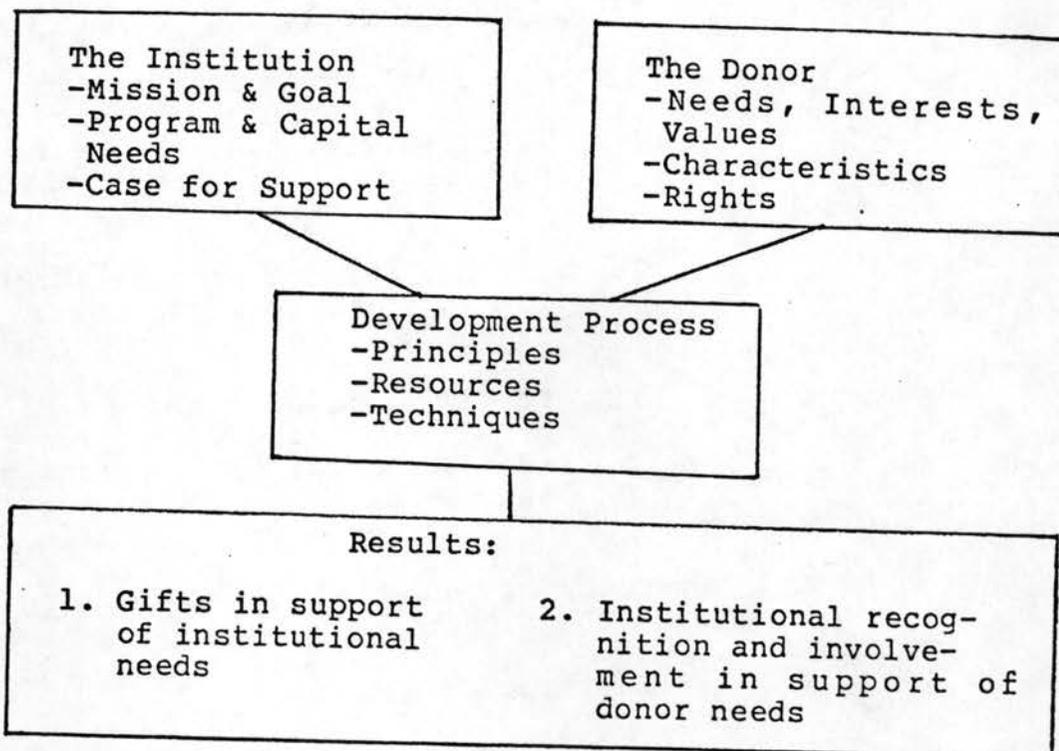
With the support of the MZG Foundation Board, The Saint Paul Foundation developed a process to look at future directions for fund raising for the MZG. This process was discussed with the Chair of the MZG Board and others and their concurrence was given to such a study. Therefore, The Saint Paul Foundation requested and received a grant of \$10,000, in June 1983 from the F. R. Bigelow Foundation to undertake a fund raising model study. In the fall of 1983, possible consultants were considered and the firm of Benz, Whaley, Flessner & Associates, Inc., was hired to perform the study. Since this study is a public matter an Advisory Committee was seen as desirable. It is anticipated that the work of the consultants and the Committee on this task should be completed in May of 1984.

Mr. Iserman, as Executive Director of the Minnesota Zoological Garden, provided a summary of the fund raising activities of the MZG. Mr. Iserman indicated that the MZG has not actively sought capital funds. Historically the Zoo has directly raised between \$300,000 and \$400,000 independent of the MZG Foundation. In 1983 the MZG received approximately \$70,000 in gifts of various sizes. It is estimated that animal sponsorships are approximately \$25,000 of that annual amount. Fund raising has primarily been cooperative ventures or promotional activities with several major corporations. A few family foundations have contributed directly to the MZG.

Mr. Iserman characterized the Minnesota Zoological Garden as having no active capital fund raising. It was indicated that a gift fund has been established for the Zoo within the State Treasury so that all gifts to the MZG are adequately restricted. It was further indicated that MZG has drawn approximately \$1,800,000 from the MZG Foundation for a variety of activities.

REVIEW AND DISCUSSION OF STUDY DESIGN AND IMPLEMENTATION PLAN

John C. Whaley and Bruce W. Flessner of Benz, Whaley, Flessner, & Associates, Inc., presented a general development model which provides background for the fund raising study. In summary the model is as follows:



The Committee established the following specific criteria for the Minnesota Zoological Garden Fund Raising Study:

A. Institution

1. The development process should be consistent with the structure and governance of the Minnesota Zoological Garden.
2. The development process should be designed to produce maximum results for the projected costs.
3. The Minnesota Zoological Garden Foundation should be utilized if it is determined that a supporting organization is the best vehicle for fund raising.

B. Donors

1. The structure of the development program should respond to the motivation and characteristics of past donor and potential supporters.
2. The structure should be consistent with the perceptions of these donors and as to what organizational format best meets their rights to good stewardship.

C. Development Process

1. The development structure should be consistent with and foster the use of good fund raising principles (cultivation, ownership, the gift pyramid, giving before asking, peer solicitation, and acknowledgment).
2. The development process should allow for the focusing of resources on the most productive donor segments.
3. The structure of the development effort should promote the use of proven fund raising techniques (donor acquisition, current giving, capital giving and planned giving).

The Committee agreed that the following issues should be addressed in the Study:

1. Institutional Issues

- a. Have long-range operational and capital plans been defined sufficiently for fund raising purposes?
- b. Is there a well defined role for private gifts in such plans?
- c. Does the MZG's or MZG Foundation's organization structure accomodate development's input in to long-range planning?
- d. Is the MZG's or the MZG Foundation's financial operation capable of handling restricted gifts and endowments?
- e. Are there legal advantages to using a roundation for certain types of gifts?
- f. Can the MZG's or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?

2. Donor Issues

- a. What has been the geographical distribution of past donors, and what will be the likely distribution of future donors?
- b. What has been the type -- i.e., corporation, foundation, or individuals -- of past donors, and what will be the probable type of future donors?

- c. What has been the motivation of past donors, and what will be the probable motivation of future donors?
 - d. Does MZG's policies accomodate appropriate donor recognition?
3. Development Issues
- a. What cost effective method(s) can be used to acquire new donors?
 - b. What techniques and organizational structure can best be used to raise capital funds.
 - c. Does a market exist for planned giving, and, if so, what is the best structure to support it?
 - d. What type of volunteer structure is needed and in what organizational structure can it best be produced.
 - e. When and in what manner should volunteers be brought into the planning process to foster ownership?

In relation to these issues, the Committee advised that past problems should not be raised by the consultants, but that if comments are made about past organizational problems, note will be taken.

The Committee discussed proposed interviewees. As a result of this discussion the consultants will develop a new list which includes Twin Cities and outstate representation, solicited funders who have not given in the past, and consumer-oriented companies as well as the categories previously suggested by the consultants. Rather than looking at traditional givers it was suggested that attempts should be made to determine if there is a different constituency for support for the MZG and to survey that constituency.

Data collection will begin immediately with preliminary results ready for Committee review approximately April 15, 1984. Based on Committee input, a final draft should be ready for review May 15, 1984, with the report to be issued May 31, 1984.

DISEMINATION OF ACTIVITIES AND RESULTS

The Committee discussed the desirability of informing a broad range of constituencies about the Study activities. Questions were raised as to the appropriate contacts at the State, both in the Governor's office and with the Legislature. This topic will be fully discussed at the next Advisory Committee meeting.

FUTURE MEETINGS

The next Committee meeting will be held approximately mid-April. The Committee will be polled for a suitable date with considerable lead time to assure availability of Committee members.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

Mariam C. Noland
Vice President

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

Committee Purpose: The Advisory Committee is an ad hoc task force composed of community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to providing advice on fund raising organizational issues and it will operate for approximately four months.

Role of Committee
Members:

1. Each Committee Member will be asked to attend three or four meetings.
2. The Committee shall review the procedures for the study.
3. Each Member will be asked to provide input, both at the meetings and in other interviews regarding the organization and structure for the Zoo's future fund-raising efforts.
4. The Committee Members will collectively review the preliminary findings and conclusions.
5. The Committee Members will review and discuss the final recommendations of the study and serve as spokespersons on behalf of the report.

Work Plan:

1. The initial meeting will be to organize the Committee, review its membership, explain its purpose and mandate, adopt a schedule for the study and future Committee meetings, approve the procedures for the study, determine who should be interviewed and review the information to be obtained in interviews.

Minnesota Zoological Garden Fund Raising Study
Advisory Committee

2. In the second meeting Members would review all of the relevant data and facts and the preliminary findings and conclusions of the study. An important part of this meeting would be a discussion of the above and the input of the Committee for rethinking the initial conclusions.
3. The final meeting will be for review and discussion of the findings and recommendations for the study as written in the final report. The final report will contain an implementation plan and budget. It is essential that the Committee reach a consensus on the report and agree to support it publicly.

MINUTES

Of a meeting of the Minnesota Zoological Garden Fundraising Study Advisory Committee of The Saint Paul Foundation, Inc., held on Tuesday, June 26, 1984 at 3:00 p.m. in the board room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Larry D. Buegler, Chair
Patricia Davies
Richard G. Gray, Sr.
Stephen A. Iserman
Mariam C. Noland
Medora Perlman
Paul A. Verret
James Weaver

Also present was: Bruce Flessner, Bentz, Whaley, Flessner & Associates

Mr. Buegler presided and Ms. Noland acted as secretary.

DISCUSSION OF ADVISORY COMMITTEE PURPOSE AND WORKPLAN

Mr. Buegler, as Chair, reviewed the Committee's purpose which is to provide advice on fundraising organizational issues for the Minnesota Zoological Garden. In reviewing the findings of the study, it was noted that it is essential that the Committee reach a consensus on the report and agree to support it publicly.

REVIEW OF REPORT ON THE MINNESOTA ZOOLOGICAL GARDEN FUNDRAISING STUDY

A draft report, dated June 26, 1984, as prepared by Bruce Flessner, was reviewed with the Advisory Committee.

A copy of the final report, as amended at the meeting of June 26, 1984, is included in these minutes as EXHIBIT A. The committee concurred with the findings of the study as presented on Pages 5 - 17.

The conclusions reached on institutional issues, donor issues and development issues were reviewed in detail and accepted. The committee concurred that the three primary conclusions of the study are as follows:

1. There is a need for major strategic planning, including all major constituencies of the Zoo, to create a long-range agenda for capital expansion, finances and programmatic thrusts.
2. There is a need for a Champion - - either an individual or a small corp of leaders - - whose interest in the Zoo is high and who is prepared to provide the leadership for the Zoo's external relations efforts.
3. There is a need for a vehicle to involve financial and business leaders in the external relations efforts of the Zoo.

There was agreement on the importance of involving the major constituencies in the planning process, yet these constituencies were not clearly defined in the study findings. Therefore, Mr. Flessner was directed to define the constituencies and include them in the final draft of the study report.

The following major recommendations were approved by the Advisory Committee:

1. A Blue Ribbon Committee be created to assist the Minnesota Zoological Garden in strategic planning.
2. The Minnesota Zoological Garden should establish a Development Office as a central part of its external relations and marketing efforts and the Minnesota Zoological Garden Foundation should be reorganized to better serve the fundraising efforts of the Minnesota Zoological Garden.
3. After the establishment of the planning effort and the decision to establish a new development effort based on the Minnesota Zoological Garden - Minnesota Zoological Garden Foundation partnership outlined in Recommendation 2, the following specific strategies are recommended:
 - A. The Minnesota Zoological Garden should, in 1985 fiscal year, hire a senior level person to serve as the Director of Development. The search committee should be composed of representatives from the Minnesota Zoological Garden Board, Minnesota Zoological Garden Foundation Board, the Planning Committee and the Minnesota Zoological Garden staff.

The selected person would serve as Executive Director of the Minnesota Zoological Garden Foundation as well as Director of Development of the Minnesota Zoological Garden. The Zoo should consider hiring two additional staff members, a research secretary and a bookkeeper/secretary.

- B. A budget of \$45,000 would be needed in 1984-85 and a budget of \$153,000 would be needed in 1985-86.

REPORTING AND IMPLEMENTATION OF THE MINNESOTA ZOOLOGICAL GARDEN FUNDRAISING STUDY

Mr. Buegler led a discussion of reporting and implementation steps. Those steps are as follows:

1. The final report will be transmitted to the Board of the Minnesota Zoological Garden and the Board of the Minnesota Zoological Garden Foundation for their consideration and action. The report will be accompanied with the personal support of the Advisory Committee members.
2. A potential list of membership for the Blue Ribbon Commission will be submitted by the Advisory Committee to the Minnesota Zoological Garden Board. Further, Governor Rudy Perpich will be asked to support the creation and activities of this Blue Ribbon Commission.
3. Resources will be secured to assure adequate staffing for the planning process, support of the Blue Ribbon Commission and success in short term fundraising activities of the Minnesota Zoological Garden.

The following assignments were accepted by Committee members:

Develop and secure appointment of the Blue Ribbon Committee -
Larry D. Buegler, Richard G. Gray, Sr., James Weaver

Obtain acceptance and concurrence of Committee results by the
Minnesota Zoological Garden Board and Minnesota Zoological
Garden Foundation Board - Patricia Davies

Acquire necessary funds to support the planning and implemen-
tation of Study Recommendations through March 1985 - Paul A.
Verret

A final committee meeting will be called to review accomplishments of the above tasks.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD
ATTEST:

Mariam C. Noland
Vice President

REPORT TO THE
MINNESOTA ZOOLOGICAL GARDEN
FUND-RAISING STUDY
ADVISORY COMMITTEE

July 9, 1984

Bentz, Whaley, Flessner & Associates, Inc.

REVIEWING THE PROCESS

Mandate of the Committee

The Advisory Committee is an ad hoc task force composed of the community leaders whose input and knowledge is needed to help focus key issues regarding the future fund-raising programs for the Minnesota Zoological Garden and to help recommend appropriate short-term and long-term strategies.

The Committee's mandate is confined to provide advice on fund-raising organizational issues and it will operate for approximately four months.

REVIEWING THE PROCESS, Continued

The Model

At the first meeting of the Advisory Committee, a general model for development programs was previewed and provides an important basis for the study:

- Mission & Goal
- Program & Capital Needs
- Case for Support

- Needs, Interests, Values
- Characteristics
- Rights

Development Process

- Principles
- Resources
- Techniques

Results:

1. Gifts in support of institutional needs
2. Institutional recognition and involvement in support of donor needs

REVIEWING THE PROCESS, Continued

The Process

The study is designed to move through four steps:

- (1) Review of development principles and definition of the issues.

At the first meeting of the Committee the mandate of the group, and the development models were reviewed and a list of internal issues was developed.

- (2) Fact Finding.

The next step was to gather together the relevant background data and information. Bentz, Whaley, & Flessner conducted interviews with those connected to the Zoo, local constituents and other organizations conducting fund-raising drives. Furthermore, a review of many of the background documents was conducted. A summary of the findings follows.

- (3) Conclusions.

The preliminary conclusions, based on the findings of the study, were reviewed by the Chairman and are presented in this outline for review and discussion.

- (4) Recommendations

Based on the findings and conclusions, preliminary recommendations for the future of the Zoo's development programs were written and are presented for review and discussion at the second meeting of the Advisory Committee. After a thorough discussion, the final report of the Committee will be presented.

FINDINGS OF THE STUDY: Institutional Issues

1.0 Institutional Issues

1.1 Have long-range operational and capital plans been defined sufficiently for fund-raising purposes?

- The MZG has developed many long-range plans, including a significant plan for raising capital funds in 1979.
- The original consensus over the plans for the Zoo and the role of the private sector appears to have suffered in the first year of operation since the original financial projections proved faulty.
- The MZG has made some efforts in recent years to begin developing and refining its long-term plans.
- The MZG has made only minor capital requests to the Legislature for support. The Legislature wishes to see a fuller agenda and a much more comprehensive fund-raising program.
- The Legislature would welcome an integrated request outlining public and private goals.
- The MZG Board sees a need to improve its long-range plans.
- Other organizations in the community successfully raising dollars have developed comprehensive plans for the future.

FINDINGS OF THE STUDY: Institutional Issues, Continued

- 1.2 Is there a well defined role for private gifts in such plans?
- The Zoo, lacking a comprehensive and current long-range plan, has not defined the role of private gifts.
 - The MZG and the Legislature believe that any rapid development of the Zoo will only be accomplished with at least partial private funding.
 - Other organizations, especially public agencies which seek private support have worked hard to clearly define the role of Legislative support, earned income and private gifts.
 - The role of private gifts at the Zoo is not well understood by potential donors. Confusion exists over why private support is needed and how gifts would be used.
 - Other zoos actively incorporate private support in their plans. It appears as if every major zoo has required private support to grow and develop.

FINDINGS OF THE STUDY: Institutional Issues, Continued

- 1.3 Do the organizational structures of the MZG or the MZG Foundation accommodate Development's input into long-range planning?
- The issue of input into management and planning for the Zoo has been a widely debated issue and the source of much controversy.
 - Most successful organizations seeking private support allow input from development. Common methods include:
 - Seeking input and advice from potential donors in creating plans.
 - Involving the development staff in the planning process.
 - Field testing plans to evaluate their potential.
 - The MZG Foundation has not been a major force in the development of MZG direction and priorities.
 - Some individuals viewed the failure of the MZG Foundation to raise dollars as a result of poor MZG-MZG Foundation linkage and believed the MZG Board must become more directly involved with, and accountable for fund-raising efforts.
 - Many zoos have suffered from conflicts over planning decisions, as different constituencies develop different priorities.

FINDINGS OF THE STUDY: Institutional Issues, Continued

- 1.4 Are the financial operations of the MZG or the MZG Foundation capable of handling restricted gifts and endowments?
- The MZG Foundation has received restricted gifts and appears to have honored the donors' wishes.
 - The MZG has received gifts and appears to have honored the donors' wishes.
 - Policies on the acceptance of restricted gifts have not been fully developed.
 - The existence of an institutionally related foundation does not seem to influence donors. The donors and potential donors interviewed, viewed the MZG Foundation as merely a vehicle for gifts to the MZG and the roles of stewardship or avoiding direct support of a governmental agency were not viewed as valid.
 - There does not appear to be any evidence that increases in private support lead to decreases in public support of the Zoo or other agencies.
- 1.5 Are there legal advantages to using a foundation for certain types of gifts?
- Both the MZG and MZG Foundation are 501(c)(3) organizations capable of receiving gifts.
 - Since certain planned gifts--such as gift annuities--require the full backing of all of the organization's assets, a foundation may have more flexibility in promoting planned gifts.
 - A foundation has more independent in making investment decisions and, therefore, decisions by the Legislature regarding state investment policies could be ignored.
 - A foundation could provide more flexibility in expenditures than a state agency.
 - An institutionally-related foundation involves certain costs and must meet certain regulations.

FINDINGS OF THE STUDY: Institutional Issues, Continued

- 1.6 Can the MZG or the MZG Foundation's organizational structure encourage the recruitment and support of influential volunteers?
- Nearly every major fund-raising success begins with strong volunteer leadership.
 - The MZG Board is not viewed by most individuals interviewed as possessing much fund-raising clout.
 - Traditionally, governors of both parties have appointed less elite board members to state agencies than would be recruited by major private nonprofit organizations.
 - Many state agencies, and some private agencies, have developed foundations or friend groups to help enlist strong volunteers for fund-raising. Conflicts between those volunteers and the Board are not uncommon.
 - The MZG Foundation is seen as having some fund-raising clout, but is not as powerful a group as other organizations and foundations have recruited.
 - Most zoos have developed some type of support groups to help enlist volunteers. New Orleans, with perhaps the most successful development effort among zoos, has enlisted most of the city's power brokers.

FINDINGS OF THE STUDY: Donor Issues

2.0 Donor Issues

2.1 What has been the geographic distribution of past donors, and what will be the likely distribution of future donors?

- The donors have been primarily from the Twin Cities. There have been few out-of-state donors.
- Those interviewed felt the Zoo was perceived primarily as a Twin Cities zoo. The Zoo would need to take more steps to involve outstate communities before seeking support outstate.
- Most zoos receive the bulk of their support from the immediate region.
- Those interviewed felt the Zoo would attract primary support in the future from the Twin Cities and secondarily from the region.

2.2 What has been the type -- i.e. corporation, foundations or individuals -- of past donors, and what will be the probable type of future donors?

- The largest amount of past support has come from major foundations in the state.
- The largest number of past major donors (\$5,000) has come from corporations in the Twin Cities.
- The largest support group has been the two Friends groups consisting almost exclusively of individuals.
- Information developed in this study was inconclusive in predicting the type of future donors.

FINDINGS OF THE STUDY: Donor Issues, Continued

2.3 What has been the motivation of past donors, and what will be the probable motivation of future donors?

- There is no single feature that motivates all of the donors. To develop fuller insights into donor motivation would require a larger number of leadership interviews and the establishment of focus group meetings.
- The interviews with past and potential donors revealed many motivating factors.
 - A sense of civic responsibility to a major new facility led by community leaders.
 - Responding to an interest in the educational and/or research mission of the MZG.
 - Responding to an interest in the environment, wildlife and related causes.
 - Supporting a facility used by employees and customers of a company.
- Past and prospective donors expressed significant concern about the fact that the Zoo is a public agency and many viewed fund-raising as the Legislature retreating from its responsibility.
- Other concerns raised by those interviewed included infrequent communication with the Zoo, the pressing needs in human service agencies is a higher priority, and the managerial problems in the Zoo's first year of operation.

2.4 Do the policies of the MZG accommodate appropriate donor recognition?

- The MZG originally was opposed to most donor recognition efforts.
- The MZG today is supportive of developing donor recognition opportunities.
- Policies for donor recognition have not yet been developed.
- Other zoos routinely use donor recognition programs - plaques, naming exhibits, naming sponsors of programs, creating Giving Clubs, etc.

FINDINGS OF THE STUDY: Development Issues

3.0 Development Issues

3.1 What cost effective method(s) can be used to acquire new donors?

- Other organizations in the community are finding Telemarketing is the fastest and cheapest way to expand their donor base.
- Other organizations in the community have developed "Friends" organizations to provide a vehicle for building links with a wide base of potential supporters. The Friends organizations are controlled by the parent organization.
- Almost every zoo has developed a major Friends organization ranging from a small membership effort to a major high-powered fund-raising effort.
- The potential and past donors interviewed believed that a broad base of supporters was needed for the MZG.

3.2 Can private gifts be generated for ongoing operating support? If so, using what methods and organizational structure?

- Most individuals interviewed did not believe the private sector would pick up the current operating expenses of a Legislatively supported agency.
- The MZG does not believe there is a need for private gifts for current operations, with the exception of possibly supporting special projects.

FINDINGS OF THE STUDY: Development Issues, Continued

3.3 What techniques and organizational structure can best be used to raise capital funds?

- Other zoos have used Friends as support groups to raise significant funds. The relationship between the zoos and the support group varies widely.
- Other agencies in the community use active Trustees leadership--either from the Board of the organization and/or Board of the support group--to raise capital funds.
- Suggestions from those interviewed included:
 - The present MZG Board retaining professional fund raisers to conduct a drive.
 - The Governor appointing financial heavyweights to the MZG Board so it will operate more like a private not-for-profit organization.
 - Thanking the Legislature for past support and turning the Zoo into a private independent organization with a phase out of public support.
 - Wait until a person or group decides to pick up the Zoo as a special project and lead the MZG, MZG Foundation and the community towards a wider vision for the future.
- The fund-raising programs cannot be divorced from the other programs at the MZG. A more integrated approach was suggested by many of the individuals interviewed and by other organizations. Currently the MZG has no staff or organized programs to cultivate donors and solicit gifts.

FINDINGS OF THE STUDY: Development Issues, Continued

3.4 Does a market exist for planned giving and, if so, what is the best structure to support it?

- Nearly everyone interviewed believed there is little or no market for planned giving.
- Other zoos around the country have received generous bequests, but none have a full Planned Giving Program.
- To receive bequests or the proceeds from unitrusts, either the MZG or MZG Foundation would be satisfactory. However, to actively promote gift annuities or establish a Pooled Income Fund, a foundation would have several advantages.

3.5 What type of volunteer structure is needed and in what organizational structure can it best be produced?

- Past volunteer structures related to the MZG were relatively independent and conflicts between the groups were frequent.
- Every successful Zoo fund-raising program has a strong volunteer base.
- Other organizations in town seek to involve their volunteers in the life of the institution and seek their input to build a sense of ownership.
- The MZG Foundation is currently the only vehicle designed to bring high-level volunteers into the MZG and the Foundation Board members do not feel a sense of ownership in the Zoo's programs.

PRELIMINARY CONCLUSIONS

Institutional Issues

1. The MZG does not have a well-defined long-range plan. To develop such a plan will require:
 - A definition of the role of the public and private sectors in the MZG's finances.
 - Creation of a format to bring the Zoo's major constituencies--the MZG Board, State government, Twin City corporations and foundations, and prominent individuals interested in the Zoo--into the planning process.
 - a balance of community constituencies seeking to fulfill their ideas and professionals capable of providing specific expertise to insure the viability of any plans.
2. There is a need for a vehicle to involve high-level volunteers in the planning and fund-raising programs of the MZG.
3. The MZG Foundation may provide a vehicle for involving volunteers, but its role as a private steward of funds is not perceived as valuable by the donor community. The primary rationale for continuing the MZG Foundation would be to involve volunteers.

PRELIMINARY CONCLUSIONS, Continued

Donor Issues

1. The major supporters of the Zoo are likely to be Twin Cities businesses, foundations, organizations and prominent individuals.
2. The potential donors are very concerned about giving to a public agency. A clear definition of public and private sector roles is needed. Specifically, a new consensus about the Zoo, its mission and its finances will be needed.
3. After building a plan, the MZG will need to begin a major donor cultivation program before it could successfully solicit major gifts. Such efforts would include:
 - Communicating regularly with potential donors.
 - Using volunteers to tell the story of the MZG to community opinion makers.
 - Creating a donor recognition program.
 - Expanding the Zoo Friends Program and exploring other base building programs.

PRELIMINARY CONCLUSIONS, Continued

Development Issues

1. The MZG development program should be supportive of the Zoo's programs and management system.
2. The MZG plan for private support should be coordinated with its requests for public support.
3. The MZG's development program should be consistent with proven fund-raising principles with particular emphasis given to:
 - prospect education and information,
 - prospect cultivation,
 - prospect involvement and donor recognition.
4. The MZG will need to build a broad base of supporters while at the same time focusing special attention on major gifts prospects.
5. The development program should emphasize donor acquisition programs and building capital gifts efforts. Current gifts and planned gifts are not a priority.
6. The MZG should not attempt a major fund-raising campaign without a solid plan based upon community input.

PRELIMINARY CONCLUSIONS, Continued

Summary of Conclusions

We believe that there are three overriding conclusions which can be drawn from the findings of the study:

1. There is a need for major strategic planning, including all major constituencies of the Zoo, to create a long-range agenda for capital expansion, finances and programmatic thrusts.
2. There is a need for a Champion--either an individual or a small core of leaders--whose interest in the Zoo is high and who is prepared to provide the leadership for the Zoo's external relations efforts.
3. There is a need for a vehicle to involve financial and business leaders in the external relations efforts of the Zoo.

RECOMMENDATIONS

Recommendation #1

A blue ribbon committee be created to assist the Minnesota Zoological Garden in strategic planning. Specifically, we recommend that the Committee:

- A. Be composed of major Minnesota leaders in business, foundations, government, and representatives from the MZG Board, and consist of seven to nine members. It is important that such a group represent the highest levels of leadership.
- B. Be appointed by the MZG Board, with the assistance of this community Advisory Committee, and be asked to make a public report to the MZG Board by March 1, 1985.
- C. Should seek to draw on the planning expertise available by:
 - local corporations loaning planning executives to assist in the project,
 - involving professional firms, as needed, in technical Zoo planning issues,
 - using resources of the State of Minnesota.
- D. Understand that the task force's mandate would be:
 - to review past plans and explore new possibilities,
 - to involve key constituencies in the process,
 - to use professional input so that the final plan reflects market and financial realities, as well as the needs of the Zoo and its systems.
- E. Charged with the responsibility of enlisting a high level person to serve as the lead advocate or champion for the Zoo's development programs.

RECOMMENDATIONS, Continued

Rationale

1. The Minnesota Zoological Garden does not have a comprehensive strategic plan.
2. There is concern by the MZG's major constituencies over the lack of such a plan.
3. The MZG staff does not have the expertise or time to provide the planning group with adequate support. Outside expertise is needed.
4. A high level planning group is the fastest way to build a consensus about the Zoo's future and its financial needs.
5. There is a need to recruit an advocate or a leader. The high level group assembled for planning would be an excellent search committee for a champion.

RECOMMENDATIONS, Continued

Recommendation #2

The Minnesota Zoological Garden should establish a Development Office as a central part of its external relations and marketing efforts and the Minnesota Zoological Garden Foundation should be reorganized to better serve the fund-raising efforts of the MZG. Specifically we recommend:

- A. The MZG create a development office as part of its external relations programs with a staff, budget, office and other support. The MZG Development Office should be organized to work closely with the other external relations offices; and considerations should be given to allowing the Development Office to supervise the membership programs.
- B. The MZG Foundation should work closely with the MZG and its development programs. We recommend that the MZG Foundation offices use the development office at the MZG, and the Executive Director of the MZG Foundation be the Director of Development of the MZG.
- C. The MZG Foundation needs to restructure its committees and its internal organization:
 - The Foundation's nominating committee should consist of the past-Chair of the MZG Foundation, the Chair of the MZG Foundation, the Chair of the MZG Board, staff support should be given by the Director of the MZG.
 - The Foundation should consist of no more than 15 members. We recommend that a majority of the members be new members to the MZG Foundation and that past members be given the opportunity to resign. In the future, if additional members are needed, the by-laws could be amended.

RECOMMENDATIONS, Continued

Rationale

1. There is a need for the Zoo to have a fund-raising program and such a program requires a vehicle to recruit and involve volunteers.
2. The Foundation represents a viable vehicle for recruiting high-level volunteers.
3. The MZG Foundation must be integrated into the MZG structure and processes. Many of the past problems probably evolved out of the separateness of the organizations.
4. Other Minnesota organizations have successfully integrated their development offices and institutionally-related foundations into a successful partnership.
5. The Zoo should coordinate its external relations programs so that each marketing effort supports other efforts.
6. The current Foundation structure limits its effectiveness by placing emphasis on fund management instead of fund raising.
7. Since the MZG Foundation has gone through a dormant period, it would be best if new members were brought into the process and past members were given the opportunity to move onto other endeavors.

RECOMMENDATIONS, Continued

Recommendation #3

After the establishment of the planning effort and the decision to establish a new development effort based on the MZG - MZG Foundation partnership outlined in Recommendation #2, we would recommend consideration of the following specific strategies which will ultimately need to be refined as a result of the planning process:

- A. STAFFING. The MZG should, in the 1985-86 fiscal year, hire a senior level person to serve as the Director of Development. The search committee should be composed of representatives from the MZG Board, MZG Foundation Board, the Planning Committee and the MZG staff. The person selected would serve as Executive Director of the MZG Foundation as well as Director of Development of the MZG.

In addition to the Executive Director/Director of Development position, the Zoo will need to consider hiring two additional staff members:

- a researcher/secretary who would be responsible for general office support, donor researching, and prospect management systems,
- a bookkeeper/secretary who would be responsible for general office support and maintaining the MZG and MZG Foundation gift records.

RECOMMENDATIONS, Continued

B. BUDGETING. A budget of \$45,000 would be needed in 1984-85, and a budget of \$160,000 would be needed in 1985-86.

<u>Item</u>	<u>1984-85 (3 months)</u>	<u>1985-86</u>
Staffing:		
Director	\$ 11,250	\$ 47,250
Researcher	3,500	14,700
Bookkeeper	3,500	14,700
Fringe Benefits (20%)	4,015	16,863
Program:		
Donor Cultivation Challenge Grant	1,300	5,200
Solicitation	5,000	-0-
Donor Recognition Program	1,000	5,000
Annual Giving	3,600	23,600
Administration:		
Office Costs	2,600	7,600
MZG Foundation Legal & Acctg.	9,000	18,000
TOTAL	\$ 44,765	\$152,913

RECOMMENDATIONS, Continued

C. TIMELINES AND BASIC STRATEGIES

<u>Item</u>	<u>Timeframe</u>
1. Reposition the MZG Foundation	
- Reorganize structure	Sept. 1984
- Recruit new members	Sept. 1984
- Integrate MZG Foundation with MZG Development Office	Jan. 1985
- Utilize influential volunteers in direction setting and with priority cultivation.	March 1985
2. Organize Development Office	
- Hire staff members	Feb. 1985
- Set up office and create gift-receipting acknowledgement system	March 1985
- Establish budgeting and management procedures	March 1985
3. Work out external relations agenda	
- Assist in defining external relations issues based on the strategic plan	March 1985
- Create initial fund-raising goals by quarter for 3 year period	May 1985
4. Donor cultivation acquisition	
- Locate priority prospect listing	June 1985
- Develop basic annual giving strategy	June 1985
- Begin active cultivation of prospects	July 1985
- Create grassroots fund-raising vehicles	Sept. 1985
- Prepare for major gifts campaign	Jan. 1986

Appendix A: Individuals Interviewed in the Study

<u>Category</u>	<u>Person Interviewed</u>	<u>Title/Affiliation</u>
MZG Staff	Stephen iserman David Bender	Director, MZG MZG Staff
MZG Board	Patricia Davies James Weaver	MZG Board Chair MZG Board Member and MZG Foundation Board Member
MZG Foundation Board	Malcolm McDonald Richard Gray Reuel Harmon	MZG Foundation, Vice Chair MZG Foundation Board Member MZG Foundation Board Member
State of Minnesota	Phyllis Kahn	Legislator
Past Corporate Supporters	James Shannon Mary Pickard	General Mills The Saint Paul Companies
Potential Corporate Supporter	Terry Saario Jack Nichols	Pillsbury Sperry Univac
Past Founda- tion Supporters	Paul Olson Humphrey Doermann Ronald Hubbs	Blandin Foundation Bush Foundation Bigelow Foundation Board Member
Funder Who Declined	Robert Granovsky	3M/3M Foundation
Other Zoos	Patricia Mason Eric Williams	New Orleans Zoo North Carolina Zoo
Other Agencies	Robert Voigt	Minnesota Orchestra Minnesota Science Museum
Civic Groups	David Lindberg James Lewis	Minnesota JC's 4-H

Appendix B

	Audubon	New England Aq.	Cincinnati	Denver	Houston	North Carolina	Philadelphia	Pittsburgh	San Antonio	San Diego
Unit of Government	Muni	Private	Muni	Muni	Muni	State	Society	Muni	Society	Society
External or Internal Development	Int.	Int.	Both	Int.	Both	Society	Int.	Wealth/pro- minent vol- unteers	Int.	Int.
Development Staffing	3	4	7	1 PT	1 Soc.Dir	4	2.5	1	15	
Organizational Relation	Dev.	Dev.	Mktg.	N/A	Society	Society	Marketing	-	-	Marketing
Reportability	Ex. Dir.	Ex. Dir. & Board	Ex. Dir. & Board	N/A	Board	N/A	Pres./Dir.	-	Director	Ex. Dir. of Society
Advisory Board Use	Comm. Dev. Bd.	Active Bd. of Trustees	Bd. Dev. Comm.	Fdn. Bd.	N/A	Active Board	Board	Volunteer Friends of Zoo	Society	No
Donor Recognition	Brass Plaques	Plaques, list	Plaques, Certificates	Plaques Donor Board	Plaques	Name, Exhibit, Donor Pylons	Plaques, Annual Report, Magazines, name building	none currently	Plaques, Donor Boards	Name strips, Medallions for ponder ball (crystal ball)

Source: MZG Staff

Commission on The Zoo - 2000

Commission Purpose: The Blue Ribbon Commission on the Zoo - 2000 is an ad hoc task force of community leaders whose knowledge and leadership is needed to assist in developing the future directions of the Minnesota Zoo. The Commission, appointed by the Minnesota Zoo Board, is an advisory group whose task is to recommend strategic directions which both reflect the interests of the Zoo's constituencies and the regional financial and marketing realities.

Objectives of the Commission:

1. To review past and current plans of the Minnesota Zoo.
2. To involve key constituencies in the process by seeking their input.
3. To seek input from other major zoos and zoo professionals to insure the feasibility of the planning directions.
4. To review and recommend future strategies in:
 - The mission and program priorities of the Minnesota Zoo,
 - The financial plans and fiscal directions of the Minnesota Zoo,
 - The facilities needed to meet the plan,
 - The marketing and public relations dimensions of the Minnesota Zoo programs.
5. To create specific recommendations regarding the implementation of the plan, including the enlistment of a person or persons who will serve as advocates for the future directions of the Zoo.

Commission on The Zoo - 2000

Membership of the
Commission:

The Commission should be composed of leaders from business, foundations and government.

Role of Commission
Members:

1. Each Commission member will be asked to attend four meetings.
2. The Commission members will collectively review findings and develop a consensus on the future direction for the Minnesota Zoo.
3. The Commission will develop, review and discuss final recommendations of a plan for the Minnesota Zoo, coordinating their workings with the MZG Planning Committee, and provide a report to the Minnesota Zoo Board and publicly work and speak on behalf of the strategic plans.
4. During this process the Commission will recruit and secure a lead advocate or advocates to assist in securing the resources necessary to implement the plan.

Relationship of the MZG Board and the Planning Committee

The Commission, appointed by the MZG Board, is designed to assist the Zoo in its planning by providing wider input and special expertise. As part of the major strategic direction-setting agenda, a special planning committee composed of representatives of the Commission, the Zoo Board and the Zoo staff will be created to provide detailed planning for the Zoo's strategic directions.

Work Plan:

1. The Commission will operate from September 1, 1984 through January 30, 1985.
2. The initial meeting will be to organize the Commission, explain its purpose and mandate, adopt a schedule, approve the procedures for the activity and facilitate member participation in an educational process to understand the current Minnesota Zoo.

Commission on The Zoo - 2000

3. In the second meeting Commission members will review relevant data and facts on the Minnesota Zoo relevant local data and raise issues that need additional study.
4. In the third meeting the Commission will look at options for the Zoo and develop an initial draft of a final plan and report.
5. In the final meeting the Commission will review and discuss the findings and approve a draft of the plan, including implementation steps. The Commission will reach consensus on the plan and agree to support it publicly and transmit a report to the Board of the Minnesota Zoo for appropriate action.



Minnesota Zoological Garden Foundation

1120 Norwest Center
Saint Paul, Minnesota 55101

(612) 224-5463

December 16, 1983

Dear _____ :

I am writing on behalf of the Minnesota Zoological Garden Foundation. We are thankful for your past support to the Minnesota Zoo and would like to bring you up to date concerning its activities.

It should be noted that an agreement was reached in November 1982 between the Minnesota Zoological Garden Foundation and The Saint Paul Foundation, such that The Saint Paul Foundation would provide administrative, consulting and advisory services to the Minnesota Zoological Garden Foundation.

As you probably are aware, the Minnesota Zoological Garden Foundation is a nonprofit corporation, organized under Section 509(a)(3) of the Internal Revenue Service. The Foundation is organized exclusively for charitable, educational and scientific purposes. Its mission is to seek, accept and administer contributions from the general public and the private sector on behalf of the Minnesota Zoological Garden.

During the past fiscal year, July 1982 through June 1983, emphasis at the Minnesota Zoological Garden was placed on improving the visitor experience, extending outreach, fostering a positive image of the Zoo within the community and contributing to conservation efforts.

Highlights included:

- Addition of two exhibits gained through corporate support - the red panda exhibit, largely funded through a \$30,000 grant from Dayton Hudson, and a prairie dog exhibit promoted through an A & W campaign.

MNZ.0015

December 16, 1983
Page Two

- Donation of a new Zoomobile by National Car Rental to be used in outreach, bringing the Zoo to out-state citizens. Thirty-four county fairs, twelve department stores, the Redwood Falls Zoo, Orchestra Hall and other special events were visited this past summer.
- Local, national and international media coverage of animal births, the ski program (now considered the fifth largest organized touring program in the nation), the arrival of red pandas and reindeer; and feature stories in national magazines including Life, Audubon, Republic Scene, American Way, Ski, Cross Country Skier, and National Geographic's World, as well as national TV coverage through Good Morning America, the Today Show, and PBS' new science program, "Newton's Apple;" and Media Days on June 24 and 25, attracting some 300, mostly out-state, press staff.
- Expansion of the popular hands-on experience in ZooLab and conversion of the Children's Zoo from a summer only to a year-round operation with the addition of a special exhibits building housing small mammals and reptiles for close-up observation.
- Addition of opportunities for visitors to feed animals and to ride camels or llamas.
- Addition of playground area through a \$5,000 gift from Deluxe Check Printers Foundation.
- Addition of flowering plants at the main entry and throughout the site through donations from the State Fairground greenhouse, Bachman's, Larson Greenhouses and others. Labor was provided by students from the Dakota County Vo-Tech Landscape Department and other volunteers.
- Promotions and cooperative marketing ventures with Red Lobster, National Car, Proex, Durnings, Cub Foods, Hardees, A & W and Dayton Hudson.
- 2,500 hybrid poplar trees installed to support the beaver exhibit, plus 5,000 seedling evergreens planted around the site with help from the Center for Community Action and the Minnesota Conservation Corp.
- Research projects on flamingos, langurs, whales and Siberian tigers.
- Participation in the Species Survival Plan for species exhibited at the Minnesota Zoo, including Siberian tigers, Asiatic wild horses, Rothchild's mynah and the small-clawed otter.

December 16, 1983
Page Three

- Education for the general visitor through production and installation of species identification label for all exhibits, labeling of tropics plants, and new interpretive graphic displays, including a collection of over 30,000 artifacts.
- Education for the student population, with attendance of 32,000 gaining free admission through the school group program; as well as special education classes for the interested public.
- Production of an Animal Behavior Research training tape, a joint effort with Washington Park Zoo in Portland, Oregon.
- Open water projects during the winter season to encourage breeding in waterfowl species, particularly Trumpeter swans.
- Significant births including births in all Northern Trail hoofstock herds, beaver, lynx, Japanese macaques, red pandas, clouded leopards, chevrotain, Celebes apes, Nilgiri tahr, yellow-legged hemitodes, Lady Amherst pheasants, Rothchild's mynah, Victoria crowned pigeons, spur-winged lapwings, Shama thrushes, crested wood partridges and white-crested laughing thrushes.
- Approximately 37,000 hours, were donated by a dedicated zoo volunteer corps.

Clearly, the last year has been an effective and productive time for the Minnesota Zoo. Thank you again for your past assistance to the Zoo.

Sincerely,

Paul A. Verret
President

PAV:jh

MNZ.0015

F. R. BIGELOW FOUNDATION

REPLY TO:
1120 NORWEST CENTER
ST. PAUL, MINNESOTA 551
(612) 224-5463

August 10, 1984

Mr. Malcolm W. McDonald
Vice President
Minnesota Zoological Garden Foundation
c/o 21 East Oaks Road
North Oaks, Minnesota 55110

Dear Mr. McDonald:

Re: Grant No. 41-84

We are pleased to announce that on August 8, 1984, the Trustees of the F. R. Bigelow Foundation approved a discretionary grant of \$10,000, to the Minnesota Zoological Garden Foundation, for support of implementation of the Fundraising Study and planning.

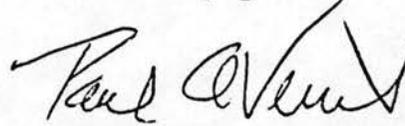
Enclosed find an original and copy of the Terms of Grant agreement related to this grant. Please make special note of all the provisions and procedures indicated. Sign and return the original to my office as soon as possible indicating your acceptance.

It is anticipated that payment will be made as follows:

September 1984	\$5,000
December 1984	\$5,000

We wish you every success and look forward to receiving reports as required by the agreement. In all future correspondence, please refer to the Grant Number shown above.

Sincerely yours,



Paul A. Verret
Secretary

PAV:jh
Encl.

cc: Steve Iserman
General Director

jh.8/10b

the Saint Paul Foundation

1120 Norwest Center Saint Paul, Minnesota 55101
(612) 224-5463

EXHIBIT G
Page 5

Distribution Committ

Richard A. Moc
C
Sam Sinc
Vice C
Mrs. William W
Treas
Virginia D. Broc
Dr. David M. Cr
Reuel D. Harm
Ronald M. Hub
Reatha Clark Ki
Richard A. Kling
Richard H. K
Timothy P. Qui
James W. Reag
J. Thomas Simor
Frederick T. Weyerhaeus
Preside
Paul A. Verr

August 27, 1984

Mr. Malcolm W. McDonald
Vice President
Minnesota Zoological Garden Foundation
c/o 21 East Oaks Road
North Oaks, Minnesota 55110

Dear Mr. McDonald:

Re: Grant No. 258-84

We are pleased to announce that on August 15, 1984, the Distribution Committee under the Plan for The Saint Paul Foundation and the Members of The Saint Paul Foundation, Inc., adopted the following resolution:

RESOLVED that a grant of \$24,470, to the Minnesota Zoological Garden Foundation, to help finance implementation of the findings of a recent fundraising organizational study, is approved.

Enclosed find a original and copy of the Terms of Grant agreement related to this grant. Please make special note of all the provisions and procedures indicated. Sign and return the original to my office as soon as possible indicating your acceptance. No check can be issued until the Terms of Grant agreement has been received.

It is anticipated that payment will be made in August 1984.

We wish you every success and look forward to receiving reports as required by the agreement. In all future correspondence, please refer to the Grant Number shown above.

Sincerely yours,



Paul A. Verret
President

PAV:amf
Encl.

amf.8/23f

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
BOARD OF DIRECTORS

December 23, 1985
9:30 a.m.

zoo.cover

AGENDA

For the Annual Meeting of the Members of the Board of Directors of the Minnesota Zoological Garden Foundation to be held on Monday, December 23, 1985, at 9:30 a.m., in the Board Room of The Saint Paul Foundation, Saint Paul, Minnesota.

ELECTION OF DIRECTORS

It is recommended that the following resolution be adopted:

RESOLVED that the following persons are elected Directors of the Minnesota Zoological Garden Foundation for a first term of office and for the period of time indicated and until their successors are elected and qualified:

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Thomas M. Crosby, Sr.	First	3 Years	11/88
Donald Dayton	First	3 Years	11/88
Robert H. Engels	First	3 Years	11/88
Reuel D. Harmon	First	3 Years	11/88
Hazel Reinhardt	First	3 Years	11/88
Dr. U. S. Seal	First	3 Years	11/88
James Weaver Pat Davies	First	1 Year	11/86
James L. Hetland	First	2 Years	11/87
John Tilton	First	2 Years	11/87

BE IT FURTHER RESOLVED that the following persons are elected to a second term of office for the period of time indicated and until their successors are elected and qualified:

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Anthony L. Anderson	Second	3 Years	11/86
D. Stephen Farley	Second	3 Years	11/86
Margee Kinney	Second	3 Years	11/86
Wayne Peterson	Second	3 Years	11/86
Chy Morrison	Second	3 Years	11/87
Harold S. Webster	Second	3 Years	11/87

IDENTIFICATION OF MEMBERS

It is recommended that the following resolution be adopted:

RESOLVED that with this election, identification is hereby made of the elected Members of the Board of Directors of the Minnesota Zoological Garden Foundation, their respective terms of office and the date of expiration of their current terms of office:

<u>NAME</u>	<u>TERM</u>	<u>ELECTED TERM</u>	<u>EXPIRES</u>
Thomas M. Crosby, Sr.	First	3 Years	11/88
Donald Dayton	First	3 Years	11/88
Robert H. Engels	First	3 Years	11/88
Reuel D. Harmon	First	3 Years	11/88
Hazel Reinhardt	First	3 Years	11/88
Dr. U. S. Seal	First	3 Years	11/88
James Weaver Pat Davies	First	1 Year	11/86
James L. Hetland	First	2 Years	11/87
John Tilton	First	2 Years	11/87
Anthony L. Anderson	Second	3 Years	11/86
D. Stephen Farley	Second	3 Years	11/86
Margee Kinney	Second	3 Years	11/86
Wayne Peterson	Second	3 Years	11/86
Chy Morrison	Second	3 Years	11/87
Harold S. Webster	Second	3 Years	11/87

RATIFICATION OF APPOINTED DIRECTORS

RESOLVED that the following list of appointed Members of the Board of Directors of the Minnesota Zoological Garden Foundation is ratified and confirmed:

<u>NAME</u>	<u>YEAR TERM EXPIRES</u>
Firmin Alexander	11/86
Connie Deland	11/86
Richard S. Gray	11/86
Kathleen Gretsche	11/86
Malcolm W. McDonald	11/86
Joseph T. O'Neill	11/86
Gordon Rosenmeier	11/86

ELECTION OF OFFICERS

RESOLVED that the following are elected Officers of the Minnesota Zoological Garden Foundation for fiscal year 1985-86 and until their successors are elected and qualified:

President	Malcolm W. McDonald
Vice President	Hazel Reinhardt
Secretary-Treasurer	Paul A. Verret

MINUTES OF OCTOBER 5, 1984 MEETING

The Minutes of the October 5, 1984 Meeting are included with this Agenda as EXHIBIT A for your review and acceptance.

AUDIT FOR THE YEAR ENDED JUNE 30, 1985

The Audit for the year ended June 30, 1985 is included with this Agenda as EXHIBIT B.

It is recommended that the following resolution be adopted:

RESOLVED that the audit of the financial records of the Minnesota Zoological Garden Foundation for the year ended June 30, 1985, as prepared by Peat, Marwick, Mitchell & Co., is reviewed and accepted.

FORM 990 TAX RETURN AND MINNESOTA CHARITABLE ORGANIZATIONS ANNUAL REPORT

EXHIBIT C of this Agenda contains photocopies of the completed IRS form 990 (pages 1-12) and the Minnesota Charitable Organizations Report (pages 13 and 14) for the year ended June 30, 1985.

It is recommended that the following resolution be adopted:

WHEREAS the Charitable Organizations Annual Report of the Minnesota Zoological Garden Foundation for the fiscal year ended June 30, 1985 has been reviewed by the Board of Directors of the Minnesota Zoological Garden Foundation,

NOW THEREFORE BE IT RESOLVED that the President and Secretary-Treasurer of the Minnesota Zoological Garden Foundation are authorized and directed to submit this report to the State of Minnesota Department of Commerce.

RATIFICATION OF GRANTS AUTHORIZED SINCE THE LAST MEETING

EXHIBIT D of this Agenda contains schedules of gifts received since July 1, 1985 and all grants authorized since the last Board Meeting.

It is recommended that the following resolution be adopted:

RESOLVED that grants paid from the funds of the Minnesota Zoological Garden Foundation, from September 1, 1984 through December 15, 1985, are ratified and confirmed.

UPDATE OF BANK RESOLUTIONS

It is recommended that the following resolution be adopted:

RESOLUTION FOR TRANSFER OF FUNDS
BY TELEPHONE INSTRUCTIONS

WHEREAS THE FIRST NATIONAL BANK OF SAINT PAUL ("BANK") is a depository in which funds of this corporation may be deposited, and a corporate resolution with respect thereto is presently in effect authorizing the deposit and withdrawal of funds; and

WHEREAS the above corporation desires to add and supplement said corporate resolution with the following resolution:

RESOLVED:

1. Any one of the following persons:

<u>Name</u>	<u>Title</u>
PAUL A. VERRET	Secretary-Treasurer of Minnesota Zoological Garden Foundation
JEAN E. HART	Vice President of The Saint Paul Foundation
JACK H. POHL	Controller of The Saint Paul Foundation

is authorized, on behalf of this corporation, to give instructions by telephone to the BANK to transfer funds on deposit with the BANK:

- i. to other accounts of this corporation with the BANK; or
- ii. to other accounts of this corporation with other banks.

2. The BANK is authorized to act on such telephone instructions received by it from anyone who represents himself or herself to be any of the above-named persons, whether or not his or her voice resembles the voice of such person.
3. The BANK is authorized, in its sole discretion, to refuse to honor telephone instructions and to insist upon written instruction signed by any one of the persons named in Paragraph 1 of this resolution.

* * *

RESOLUTION AUTHORIZING WITHDRAWALS AGAINST CHECKING ACCOUNT
NO. 20 57406

WHEREAS the First National Bank of St. Paul, Minnesota is designated as a depository for the funds of the Minnesota Zoological Garden Foundation;

THEREFORE BE IT RESOLVED that the President, Vice President, and Secretary-Treasurer of the Minnesota Zoological Garden Foundation; and the Vice President, ^{ADMINISTRATOR} of The Saint Paul Foundation be, and they hereby are, authorized for and on behalf of the Minnesota Zoological Garden Foundation to draw and sign checks against the Checking Account of the Minnesota Zoological Garden Foundation, No. 20 57406, at the First National Bank of St. Paul, and to endorse in the name of said Foundation checks or other negotiable instruments of any kind for deposit in said account; and

BE IT FURTHER RESOLVED that said individuals shall sign checks under the description of "Authorized Signature" rather than by specific title which would apply to their particular position; and

BE IT FURTHER RESOLVED that said First National Bank of St. Paul is hereby authorized and directed to honor and pay any checks which have been so drawn and signed by any one of said officers or persons, whether said checks be payable to the order of the officers or persons in their individual capacities or not; and whether such checks or drafts are deposited to the individual credit of any of the other officers or not; and

December 16.2

BE IT FURTHER RESOLVED that the Secretary-Treasurer be, and he hereby is, authorized and made responsible for certifying to the First National Bank of St. Paul the names of the incumbents of the above positions, and shall keep the said First National Bank of St. Paul currently informed at all times as to any changes in the persons holding said positions; and

BE IT FURTHER RESOLVED that any check in an amount of \$5,000 or over be signed by an officer of the Minnesota Zoological Garden Foundation and any other of the above authorized signers.

PURCHASE OF MONORAIL

An opportunity for the Minnesota Zoological Garden Foundation to help purchase the monorail for the Minnesota Zoological Garden has arisen. In most general terms, the purchase would be accomplished as follows:

A matching grant from the State of Minnesota to the Minnesota Zoological Garden Foundation	\$ 750,000
--	------------

An interest bearing loan to be replaced after 1/1/86 by a Program Related Investment loan each from the Blandin Foundation to the Minnesota Zoological Garden Foundation	<u>750,000</u> \$1,500,000
--	-------------------------------

The Minnesota Zoological Garden Foundation would immediately grant \$750,000 to the Minnesota Zoological Garden to complete the purchase of the monorail by December 31, 1985. The remaining obligation of the Minnesota Zoological Garden Foundation would be raising \$750,000 to repay the Program Related Investment loan from the Blandin Foundation. As monies are raised, they will be paid over to the Blandin Foundation to reduce the loan until it is repaid in full. Additional information will be supplied at the meeting.

OTHER ITEMS OF INTEREST

EXHIBIT E of this Agenda contains information on other items of interest as follows:

PAGE REFERENCE
EXHIBIT E

ITEM

1-2

Successful completion of an IRS audit.

November 1, 1984

MINUTES

Of a meeting of the Board of Directors of the Minnesota Zoological Garden Foundation, held at 9:00 a.m., on Friday, October 5, 1984, in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were: Malcolm W. McDonald, Vice President
 Connie Deland
 D. Stephen Farley
 Richard S. Gray, Sr.
 Hazel Reinhardt
 James Weaver

Also present were: Larry D. Buegler, Chair, Minnesota
 Zoological Garden Fundraising
 Study Advisory Committee
 Patricia Davies, Chair, Minnesota
 Zoological Garden
 Bruce W. Flessner, Bentz, Whaley,
 Flessner & Associates, Inc.
 Stephen A. Iserman, General Director,
 Minnesota Zoological Garden
 Mariam C. Noland, The Saint Paul
 Foundation
 Paul A. Verret, Secretary

MINUTES OF NOVEMBER 3, 1983 MEETING

The Minutes of the Meeting of November 3, 1983 were reviewed and accepted.

AUDIT FOR THE YEAR ENDED JUNE 30, 1984

The Directors reviewed the audit for the year ending June 30, 1984.

The following resolution was adopted:

RESOLVED that the financial records of the Minnesota Zoological Garden Foundation for the year ended June 30, 1984, as prepared by Peat, Marwick, Mitchell & Co., is reviewed and accepted.

FORM 990 TAX RETURN AND MINNESOTA CHARITABLE ORGANIZATIONS ANNUAL REPORT

The Directors reviewed photocopies of completed IRS Form 990 and the Minnesota charitable Organizations Annual Report for the year ended June 30, 1984.

The following resolution was adopted:

WHEREAS the Charitable Organizations Annual Report on the Minnesota Zoological Garden Foundation for the fiscal year ended June 30, 1984 has been reviewed by the Board of Directors of the Minnesota Zoological Garden Foundation,

NOW THEREFORE BE IT RESOLVED that the Vice President, Malcolm W. McDonald and the Secretary, Paul A. Verret, of the Minnesota Zoological Garden Foundation are authorized and directed to submit this report to the State of Minnesota Department of Commerce.

FINANCIAL REPORT

A financial report on the 1984-85 operating budget was presented and accepted.

RATIFICATION OF GRANTS

The Directors reviewed a schedule of all grants paid out in accordance with established procedures since the last Board meeting.

The following resolution was adopted:

RESOLVED that the following grants paid from funds of the Minnesota Zoological Garden Foundation, from November 3, 1983 through August 31, 1984, are ratified and confirmed:

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
96-83	\$ 1,315.00	To MECC for Apple Instructional Package from Minnesota Zoological Society Special Fund
97-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
98-83	\$ 1,312.06	To Xerox, for Xerox Copy Machine, from Northern Trek Fund

<u>NUMBER</u>	<u>AMOUNT</u>	<u>PAYEE, PURPOSE, FUND</u>
99-83	\$ 14.15	To John Lewis, for seminar attendance, from Minnesota Zoological Society Seminar Fund
100-83	\$ 200.00	To Christen Wemmer, for seminar attendance, from Minnesota Zoological Society Seminar Fund
101-83	\$ 1,000.00	To Minnesota Zoological Garden, for Interpretive Programming, from Sanford Education Fund
101-83	\$ 1,939.56	To Minnesota Zoological Garden, for Interpretive Programming, from Thorp Education Fund
101-83	\$ 395.00	To Minnesota Zoological Garden, for Interpretive Programming, from Minnesota Zoological Society Special Event Fund
102-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
103-83	\$ 100.00	To Diane Merchlewitz, for internship, from Minnesota Zoological Society Interns Fund
1-84	\$ 444.00	To Software Banc, for d Base II Software, from Minnesota Zoological Society Biotelemetry Fund
2-84	\$ 1,870.00	To Computer Applications, for Purchase of Kaypro Model 4 Microcomputer, from ISIS
3-84	\$28,700.00	To Minnesota Zoological Garden, for Development of Northern Trek, from Northern Trek Fund
4-84	\$ 344.00	To Minnesota Zoological Garden, for reimbursement to MZG for expenses of John Lewis trip to Kahna Park in India, from Onan Foundation
5-84	\$ 100.00	To Columbia University, for purchase of software, from ISIS

REPORT ON STUDY OF FUNDRAISING STRUCTURE FOR THE MINNESOTA
ZOOLOGICAL GARDEN

The Directors reviewed a report on the activities of the Fundraising Study. Larry D. Buegler, Chair, Fundraising Study Advisory Committee, was present to discuss the work of the Committee and to review its recommendations. Also present was Patricia Davies, Chair of the Minnesota Zoological Board and a member of the Fundraising Study Advisory Committee. In discussing the report it was indicated that the Directors of the Minnesota Zoological Garden are unanimously behind the recommendations in this report and stand ready to take such steps as are needed to assist in its implementation.

The following resolution was adopted:

RESOLVED that the July 1984 study findings and recommendations of the Minnesota Zoological Garden Fundraising Study Advisory Committee is accepted, with the understanding that the Minnesota Zoological Garden Foundation will be involved in inviting members to participate in the Blue Ribbon Commission and that the Commission will be asked to also look at the role of the Minnesota Zoological Garden Foundation.

ADJOURNMENT

There being no further business, the meeting was adjourned.



Minnesota Zoological Garden Foundation

1120 Norwest Center
Saint Paul, Minnesota 55101

(612) 224-5463

June 18, 1985

Mr. Michael J. Myers
Peat Marwick, Mitchell & Company
1600 Conwed Tower
444 Cedar Street
Saint Paul, Minnesota 55101

Dear Mike:

Enclosed please find a signed engagement letter for the audit of the Minnesota Zoological Garden Foundation financial statements for your files.

Please have your senior contact me to make arrangements for confirmations.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Jack H. Pohl'.

Jack H. Pohl
Controller

JHP/jm
Enclosure

jp.0603



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
612-224-7466

May 31, 1985

Mr. Jack Pohl
Minnesota Zoological Garden Foundation
1120 Northwestern National Bank Building
St. Paul, Minnesota 55101

Dear Mr. Pohl:

We are pleased to submit our proposal on fees for the upcoming audit of the Minnesota Zoological Garden Foundation.

We will conduct our audit in accordance with generally accepted auditing standards with the objective of expressing an opinion on your basic financial statements as of and for the year ending June 30, 1985. It should be understood that management has responsibility for representations contained in the financial statements.

In conducting our examination, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to form our opinion on the financial statements. We understand that all records, documentation, and information we request in connection with our audit will be made available to us.

An audit is not to be designed to provide absolute assurance that there are no misstatements in your financial statements resulting from errors or irregularities. Your system of internal accounting control provides assurance, although not absolute assurance, against the possibility of such errors and irregularities. We will furnish to you recommendations about your system of internal accounting control that come to our attention during our examination. We will also furnish our recommendations about other aspects of your operations in which we observe opportunities for improvement.

Our fee for the 1985 examination, including reimbursable expenses, will be \$1,850.00. We will review the tax return completed by your staff for \$200.00.



Mr. Jack Pohl
May 31, 1985
Page 2

We are looking forward to working with you and your staff on this engagement. I will contact you shortly to arrange our fieldwork timing. Please sign and return the enclosed copy of this letter to indicate your acceptance.

Very truly yours,

PEAT, MARWICK, MITCHELL & CO.

Michael J. Myers, Senior Manager

MJM:kat

Enc.

Bid Approved - Accepted



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
612-224-7466

The Board of Directors
Minnesota Zoological Garden Foundation:

We have examined the balance sheet of Minnesota Zoological Garden Foundation as of June 30, 1985 and the related statements of support and revenue, expenses and changes in fund balances, and functional expenses for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of Minnesota Zoological Garden Foundation at June 30, 1985 and the results of its operations and changes in its fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell + Co.

August 20, 1985

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Balance Sheet

June 30, 1985
with comparative totals for June 30, 1984

<u>Assets</u>	<u>1985</u>	<u>1984</u>
Cash (note 2)	\$ <u>149,332</u>	<u>199,808</u>
Total assets	\$ <u>149,332</u>	<u>199,808</u>
<u>Liabilities and Fund Balances</u>		
Accounts payable and accrued expenses	\$ <u>15,520</u>	<u>3,592</u>
Total liabilities	<u>15,520</u>	<u>3,592</u>
Fund balances:		
Unrestricted	23,055	21,399
Restricted for zoo capital improvements	82,120	174,817
Restricted for fund raising	<u>28,637</u>	<u>-</u>
Total fund balances	<u>133,812</u>	<u>196,216</u>
Total liabilities and fund balances	\$ <u>149,332</u>	<u>199,808</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Support and Revenue, Expenses and Changes in Fund Balances

Year ended June 30, 1985
with comparative totals for year ended June 30, 1984

	1985			Total	
	Unrestricted	Restricted for zoo capital improvements	Restricted for fund raising	1985	1984
Public support and revenue:					
Cash contributions	\$ 4,220	43,000	49,470	96,690	5,650
Interest income	12,207	-	-	12,207	17,551
Miscellaneous	-	-	-	-	12
Total public support and revenue	<u>16,427</u>	<u>43,000</u>	<u>49,470</u>	<u>108,897</u>	<u>23,213</u>
Expenses:					
Contributions to the Zoo	-	135,697	10,000	145,697	42,711
Management and general	14,771	-	-	14,771	11,010
Fund raising	-	-	10,833	10,833	-
Total expenses	<u>14,771</u>	<u>135,697</u>	<u>20,833</u>	<u>171,301</u>	<u>53,721</u>
Excess (deficiency) of public support and revenue over expenses	1,656	(92,697)	28,637	(62,404)	(30,508)
Fund balances, beginning of year	<u>21,399</u>	<u>174,817</u>	<u>-</u>	<u>196,216</u>	<u>226,724</u>
Fund balances, end of year	\$ <u>23,055</u>	<u>82,120</u>	<u>28,637</u>	<u>133,812</u>	<u>196,216</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Statement of Functional Expenses

Year ended June 30, 1985
with comparative totals for year ended June 30, 1984

	1985			Total	
	Contributions to Zoo	Management and general	Fund raising	1985	1984
Program grants (note 5)	\$ 145,697	-	-	145,697	42,711
Professional fees	-	1,950	-	1,950	2,551
Direct fund raising	-	-	4,425	4,425	-
Services of The Saint Paul Foundation (note 4)	-	12,821	6,408	19,229	7,879
Printing and promotion	-	-	-	-	152
Interest expense	-	-	-	-	53
Depreciation expense	-	-	-	-	358
Other expenses	-	-	-	-	17
	<u>\$ 145,697</u>	<u>14,771</u>	<u>10,833</u>	<u>171,301</u>	<u>53,721</u>

See accompanying notes to financial statements.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements

June 30, 1985

(1) Summary of Significant Accounting Policies

The Minnesota Zoological Garden Foundation solicits contributions and provides other necessary services for the Minnesota Zoological Garden (the Zoo). The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Fund Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

To ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources are classified for accounting and reporting purposes into funds for specific purposes.

The unrestricted fund balance represents all resources over which the Foundation's Board of Directors has discretionary control.

The restricted fund balances represent unexpended contributions received which may only be utilized in accordance with the restrictions established by the donors.

Pledges

Pledges are not reflected in the financial statements until the contributions are actually received.

(2) Cash

Cash at June 30, 1985 is summarized as follows:

Checking account	\$ 4,701
Money market savings account at 5.5% on June 30, 1985 (rate changes weekly)	<u>144,631</u>
	<u>\$ 149,332</u>

(Continued)

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

Notes to Financial Statements, Continued

(3) Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of support and revenue, expenses and changes in fund balances. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation of operating expenses between management and general and fund raising were based on estimates by management. In making such estimates, consideration has been given to the proportion of time spent performing each of the functions.

(4) Administrative Fee

As of November 1982, the Foundation ceased to employ administrative or program staff. With this change the Foundation contracted with The Saint Paul Foundation to act as its administrative agent. The Saint Paul Foundation maintains the financial reports and records of the Foundation and provides additional services as requested. The Foundation is charged a fee for these services (representing allocations of The Saint Paul Foundation's staff costs, insurance, printing, and other expenses) which amounted to \$19,229 during the year ended June 30, 1985 (\$7,879 for the year ended June 30, 1984).

During the year ended June 30, 1985, the Foundation received contributions totalling \$24,470 from The Saint Paul Foundation.

The President of The Saint Paul Foundation serves as Secretary of the Foundation.

(5) Contribution from Minnesota Zoological Society

In June, 1982 the Foundation received a contribution of \$35,160 from the Minnesota Zoological Society (Society), which was restricted for capital projects at the Zoo. This amount was included as a cash contribution in the restricted fund in 1982. The Board of the Zoo wanted the funds to be remitted to them through the Foundation, instead of the Society, to maintain higher flexibility in the use of the funds. During the year ended June 30, 1985, the Foundation remitted \$516 (\$6,400 during the year ended June 30, 1984) of these funds to the Zoo. At June 30, 1985, the Foundation has \$4,218 of unremitted funds included in restricted fund balance relating to this contribution.

Return of Organization Exempt from Income Tax

Department of the Treasury
Internal Revenue Service

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

1984

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.

For the calendar year 1984, or fiscal year beginning 7-1, 1984, and ending 6-30, 1985

Use IRS label. Otherwise, please print or type.	Name of organization Minnesota Zoological Garden Foundation	A Employer identification number (see instruction L) 51 : 0147653
	Address (number and street) 1120 Norwest Center	B State registration number (see instruction D) N/A
	City or town, State, and ZIP code Saint Paul, Minnesota 55101	C If address changed, check here <input type="checkbox"/>

D Check applicable box—Exempt under section 501(c) (3) (insert number), OR section 4947(a)(1) trust Check here if application exemption is pending

E Accounting method: Cash Accrual Other (specify)

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here (see instruction C10). **N/A**

G Is this a group return (see instruction J) filed for affiliates? Yes No If "Yes" to either, give four-digit group exemption number

Is this a separate return filed by a group affiliate? Yes No (GEN) **N/A**

Check here if your gross receipts are normally not more than \$25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some States may require a completed return.

Check here if gross receipts are normally more than \$25,000 and line 12 is \$25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than \$25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances		(A) Total	These columns are optional—see instructions	
			(B) Unrestricted/Expendable	(C) Restricted/Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Direct public support	96690	4220	92470
	(b) Indirect public support			
	(c) Government grants			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)	96690	4220	92470
	2 Program service revenue (from Part IV, line (f))			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments	12207	12207	
	5 Dividends and interest from securities			
	6 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)			
7 Other investment income (Describe <input type="checkbox"/> Securities <input type="checkbox"/> Other)				
8 (a) Gross amount from sale of assets other than inventory				
(b) Minus: cost or other basis and sales expenses				
(c) Gain (loss) (attach schedule)				
9 Special fundraising events and activities (attach schedule—see instructions):				
(a) Gross revenue (not including \$ of contributions reported on line 1(a))				
(b) Minus: direct expenses				
(c) Net income (line 9(a) minus line 9(b))				
10 (a) Gross sales minus returns and allowances				
(b) Minus: Cost of goods sold (attach schedule)				
(c) Gross profit (loss)				
11 Other revenue (from Part IV, line (g))				
12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)	108897	16427	92470	
Expenses	13 Program services (from line 44(B)) (see instructions)	145697		145697
	14 Management and general (from line 44(C)) (see instructions)	14771	14771	
	15 Fundraising (from line 44(D)) (see instructions)	10833		10833
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44(A))	171301	14771	156530
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	(62404)	1656	(64060)
	19 Fund balances or net worth at beginning of year (from line 74(A))	196216	21399	174817
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)	133812	23055	110757

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6(b), 8(b), 9(b), 10(b), or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule)	145697	145697		
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.				
	26 Other salaries and wages				
	27 Pension plan contributions				
	28 Other employee benefits				
	29 Payroll taxes				
	30 Professional fundraising fees	4425			4425
	31 Accounting fees	1950		1950	
	32 Legal fees				
	33 Supplies				
	34 Telephone				
	35 Postage and shipping				
	36 Occupancy				
	37 Equipment rental and maintenance				
	38 Printing and publications				
	39 Travel				
	40 Conferences, conventions and meetings				
	41 Interest				
	42 Depreciation, depletion, etc. (attach schedule)				
	43 Other expenses (itemize): (a) Administrative Expenses	19229		12821	6408
	(b)				
	(c)				
(d)					
(e)					
(f)					
44 Total functional expenses (add lines 22 through 43)	171301	145697	14771	10833	

Part III Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

Expenses (Optional for some organizations—see instructions)

(a)	Organization's primary purpose is to provide funds to the Minnesota Zoological Garden.	(Grants and allocations \$ 145697)	145,697
(b)		(Grants and allocations \$)	
(c)		(Grants and allocations \$)	
(d)		(Grants and allocations \$)	
(e)	Other program service activities (attach schedule)	(Grants and allocations \$)	
(f)	Total (add lines (a) through (e)) (should equal line 44(B))		145,697

Part III Program Service Revenue and Other Revenue (State Nature)		Program service revenue	Other revenue
(a)	Fees from government agencies . . . N/A		
(b)		
(c)		
(d)		
(e)		
(f)	Total program service revenue (enter here and on line 2)		
(g)	Total other revenue (enter here and on line 11)		

Part IV Balance Sheets If line 12, Part I, and line 59 are \$25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than \$25,000, complete the entire balance sheet. See instructions.

	(A) Beginning of year	End of year		
		(B) Total	(C) Unrestricted/Expendable	(D) Restricted/Nonexpendable
Assets				
45	Cash—non-interest bearing	199808	149332	
46	Savings and temporary cash investments			
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
49	Grants receivable			
50	Receivables due from officers, directors, trustees and key employees (attach schedule)			
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____			
52	Inventories for sale or use			
53	Prepaid expenses and deferred charges			
54	Investments—securities (attach schedule)			
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)			
56	Investments—other (attach schedule)			
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)			
58	Other assets ▶ _____			
59	Total assets (add lines 45 through 58)	199808	149332	
Liabilities				
60	Accounts payable and accrued expenses	3592	15520	
61	Grants payable			
62	Support and revenue designated for future periods (attach schedule)			
63	Loans from officers, directors, trustees and key employees (attach schedule)			
64	Mortgages and other notes payable (attach schedule)			
65	Other liabilities ▶ _____			
66	Total liabilities (add lines 60 through 65)	3592	15520	
Fund Balances or Net Worth				
Organizations that use fund accounting, check here <input checked="" type="checkbox"/> and complete lines 67 through 70 and lines 74 and 75.				
67	a. Current unrestricted fund	21399	23055	
	b. Current restricted fund	174817	110757	
68	Land, buildings and equipment fund			
69	Endowment fund			
70	Other funds (Describe ▶ _____)			
Organizations that do not use fund accounting, check here <input type="checkbox"/> and complete lines 71 through 75.				
71	Capital stock or trust principal			
72	Paid-in or capital surplus			
73	Retained earnings or accumulated income			
74	Total fund balances or net worth (see instructions)	196216	133812	
75	Total liabilities and fund balances, net worth (see instructions)	199808	149332	

Part III List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
..... schedule attached				
.....				
.....				
.....				
.....				

Part VII Other Information

	Yes	No
76 Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
77 Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
78 (a) Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? (b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year? (c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
80 Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization <u>The Minnesota Zoological Board</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
81 (a) Enter amount of political expenditures, direct or indirect, as described in the instructions (b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?	<input type="checkbox"/>	<input type="checkbox"/>
82 Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III	<input checked="" type="checkbox"/>	<input type="checkbox"/>
83 Section 501(c)(5) or (6) organizations.—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose	<input type="checkbox"/>	<input type="checkbox"/>
84 Section 501(c)(7) organizations.—Enter amount of: (a) Initiation fees and capital contributions included on line 12 (b) Gross receipts, included in line 12, for public use of club facilities (see instructions) (c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?	<input type="checkbox"/>	<input type="checkbox"/>
85 Section 501(c)(12) organizations.—Enter amount of: (a) Gross income received from members or shareholders (b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)	<input type="checkbox"/>	<input type="checkbox"/>
86 Public interest law firms.—Attach information described in instructions.	<input type="checkbox"/>	<input type="checkbox"/>
87 List the States with which a copy of this return is filed <u>Minnesota</u>	<input type="checkbox"/>	<input type="checkbox"/>
88 During this tax year did you maintain any part of your accounting/tax records on a computerized system?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
89 The books are in care of <u>Paul A. Verret</u> Telephone No. <u>(612) 224-5463</u> Located at <u>c/o The Saint Paul Edn, 1120 Norwest Ctr, St. Paul, MN</u>	<input type="checkbox"/>	<input type="checkbox"/>

Please Sign Here 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 taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here	<u>[Signature]</u> Signature of officer	<u>11-13-85</u> Date	<u>VICE PRESIDENT</u> Title
	Paid Preparer's Use Only	Preparer's signature <u>[Signature]</u> Firm name (or yours, if self-employed) and address <u>PEAT, MARWICK, MITCHELL & CO., 1500 Conwind Tower, 444 Cedar Street, St. Paul, Minnesota 55101</u>	Date <u>11/4/85</u> Check if self-employed <input type="checkbox"/> ZIP code <u>468-60-4811</u>

PART 1, LINE (d) CONTRIBUTIONS, GIFTS, GRANTS
AND SIMILAR AMOUNTS RECEIVED DIRECTLY FROM THE PUBLIC
THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION 51-0147653
FISCAL YEAR ENDED JUNE 30, 1985

NAME	DATE	AMOUNT
F. R. BIGELON FOUNDATION 1120 NORWEST CENTER ST. PAUL, MN 55101	10/84 12/84 3/85	\$ 5000 5000 15000
		<u>\$ 25000</u>
THE SAINT PAUL FOUNDATION 1120 NORWEST CENTER ST. PAUL, MN 55101	10/84	24470
SMITHSONIAN INSTITUTE ARTS AND INDUSTRIES BUILDING SMITHSONIAN INSTITUTION WASHINGTON, DC 20560	11/84	10000
BROOKFIELD ZOO 3300 GOLF ROAD BROOKFIELD, IL 60513	5/85	12500
B. C. GAMBLE & P. W. SKOGMO FOUNDATION 500 FOSHAY TOWER 300 MARQUETTE AVENUE MINNEAPOLIS, MN 55402	6/85	10000
NEW YORK ZOOLOGICAL SOCIETY NEW YORK, NY	6/85	10000
VARIOUS DONORS		4720
		<u>\$ 96,670</u>

Minnesota Zoological Garden Foundation
Saint Paul, Minnesota
I.D. Number 510147653
6/30/85

Officers

<u>Name</u>	<u>Title</u>
Open	President
Kathleen Gretsch	Vice President
Margee Kinney	Vice President
Malcolm W. McDonald	Vice President
Wayne Peterson	Vice President
Paul A. Verret.	Secretary
Harold S. Webster	Treasurer

Board of Directors

Name

Anthony L. Andersen
D. Stephen Farley
Margee Kinney
Malcolm W. McDonald
Joseph T. O'Neill
Wayne Petersen
Richard G. Gray, Sr.
Chy Morrison
Harold S. Webster
Firmin Alexander
Connie Deland
Kathleen Gretsch
Gordon Rosenmeier

Appointed Directors

James L. Hetland
Hazel Reinhardt
James Weaver

Saint Paul, Minnesota

51-0147653

6-30-85

Form 990 Part II Line 22 Grants and Allocations

Contributions to Minnesota Zoological Garden:

Program Grants

1456 97

1			
2			
3			
4			
5			1456 97
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SCHEDULE A (Form 990)

Department of the Treasury Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f), 501(k), or Section 4947(a)(1) Trust Supplementary Information Attach to Form 990.

OMB No. 1545-0047

1984

Name: Minnesota Zoological Garden Foundation Employer identification number: 51 : 0147653

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Table with 5 columns: Name and address of employees paid more than \$30,000, Title and average hours per week devoted to position, Compensation, Contributions to employee benefit plans, Expense account and other allowances. Row 1: None

Total number of other employees paid over \$30,000

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Table with 3 columns: Name and address of persons paid more than \$30,000, Type of service, Compensation. Row 1: None

Total number of others receiving over \$30,000 for professional services

Part III Statements About Activities

Table with 2 columns: Question, Yes/No. Questions include: 1. During the year have you attempted to influence national, State or local legislation... 2. During the year have you, either directly or indirectly, engaged in any of the following acts... 3. Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments... 4. Do you make grants for scholarships, fellowships, student loans, etc.?

Schedule A (Form 990) 1984

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

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

- 5 1 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 2 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
- 7 3 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 4 A Federal, State or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 5 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name, city, and State of hospital ▶
- 10 6 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)
- 11 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)
- 12 8 An organization that normally receives: (a) no more than 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, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Also complete Support Schedule.)
- 13 9 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 5 through 12 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 13.)

(a) Name of supported organizations	(b) Box number from above
Minnesota Zoological Garden	3

- 14 0 An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 10, 11, or 12 above) Use cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a)	(b)	(c)	(d)	(e)
	1983	1982	1981	1980	Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose.		N/A			
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
21 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					
26 Organizations described in box 10 or 11:					
(a) Enter 2% of amount in column (e), line 24					N/A
(b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1980 through 1983 exceeded the amount shown in 26(a). Enter the sum of all excess amounts here					N/A

Part IV Support Schedule (continued)(Complete only if you checked box 10, 11, or 12 on page 2)

- 27 Organizations described in box 12, page 2: N/A
- (a) Attach a list, for amounts shown on lines 15, 16, and 17, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:
- (1983).....(1982).....(1981).....(1980).....
- (b) Attach a list showing, for 1980 through 1983, the name and amount included in line 17 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 25 for the year or \$5,000. Include organizations described in boxes 5 through 11 as well as individuals. Enter the sum of these excess amounts for each year:
- (1983).....(1982).....(1981).....(1980).....
- 28 For an organization described in boxes 10, 11, or 12, page 2, that received any unusual grants during 1980 through 1983, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15 above. (See specific instructions.) N/A

Part V Private School Questionnaire
To Be Completed ONLY by Schools that Checked Box 6 in Part IV N/A

- | | Yes | No |
|---|-----|----|
| 29 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body? | | |
| 30 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? | | |
| 31 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) | | |
| 32 Do you maintain the following:
(a) Records indicating the racial composition of the student body, faculty, and administrative staff?
(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
(d) Copies of all material used by you or on your behalf to solicit contributions?
If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.) | | |
| 33 Do you discriminate by race in any way with respect to:
(a) Students' rights or privileges?
(b) Admissions policies?
(c) Employment of faculty or administrative staff?
(d) Scholarships or other financial assistance (see instructions)?
(e) Educational policies?
(f) Use of facilities?
(g) Athletic programs?
(h) Other extra-curricular activities?
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.) | | |
| 34 (a) Do you receive any financial aid or assistance from a governmental agency?
(b) Has your right to such aid ever been revoked or suspended?
If you answered "Yes," to either 34(a) or (b), please explain using an attached separate statement. | | |
| 35 Do you certify that you have complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 CB 537, governing racial nondiscrimination? If "No," attach an explanation as per instructions for Part V. | | |

Part VII Lobbying Expenditures By Public Charities (See instructions)
(To be completed ONLY by an eligible organization that filed Form 5768.)

N/A

Check here (a) If the organization belongs to an affiliated group (see instructions).

Check here (b) If you checked (a) and "limited control" provisions apply (see instructions).

Limits on Lobbying Expenses		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total (grassroots) lobbying expenses to influence public opinion		
37	Total lobbying expenses to influence a legislative body		
38	Total lobbying expenses (add lines 36 and 37)		
39	Other exempt purpose expenses (see Part VI instructions)		
40	Total exempt purpose expenses (add lines 38 and 39) (see instructions)		
41	Lobbying nontaxable amount. Enter the smaller of \$1,000,000 or the amount determined under the following table—		
	If the amount on line 40 is—		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000		
	The lobbying nontaxable amount is—		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
42	Grassroots nontaxable amount (enter 25% of line 41) (Complete lines 43 and 44. File Form 4720 if either line 36 exceeds line 42 or line 38 exceeds line 41.)		
43	Excess of line 36 over line 42		
44	Excess of line 38 over line 41		

4-Year Averaging Period Under Section 501(h).

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

Calendar year (or fiscal year beginning in)	Lobbying Expenses During 4-Year Averaging Period				
	(a) 1984	(b) 1983	(c) 1982	(d) 1981	(e) Total
45 Lobbying nontaxable amount (see instructions)					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenses (see instructions)					
48 Grassroots nontaxable amount (see instructions)					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenses (see instructions)					

Minnesota Zoological Garden Foundation
St. Paul, MN
51-0147653
June 30, 1985

Form 990, Part VII, Question 79

During fiscal year ending June 30, 1985, a major distribution of assets occurred. Program grants exceeded 25% of the fair market value of the organization's beginning of the year net assets. Grants made during the year exceeded contributions received.



STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
SECURITIES AND REAL ESTATE DIVISION
500 METRO SQUARE BUILDING
ST. PAUL, MINNESOTA 55101
(612) 296-2594

CHARITABLE ORGANIZATIONS ANNUAL REPORT

For Twelve Months Ending
June 30, 1985

A charitable organization which is required to file a Registration Statement must also file an Annual Report (including financial statements) within six months of the accounting year end. A charitable organization filing for the first time must include an Annual Report for the most recent fiscal year. See Minn. Stat. § 309.53.

Legally Established Name of Organization	
The Minnesota Zoological Garden Foundation	
Address of Principal Office	
c/o St. Paul Foundation 1120 Norwest Center	
City, State, Zip Code	Telephone No. (Include Area Code)
Saint Paul, Minnesota 55101	612-224-5463

- Date Registration Statement filed: _____
- Indicate any pertinent changes since the last report including, but not limited to, changes of names, affiliation, address, telephone, officers, directors, organization's purpose, accounting year end, and any action against the organization by any court or governmental agency. None See attached
- Attach Financial Statement, prepared in accordance with generally accepted accounting principles. This statement must include: a) balance sheet, b) statement of income and expenses, c) statement of functional expenses, d) amounts spent in Minnesota, broken down into amounts spent for each major program, using "public education" as one program, e) basis of allocations between functional expenses. (6/30/85 AUDIT REPORT ATTACHED)

NOTE: Minnesota accepts the Federal Form 990 (revised 1-1-82) as satisfying Minnesota reporting requirements only if the following requirements are observed: for all organizations required to file this Report, the form 990 must be completed in its entirety and in accordance with generally accepted accounting principles and supplemented by separate schedules for items 3(d) and 3(e) above. For organizations receiving contributions in excess of \$50,000, an opinion by a certified public accountant that the statements fairly represent the operations of the organization must accompany the report.

- Amount of funds or properties transferred out of state, with explanation as to recipient and amount:
None

- Compensation to Professional Fund Raiser:

Fund Raiser Name and Address	Date License Received	Amount of Compensation	% of Gross Receipts Associated with Fund Raiser's Activities
Bentz, Whaley Flessner & Associates, Inc. 6800 France Avenue Suite 559 Minneapolis, Minnesota	55435	\$ 4425	4 %

- Does your organization sell, rent, or trade names of Minnesota Contributors? No Yes

NOTE: A professional fund raiser is any person (including a corporation or other entity) who for financial compensation or profit, participates in public solicitation in Minnesota of contributions for or on behalf of the reporting organization. This includes a bona fide officer or employee whose compensation is computed in part whole on the basis of funds to be raised or actually raised.

SIGNATURES AND ACKNOWLEDGMENT

We hereby state and acknowledge, that we are duly constituted officers of the organization named in this Annual Report, being the _____, and _____, and _____ thereof, respectively, that this Annual Report is executed on behalf of said organization by us pursuant to resolution of the _____ (Board of Directors or Trustees, or if none, other Managing Group) duly adopted on the _____ day of _____, 19 _____, approving the content of this Annual Report which includes the attached Financial Statement.

Signature
Title
Date

Signature
Title
Date

REPORT OF CERTIFIED PUBLIC ACCOUNTANT (FEDERAL FORM 990)

We (I) have examined the balance sheet (Part V) of _____ included in Federal Form 990 as of _____ and the related statements of support, revenue, and expense and changes in fund balances (Part I) and of functional expenses (Part II) for the year then ended. Our (my) examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of accounting records and other such auditing procedures as we (I) considered necessary in the circumstances.

In our (my) opinion, the financial statements referred to above present fairly the financial position of _____ as of _____ and the results of its operations and changes in fund balances for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our (my) examination has been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in Parts III, IV and VI _____

inclusive, of this report, although not considered necessary for a fair presentation of financial position and results of operations and changes in fund balances, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In our (my) opinion, these data are fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

6/30/85 Audit Report Attached

CERTIFIED PUBLIC ACCOUNTANTS

PEAT, MARWICK, MITCHELL & CO.
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
Tele. No. (612) 224-7468 8639741

Minnesota Zoological Garden Foundation
 Contributions
 July 1, 1985 - December 15, 1985

Contr. Date	Donor	Amount	Adminis- tration.	ISIS	Caribou & Timber Wolf Exhibit
85 8/02	Cowles Media Company	50000			50000
8/30	F. R. Bigelow Foundation	10000			10000
9/19	Litton Corporation	750	750		
9/27	David R. Fesler	5000			5000
9/27	The Saint Paul Foundation	10000			10000
9/27	The Mardag Foundation	5000			5000
11/13	New York Zoological Society	3000		3000	
12/10	New York Zoological Society	1000		1000	
12/10	Mendon F. Schutt Foundation	300	300		
		-----	-----	-----	-----
		85050	1050	4000	80000
		=====	=====	=====	=====

Minnesota Zoological Garden Foundation
 Grants Listing for the Period September 1, 1984 through December 16, 1985

Grant No.	Grantee	Amount	Fund	Date Paid	Purpose
3-84	Minnesota Zoological Garden	-40,000.00	Northern Trek Fund	8/17/84	Northern Trek
3-84	Minnesota Zoological Garden	-84,800.00	Northern Trek Fund	2/20/85	Northern Trek
6-84	Fox & Geller	350.00	ISIS	9/25/84	Database Utilities
7-84	Steven Reisman	120.00	ISIS	10/24/84	Tape reading consultation
8-84	Minnesota Zoological Garden	100.00	MN Zoo Society: Seminars & Conferences	10/24/84	Dr. Lovejoys' honorarium
9-84	Minnesota Zoological Garden	321.00	MN Zoo Society: Interns	12/4/84	David Clugston stipend
10-84	Teleterminals	3,295.05	ISIS	12/4/84	IBM PC-XT
11-84	PC Connection	1,842.00	ISIS	12/4/84	Memory chips & modem software
1-85	Borland International	119.90	ISIS	2/20/85	Computer software
2-85	Fox & Geller	199.00	ISIS	2/20/85	Computer software
3-85	Minnesota Zoological Garden	10,000.00	Fundraising Fund	3/21/85	Zooplan consultant
4-85	Seaware Corp	30.00	ISIS	3/21/85	Extended batch language
5-85	J & M Systems, LTD	99.00	ISIS	3/21/85	Memory minder disk drive diagnostic
6-85	Borland International	164.85	ISIS	3/21/85	Superkey graphics
7-85	Garnatz & Grovender	735.00	ISIS	3/21/85	Fortran program
8-85	Tom Foose	300.00	ISIS	3/21/85	Editing mammalian range abbreviations
9-85	Minnesota Zoological Garden	585.00	Onan Family Fund	5/22/85	Registration fees
10-85	S & T Office Products	95.69	MN Zoo Society: Seminars		Theriologist conf.
11-85	Tom Foose	411.00	ISIS	5/22/85	Purchase of a desk
12-85	Garnatz & Grovender	300.00	ISIS	5/22/85	Review of herp list for computer program
13-85	Garnatz & Grovender	1,750.00	ISIS	6/29/85	Consulting on ISIS mainframe
14-85	Chicago Zoological Society	980.00	ISIS	7/30/85	Computer consulting
15-85	Ingrid Schmidt	2,500.00	ISIS	7/30/85	Refund of grant overpayment
16-85	Roland Johnson	100.00	ISIS	10/15/85	Translations costs
17-85	Minnesota Zoological Garden	100.00	MN Zoo Society: Interns	11/22/85	Internship
18-85	Minnesota Zoological Garden	3,936.00	Emergency Equipment Fund	11/22/85	Construction of a well for MN trail
19-85	Torps Music Center	10,249.14	Northern Trek Fund	11/22/85	Fencing for northern trail
20-85	Roland Johnson	1,042.00	MN Zoo Society: Audio	11/26/85	Equipment purchase
		100.00	MN Zoo Society: Interns	12/6/85	Internship
<u>Grant Return</u>					
11-84	PC Connection	-20.00	ISIS	2/4/85	
Total Grants for Fiscal Period		164,604.63			

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM

June 5, 1985

TO: Paul A. Verret

FROM: Mariam C. Noland 

RE: IRS Audit

I was called on June 4 by Steve Bruzda of the IRS. He notified me that the Minnesota Zoological Garden Foundation had been selected for audit. In particular, they will be auditing the year ended June 1983.

He was calling to set up an appointment for the auditor, Mary Brodersen. A letter of confirmation will be forthcoming. At his request we established a date for Mary to begin the audit with a conversation with you on June 20 at 8:30 a.m. in this office. I assume that you will want Jack Pohl present. Would you prefer Jean Hart to sit in on this meeting and/or me?

We will need to find a place for Mary Brodersen to work beginning on June 20. Since we have not used Mary Probst as an attorney on this account, do you believe it is appropriate to call her or should we find some other space?

mcn.929

Department of the Treasury

District Director
Internal Revenue Service

Date: AUG 16 1985 | In reply refer to:



51-0147653 3631307
MINNESOTA ZOOLOGICAL GARDEN
FOUNDATION 841
1120 NORWEST BANK BLDG
ST PAUL MN 55101 800

Form Number: 990
Periods Ended: 6/30/83

We are pleased to tell you that as a result of our examination for the above periods we will continue to recognize your organization as tax-exempt.

We have indicated below whether there is a change in your liability for the unrelated business income tax as provided by sections 511 through 515 of the Internal Revenue Code.

- There is no change.
- You will receive an examination report explaining the proposed adjustments.

Thank you for your cooperation.

Sincerely yours,

J. R. Starnes
District Director

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
BOARD MEETING

July 24, 1986
10:00 a.m.

AGENDA

For a meeting of the Board of Directors of the Minnesota Zoological Garden Foundation to be held on Thursday, July 24, 1986, at 10:00 a.m., in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

MINUTES OF THE DECEMBER 23, 1985 BOARD OF DIRECTORS MEETING

The Minutes of the December 23, 1985, Board of Directors meeting are included with this Agenda as EXHIBIT A for your review and approval.

FINANCIAL REPORT

EXHIBIT B of this Agenda contains a financial report for the current fiscal year as of May 31, 1986.

SELECTION OF AUDITOR FOR FISCAL YEAR ENDED JUNE 30, 1986

EXHIBIT C of this Agenda contains correspondence related to selection of an auditor for the fiscal year ended June 30, 1986. A savings of \$1,000 can be achieved by changing auditors. It might be helpful to have a new auditing group look at the Foundation. The current auditors, Peat, Marwick, Mitchell & Co., have been serving the Foundation since July 1975.

RATIFICATION OF GRANTS AUTHORIZED SINCE THE LAST MEETING

EXHIBIT D of this Agenda contains schedules of all gifts received and all grants authorized since the last Board Meeting.

It is recommended that a resolution ratifying these discretionary grants be adopted:

FUND RAISING COMMITTEE REPORT

A report from the fund raising committee will be submitted.

ADJOURNMENT

January 13, 1986

MINUTES

Of a meeting of the Board of Directors of the Minnesota Zoological Garden Foundation, held at 9:30 a.m., on Monday, December 23, 1985, in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

Present were:

Voting Board Members: Malcolm W. McDonald, President
Hazel Reinhardt, Vice President
Firmin Alexander
Anthony Andersen, by proxy
Thomas M. Crosby, Sr.
Donald Dayton, by proxy
Patricia Davies
Connie Deland
Robert M. Engels
D. Stephen Farley, by proxy
Richard G. Gray, Sr.
Kathleen Gretsch, by proxy
James Hetland, by proxy
Joseph T. O'Neill, by proxy
Gordon Rosenmeier, by proxy
Dr. U. S. Seal
John E. Tilton
Harold S. Webster

Ex Officio Board Member: Stephen A. Iserman, Director,
Minnesota Zoological Garden

Others: Paul A. Verret, Secretary-Treasurer
Lawrence A. Wilford, Counsel

Mr. McDonald presided and Mr. Verret acted as Secretary.

ELECTION OF DIRECTORS

The following resolution was adopted:

RESOLVED that the following persons are elected Directors of the Minnesota Zoological Garden Foundation to first terms of office for periods of time indicated and until their successors are elected and qualified:

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Thomas M. Crosby, Sr.	First	3 Years	11/88
Donald Dayton	First	3 Years	11/88
Robert H. Engels	First	3 Years	11/88
Reuel D. Harmon	First	3 Years	11/88
Hazel Reinhardt	First	3 Years	11/88
Dr. U. S. Seal	First	3 Years	11/88
Pat Davies	First	1 Year	11/86
James L. Hetland	First	2 Years	11/87
John Tilton	First	2 Years	11/87

BE IT FURTHER RESOLVED that the following persons are elected to second terms of office for the periods of time indicated and until their successors are elected and qualified:

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Anthony L. Andersen	Second	3 Years	11/86
D. Stephen Farley	Second	3 Years	11/86
Margee Kinney	Second	3 Years	11/86
Wayne Peterson	Second	3 Years	11/86
Chy Morrison	Second	3 Years	11/87
Harold S. Webster	Second	3 Years	11/87

IDENTIFICATION OF DIRECTORS: Elected and Appointed

Elected Members

The following resolution was adopted:

RESOLVED that with the election of Board Members at this meeting, identification is hereby made of the currently qualified elected Members of the Board of Directors of the Minnesota Zoological Garden Foundation, the term of office they currently are holding and the date of expiration of their respective terms of office as follows:

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Thomas M. Crosby, Sr.	First	3 Years	11/88
Donald Dayton	First	3 Years	11/88
Robert H. Engels	First	3 Years	11/88
Reuel D. Harmon	First	3 Years	11/88
Hazel Reinhardt	First	3 Years	11/88
Dr. U. S. Seal	First	3 Years	11/88
Pat Davies	First	1 Year	11/86
James L. Hetland	First	2 Years	11/87
John Tilton	First	2 Years	11/87

<u>NAME</u>	<u>TERM</u>	<u>PERIOD OF ELECTED TERM</u>	<u>DATE TERM EXPIRES</u>
Anthony L. Andersen	Second	3 Years	11/86
D. Stephen Farley	Second	3 Years	11/86
Margee Kinney	Second	3 Years	11/86
Wayne Peterson	Second	3 Years	11/86
Chy Morrison	Second	3 Years	11/87
Harold S. Webster	Second	3 Years	11/87

BE IT FURTHER RESOLVED that identification is hereby made of the appointed Members of the Board of Directors of the Minnesota Zoological Garden Foundation and the date of expiration of their respective terms of office:

<u>NAME</u>	<u>YEAR TERM EXPIRES</u>
Firmin Alexander	11/86
Connie Deland	11/86
Richard G. Gray	11/86
Kathleen Gretsck	11/86
Malcolm W. McDonald	11/86
Joseph T. O'Neill	11/86
Gordon Rosenmeier	11/86

ELECTION OF OFFICERS

The following resolution was adopted:

RESOLVED that the following are elected Officers of the Minnesota Zoological Garden Foundation for fiscal year 1985-86 and until their successors are elected and qualified:

President	Malcolm W. McDonald
Vice President	Hazel Reinhardt
Secretary-Treasurer	Paul A. Verret

MINUTES OF OCTOBER 4, 1984 MEETING

The Minutes of the October 4, 1984 meeting of the Directors of the Minnesota Zoological Garden Foundation were reviewed and, with one correction, accepted.

AUDIT FOR THE YEAR ENDED JUNE 30, 1985

The following resolution was adopted:

RESOLVED that the audit of the financial records of the Minnesota Zoological Garden Foundation for the year ended June 30, 1985, as prepared by Peat, Marwick, Mitchell & Co., is reviewed and accepted.

MINNESOTA CHARITABLE ORGANIZATIONS REPORT

The following resolution was adopted:

WHEREAS the Charitable Organizations Annual Report of the Minnesota Zoological Garden Foundation for the fiscal year ended June 30, 1985, has been reviewed by the Board of Directors of the Minnesota Zoological Garden Foundation,

NOW THEREFORE BE IT RESOLVED that the President and Secretary-Treasurer of the Minnesota Zoological Garden Foundation are authorized and directed to submit this report to the State of Minnesota Department of Commerce.

RATIFICATION OF GRANTS AUTHORIZED SINCE THE LAST MEETING

The following resolution was adopted:

RESOLVED that the following grants paid from funds of the Minnesota Zoological Garden Foundation, from September 1, 1984, through December 15, 1985, are ratified and confirmed:

<u>Grant Number</u>	<u>Amount</u>	<u>Grantee and Purpose</u>
# 3-84	\$ 40,000.00	Minnesota Zoological Garden, for Northern Trek, from the Northern Trek Fund.
# 3-84	\$ 84,800.00	Minnesota Zoological Garden, for Northern Trek, from the Northern Trek Fund.
# 6-84	\$ 350.00	Fox & Geller, for database utilities, from ISIS.
# 7-84	\$ 120.00	Steven Reisman, for tape reading consultation, from ISIS.
# 8-84	\$ 100.00	Minnesota Zoological Garden, for Dr. Lovejoys' honorarium, from the Minnesota Zoological Society: Seminars & Conferences.

ISIS = 11,453.80

<u>Grant Number</u>	<u>Amount</u>	<u>Grantee and Purpose</u>
# 9-84	\$ 321.00	Minnesota Zoological Garden, for David Clugston stipend, from the Minnesota Zoological Society: Interns.
#10-84	\$ 3,295.05	Teleterminals, for IBM PC-XT, from ISIS.
#11-84	\$ 1,842.00	PC Connection, for memory chips and modem software, from ISIS.
# 1-85	\$ 119.90	Borland International, for computer software, from ISIS.
# 2-85	\$ 199.00	Fox & Geller, for computer software, from ISIS.
# 3-85	\$ 10,000.00	Minnesota Zoological Garden, for Zooplan consultant, from Fundraising Fund.
# 4-85	\$ 30.00	Seaware Corporation, for extended batch language, from ISIS.
# 5-85	\$ 99.00	J & M Systems, LTD, for memory minder disk drive diagnostic, from ISIS.
# 6-85	\$ 164.85	Borland International, for superkey graphics, from ISIS.
# 7-85	\$ 735.00	Garnatz & Grovender, for Fortran program, from ISIS.
# 8-85	\$ 300.00	Tom Foose, for editing mammalian range abbreviations, from ISIS.
# 9-85	\$ 585.00	Minnesota Zoological Garden, for registration fees, from the Onan Family Fund.
	\$ 95.69	Minnesota Zoological Garden, for Theriologist conference, from Minnesota Zoo Society: Seminars.
#10-85	\$ 411.00	S & T Office Products, for purchase of a desk, from ISIS.
#11-85	\$ 300.00	Tom Foose, for review of herp list for computer program, from ISIS.
#12-85	\$ 1,750.00	Garnatz & Grovender, for consulting on ISIS mainframe, from ISIS.

<u>Grant Number</u>	<u>Amount</u>	<u>Grantee and Purpose</u>
#13-85	\$ 980.00	Garnatz & Grovender, for computer consulting, from ISIS.
#14-85	\$ 2,500.00	Chicago Zoological Society, for refund of grant overpayment, from ISIS.
#15-85	\$ 100.00	Ingrid Schmidt, for translations costs, from ISIS.
#16-85	\$ 100.00	Roland Johnson, for internship, from Minnesota Zoo Society: Interns.
#17-85	\$ 3,936.00	Minnesota Zoological Garden, for construction of a well for Minnesota trail, from Emergency Equipment Fund.
#18-85	\$ 10,249.14	Minnesota Zoological Garden, for fencing for northern trail, from Northern Trek Fund.
#19-85	\$ 1,042.00	Torps Music Center, for equipment purchase, from the Minnesota Zoological Society: Audio.
#20-85	\$ 100.00	Roland Johnson, for internship, from the Minnesota Zoological Society: Interns.

UPDATED BANK RESOLUTIONS

Resolution Authorizing Withdrawals Against Checking Account No. 20 57406

The following resolution was adopted:

WHEREAS the First National Bank of St. Paul, Minnesota is designated as a depository for the funds of the Minnesota Zoological Garden Foundation;

THEREFORE BE IT RESOLVED that the President, Vice President, and Secretary-Treasurer of the Minnesota Zoological Garden Foundation, and the Vice President, Administration of The Saint Paul Foundation be, and they hereby are, authorized for an on behalf of the Minnesota Zoological Garden Foundation to draw and sign checks against the Checking Account of the Minnesota Zoological Garden Foundation, No. 20 57406, at the First National Bank of St. Paul, and to endorse in the name of said Foundation checks or other negotiable instruments of any kind for deposit in said account; and

BE IT FURTHER RESOLVED that said individuals shall sign checks under the description of "Authorized Signature" rather than by specific title which would apply to their particular position; and

BE IT FURTHER RESOLVED that said First National Bank of St. Paul is hereby authorized and directed to honor and pay any checks which have been so drawn and signed by any one of said officers or persons, whether said checks be payable to the order of the officers or persons in their individual capacities or not, and whether such checks or drafts are deposited to the individual credit of any of the other officers or not; and

BE IT FURTHER RESOLVED that the Secretary-Treasurer be, and he hereby is, authorized and made responsible for certifying to the First National Bank of St. Paul the names of the incumbents of the above positions, and shall keep the said First National Bank of St. Paul currently informed at all times as to any changes in the persons holding said positions; and

BE IT FURTHER RESOLVED that any check in an amount of \$5,000 or over be signed by an officer of the Minnesota Zoological Garden Foundation and any other of the above authorized signers.

Resolution for Transfer of Funds by Telephone Instruction

The following resolution was adopted:

WHEREAS THE FIRST NATIONAL BANK OF SAINT PAUL ("BANK") is a depository in which funds of this corporation may be deposited, and a corporate resolution with respect thereto is presently in effect authorizing the deposit and withdrawal of funds; and

WHEREAS the above corporation desires to add and supplement said corporate resolution with the following resolution:

RESOLVED:

1. Any one of the following persons:

<u>Name</u>	<u>Title</u>
PAUL A. VERRET	Secretary-Treasurer of Minnesota Zoological Garden Foundation
JEAN E. HART	Vice President, Administration of The Saint Paul Foundation

EXHIBIT C

Draft of the Promissory Note to be signed by the President of the Minnesota Zoological Garden Foundation, signed subsequent to this meeting.

Assignment of Options on Monorail to the Minnesota Zoological Garden and Authorization to Borrow Funds from the Charles K. Blandin Foundation

The following resolution was adopted, with seventeen affirmative votes and one abstaining vote:

WHEREAS, the Minnesota Zoological Garden Foundation desires to see the continued operation of the Zoo Ride System monorail for the benefit of the Minnesota Zoological Garden, and its visitors; and

WHEREAS, as the Minnesota Zoological Garden Foundation has the opportunity to assist the Minnesota Zoological Board in the acquisition of the Zoo Ride System monorail; and

WHEREAS, the Minnesota Zoological Garden Foundation is seeking gifts and donations in the aggregate amount of \$750,000 to be used to assist the Minnesota Zoological Board in purchasing the Zoo Ride System monorail; and

WHEREAS, the Minnesota Zoological Garden Foundation will not have the necessary funds in time to meet the deadline established by the sellers thereof; and

WHEREAS, Charles K. Blandin Foundation is willing to loan the Minnesota Zoological Garden Foundation \$750,000 until such time as said \$750,000 is obtained by gifts and donations from others;

NOW THEREFORE BE IT RESOLVED that the Minnesota Zoological Garden Foundation assigns its rights under an option agreement to purchase the Zoo Ride System monorail to the Minnesota Zoological Board and that the President of the Minnesota Zoological Garden Foundation is authorized to execute all assignment documents.

BE IT FURTHER RESOLVED that the Minnesota Zoological Garden Foundation is authorized to borrow \$750,000 from the Charles K. Blandin Foundation, which sum shall be used to assist the Minnesota Zoological Board in the acquisition of the Zoo Ride System monorail.

Mr. Hetland abstained from voting on this resolution.

Resolution Authorizing Grant to Minnesota Zoological Garden to Purchase the Monorail

The following resolution was adopted, with seventeen affirmative votes and one abstaining vote:

WHEREAS, the Board of Directors of the Minnesota Zoological Garden Foundation desires to see the continued operation of the Zoo Ride System monorail for the benefit of the Minnesota Zoological Garden, and its visitors; and

WHEREAS, as the Minnesota Zoological Garden Foundation has the opportunity to assist the Minnesota Zoological Board in the acquisition of the Zoo Ride System monorail;

NOW, THEREFORE BE IT RESOLVED that the Minnesota Zoological Garden Foundation is authorized to grant to the Minnesota Zoological Board the sum of \$750,000 for the purchase of the Zoo Ride System monorail by the Minnesota Zoological Board.

BE IT FURTHER RESOLVED that the President of the Minnesota Zoological Garden Foundation is authorized to execute all documents necessary to make this grant.

Mr. Hetland abstained from voting on this resolution.

Further Discussion

In subsequent discussion, the Directors requested, informally, that:

1. A press release on the purchase of the monorail be prepared and distributed as soon as possible, said release to:
 - (a) Carefully explain the intent of the Blandin Foundation loan.
 - (b) Carefully explain the purpose of State funds made available to purchase the monorail.
 - (c) Thank the Blandin Foundation and all other parties who are assisting in this purchase including appropriate public officials.
 - (d) Encourage the general public to contribute to the funds campaign to purchase the monorail.
2. Steps be taken as soon as possible to raise the \$750,000 needed to repay the Blandin Foundation.
3. Procedures be developed and implemented to repay the Blandin Foundation as contributions from various donors to the Monorail Fund are received.

4. Consideration be given to conducting a major fund raising event when the monorail opens in spring 1986, said event to publicize both the need for funds to purchase the monorail and the Zoo's ongoing need for private contributions.

Resolution of Thanks to Charles K. Blandin

The following resolution was adopted:

RESOLVED that the Directors of the Minnesota Zoological Garden Foundation do formally thank the Directors of the Charles K. Blandin Foundation for their generous and timely assistance in making the purchase of the monorail for the Minnesota Zoological Garden possible,

BE IT FURTHER RESOLVED that the President of the Minnesota Zoological Garden is authorized and directed to prepare and transmit a letter of thanks to each Member of the Board of Directors and to the Executive Director of the Charles K. Blandin Foundation.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD,
ATTEST:

Paul A. Verret
President

OPPENHEIMER WOLFF
FOSTER SHEPARD
AND
DONNELLY

1700 FIRST BANK BLDG.
SAINT PAUL, MINN. 55101
TELEPHONE 612-227-7271
TELEX 701879

424 ICS CENTER
MINNEAPOLIS, MINN. 55402
TELEPHONE 612-332-8451
TELEX 701805

1117 F STREET N.W. SUITE 700
WASHINGTON, D.C. 20004
TELEPHONE 202-293-5096
TELEX 466191

AVENUE L
1050 BRUS
TELEPHONE
TELEX 62236

EXHIBIT A
Page 1

Saint Paul
December 18, 1985

Mr. Malcolm McDonald
Space Center Inc.
444 Lafayette Road
Saint Paul, Minnesota 55101

Re: Minnesota Zoological Foundation - Blandin Foundation

Dear Malcolm:

We are in the process of polling the Trustees of the Blandin Foundation and I anticipate they will approve of loaning to the Minnesota Zoological Foundation \$750,000.

Since this will be unsecured, concern has been expressed about its repayment, particularly since it is known that some foundations are reluctant to contribute funds which will be used to pay off loans from other foundations.

While it has been stated in our conversations, I want to make it a matter of record that the Blandin Foundation is proceeding with this program with the representation that the following are clearly understood:

1. The Foundation is not loaning money for the purpose of acquiring the monorail. This would be against Blandin Foundation policy. While we recognize our funds will be used for the acquisition at this time, the purpose of our loan is to assist meeting a deadline so that funds for such acquisition may be solicited from others.
2. It is against Blandin Foundation policy to contribute by way of grant or otherwise to the fund being raised for such acquisition.

I have been contacted by Larry Wilford of Joe O'Neill's office and we will be working together on the required documentation.

It is my understanding the closing is set for December 27 at which time the Blandin Foundation will advance to the Minnesota Zoological Foundation \$750,000 to be evidenced by a Note bearing interest at 8½% per annum.

OPPENHEIMER WOLFF
FOSTER SHEPARD
AND
DONNELLY

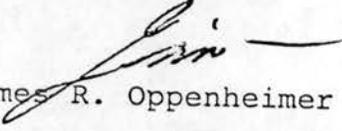
EXHIBIT A
Page 2

Mr. Malcolm McDonald
December 18, 1985
Page Two

It is anticipated that the aforesaid note will be paid shortly after the first of the year by the issuance of new non-interest bearing note payable on or before December 15, 1986.

I mentioned to Wilford that it would be further understood that any cash raised from the solicitation for the purchase of the monorail will be transmitted to the Blandin Foundation in reduction of its debt and any pledges received will, at the option of the Foundation, be assigned to it.

Very truly yours,


James R. Oppenheimer

JRO:np

cc: Mr. Bruce Abbett
Mr. Lawrence Wilford
Mr. Paul M. Olson

AGREEMENT

Agreement made this 27th day of December, 1985 by and between Minnesota Zoological Garden Foundation, a Minnesota non-profit corporation (Minnesota), and Charles K. Blandin Foundation, Minnesota non-profit corporation (Blandin);

WHEREAS, Minnesota has agreed to grant the Minnesota Zoological Board \$750,000 to assist it in acquiring the Zoo Ride System monorail presently located at the Minnesota Zoological Garden in Apple Valley, Minnesota, and

WHEREAS, Minnesota is seeking grants and donations aggregating \$750,000 in order to complete said grant, and

WHEREAS, the Minnesota Zoological Board is desirous of completing the acquisition prior to the completion of Minnesota's fund raising, and

WHEREAS, Blandin is willing to loan Minnesota the funds necessary to make the grant to the Minnesota Zoological Board,

NOW THEREFORE, the parties agree as follows:

1. Blandin shall loan Minnesota \$750,000 to be evidenced by a Promissory Note substantially in the form of Exhibit A attached.
2. Any monies received by Minnesota in response to its solicitation of funds for the purchase of said Zoo Ride System monorail shall immediately be paid to Blandin in reduction of said indebtedness.
3. Any pledges received by Minnesota in response to its solicitation of funds for the purchase of said Zoo Ride System monorail shall, if requested by Blandin, be assigned to Blandin as security for the unpaid portion of said indebtedness.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

By W. J. [Signature]
St. Paul, Minn.

CHARLES K. BLANDIN FOUNDATION

By [Signature]

PROMISSORY NOTE

\$750,000.00

December 27, 1985

FOR VALUE RECEIVED, the undersigned, Minnesota Zoological Garden Foundation, a Minnesota non-profit corporation, promises to pay on or before December 20, 1986 to the order of Charles K. Blandin Foundation at the offices of Norwest Bank Minneapolis, N.A., Minneapolis, Minnesota, the principal sum of \$750,000.00 in lawful money of the United States of America together with interest thereon at the rate of eight and one-half percent (8½%) per annum from the date of this Promissory Note until paid.

Presentment and demand for payment, notice of dishonor, protest and notice of protest are hereby waived by the maker hereof, as well as all endorsers and guarantors hereof. Upon failure to make payment as provided above, the undersigned agrees to pay costs of collection and reasonable attorneys fees.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

By M. McDonald
Its President

Minnesota Zoological Garden Foundation
Balance Sheet
May 31, 1986

July 10, 1986

	Eleven Months Ended May 31, 1986	Year Ended June 30, 1985
<u>ASSETS</u>		
Cash	\$ <u>207,741</u>	\$ <u>149,332</u>
TOTAL ASSETS	<u>\$ 207,741</u>	<u>\$ 149,332</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Accounts Payable	\$ 1,539	\$ 15,520
Notes Payable	<u>750,000</u>	<u>-</u>
TOTAL LIABILITIES	751,539	15,520
<u>FUND BALANCES</u>		
Unrestricted	26,871	23,055
Restricted for zoo capital improvements	(599,306)	82,120
Restricted for fund raising	<u>28,637</u>	<u>28,637</u>
TOTAL FUND BALANCES	<u>(543,798)</u>	<u>133,812</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 207,741</u>	<u>\$ 149,332</u>

Minnesota Zoological Garden Foundation
Statement of Activity
May 31, 1986

	Eleven Months Ended May 31, 1986	Year Ended June 30, 1985
<u>INCOME</u>		
Contributions	\$ 104,790	\$ 96,690
Interest	10,263	12,207
Other	<u>39</u>	<u>-0-</u>
TOTAL INCOME	<u>\$ 115,092</u>	<u>\$ 108,897</u>
<u>EXPENSES</u>		
TSPF-Administrative Service	5,486	12,821
TSPF-Fundraising Service	-0-	10,833
Program Expenditures	783,769	145,697
Professional Fees	2,050	1,950
Interest Expense	<u>1,397</u>	<u>-0-</u>
TOTAL EXPENSES	<u>\$ 792,702</u>	<u>\$ 171,301</u>
CHANGES IN FUND BALANCE	<u>\$ (677,610)</u>	<u>\$ (62,404)</u>

Minnesota Zoological Garden Foundation
Contributions
July 1, 1985 - May 31, 1986

Contr. Date	Donor	Amount	Adminis- tration.	ISIS	Caribou & Timber Wolf Exhibit	Save The Monorail
85	8/02 Cowles Media Company	50000			50000	
	8/30 F. R. Bigelow Foundation	10000			10000	
	9/19 Litton Corporation	750	750			
	9/27 David R. Fesler	5000			5000	
	9/27 The Saint Paul Foundation	10000			10000	
	9/27 The Mardag Foundation	5000			5000	
	11/13 New York Zoological Society	3000		3000		
	12/10 New York Zoological Society	1000		1000		
	12/10 Mendon F. Schutt Foundation	300	300			
86	1/03 Noreen A. Besbitt	100				100
	1/07 New York Zoological Society	1000		1000		
	1/08 First National Bank of St. Paul	4000		4000		
	1/13 Arnold Goldman	100				100
	1/13 Ginger Sisco	5				5
	1/13 A. G. Connor	25				25
	1/22 Eleanore Matczynski	5				5
	1/22 Fredrick Bradford	25				25
	1/22 Calvin Lerman	10				10
	1/22 Leroy Lisk	10				10
	2/21 New York Zoological Society	1000		1000		
	2/21 Robert Bartholow	5				5
	2/21 Henry DeBoom	15				15
	3/11 New York Zoological Society	1000		1000		
	3/19 The Chicago Zoological Society	1827		1827		
	4/09 New York Zoological Society	1000		1000		
	4/15 Susan Roberts	25				25
	4/22 City of Kansas City	500		500		
	4/22 Riverbanks Park Commission	500		500		
	4/22 City of Racine	500		500		
	4/22 Metro Dade	500		500		
	4/22 Jersey Wildlife Preservation Trust	500		500		
	4/22 City of Topeka	500		500		
	4/22 State of North Carolina	500		500		
	5/06 John Ball Zoological Society	500		500		
	5/06 City of Pittsburg	500		500		
	5/06 New York Zoological Society	1000		1000		
	5/21 Philip Morris, Inc.	3088		3088		
	5/21 Jacksonville Zoological Society	500		500		
	5/21 French Government	500		500		
		104790	1050	23415	80000	325

Minnesota Zoological Garden Foundation
 Grants Listing for the Period July 1, 1985 through May 31, 1986

Grant No.	Grantee	Amount	Fund	Date Paid	Purpose
13-85	Garnatz & Grovender	980.00	ISIS	7/30/85	Computer consulting
14-85	Chicago Zoological Society	2,500.00	ISIS	7/30/85	Refund of grant overpayment
15-85	Ingrid Schmidt	100.00	ISIS	10/15/85	Translations costs
16-85	Roland Johnson	100.00	MN Zoo Society: Interns	11/22/85	Internship
17-85	Minnesota Zoological Garden	3,936.00	Emergency Equipment Fund	11/22/85	Construction of a well for MN trail
18-85	Minnesota Zoological Garden	10,249.14	Northern Trek Fund	11/22/85	Fencing for northern trail
19-85	Torps Music Center	1,042.00	MN Zoo Society: Audio	11/26/85	Equipment purchase
20-85	Roland Johnson	100.00	MN Zoo Society: Interns	12/6/85	Internship
21-85	Roland Johnson	75.00	MN Zoo Society: Interns	12/23/85	Internship
1-86	Minnesota Zoological Garden	7,000.00	ISIS	2/11/86	Salaries
2-86	Proto-PC Inc.	692.66	ISIS	3/4/86	Computer Hardware
3-86	PC-Solutions	4,599.00	ISIS	3/4/86	Computer Hardware
4-86	PC-Solutions	3,088.00	ISIS	4/10/86	Microcomputer
5-86	Minnesota Zoological Garden	750,000.00	Monorail Fund	12/23/85	Purchase of Monorail
<u>Grant Return</u>					
2-86	Proto-PC Inc.	-692.66	ISIS	3/4/86	
Total Grants for Fiscal Period		783,769.14	=====		

MINNESOTA ZOO FOUNDATION

MEMORANDUM

July 3, 1986

TO: Paul A. Verret
FROM: Jack H. Pohl 
RE: Minnesota Zoological Garden Foundation Audit Bid

The Minnesota Zoological Garden Foundation will complete its current fiscal year on June 30th. The Foundation's financial records are audited and it is required to file a tax return. We received a bid of \$2,150 for audit and tax services from last year's provider, Peat, Marwick, Mitchell. The prior year cost was \$2,050. Therefore, this represents an increase of \$100 or 5%. In addition, we have received a bid from Taylor McMaskill & Co. in the amount of \$1,000 for the same services. After the selection is made, please sign the appropriate attached engagement letter.

If you have any questions, please advise.

JHP:jv
Attachment

jp.0934



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
1600 Conwed Tower
444 Cedar Street
St. Paul, Minnesota 55101
612-224-7466

May 12, 1986

Mr. Brad Sparish
Minnesota Zoological Garden Foundation
1120 Northwestern National Bank Building
St. Paul, Minnesota 55101

Dear Mr. Sparish:

We are pleased to submit our proposal on fees for the upcoming audit of the Minnesota Zoological Garden Foundation.

We will conduct our audit in accordance with generally accepted auditing standards with the objective of expressing an opinion on your basic financial statements as of and for the year ending June 30, 1986. It should be understood that management has responsibility for representations contained in the financial statements.

In conducting our examination, we will perform tests of accounting records and such other procedures as we consider necessary in the circumstances to form our opinion on the financial statements. We understand that all records, documentation, and information we request in connection with our audit will be made available to us.

An audit is not to be designed to provide absolute assurance that there are no misstatements in your financial statements resulting from errors or irregularities. Your system of internal accounting control provides assurance, although not absolute assurance, against the possibility of such errors and irregularities. We will furnish to you recommendations about your system of internal accounting control that come to our attention during our examination. We will also furnish our recommendations about other aspects of your operations in which we observe opportunities for improvement.

Our fee for the 1986 examination, including reimbursable expenses, will be \$1,950.00. We will review the tax return completed by your staff for \$200.00.

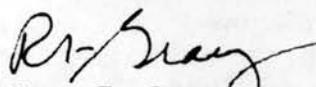


Mr. Brad Sparish
May 12, 1986
Page Two

We are looking forward to working with you and your staff on this engagement. We will contact you shortly to arrange our fieldwork timing. Please sign and return the enclosed copy of this letter to indicate your acceptance.

Very truly yours,

PEAT, MARWICK, MITCHELL & CO.


Robert F. Gray, Partner

RFG:mjs
enclosure

Accepted:
Minnesota Zoological Garden Foundation

By: _____

Date: _____

(im) TAYLOR
McCASKILL

June 9, 1986

Mr. Paul Verret, Secretary
Minnesota Zoological Garden Foundation
1120 Norwest Center
St. Paul, Minnesota 55101

Dear Mr. Verret:

We are pleased to confirm our understanding of the services we are to provide for Minnesota Zoological Garden Foundation for the year ended June 30, 1986.

We will audit the balance sheet of Minnesota Zoological Garden Foundation as of June 30, 1986, and the related statements of support, revenue, expenses and fund balances and changes in cash for the year then ended.

Our audit will be made in accordance with generally accepted auditing standards and will include tests of your accounting records and other procedures we consider necessary to enable us to express an unqualified opinion on your financial statements. If our opinion is to be other than unqualified, we will fully discuss the reasons with you in advance.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of certain other assets and liabilities by correspondence with selected donors, creditors, and banks. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our examination, we will also request certain written representations from you about the financial statements and related matters.

An audit is based primarily on the selective testing of accounting records and related data; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Because we will not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. We will advise you, however, of any matters of that nature that come to our attention.

Mr. Paul Verret, Secretary
Minnesota Zoological Garden Foundation
June 9, 1986
Page 2

EXHIBIT C
Page 5

We understand that you will provide us with the basic information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. This responsibility includes the maintenance of adequate records and related controls, the selection and application of accounting principles, and the safeguarding of assets.

During the course of our engagement, we may observe opportunities for economy in or improved controls over your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus out-of-pocket costs. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. A service charge computed at the rate of 1-1/2% per month will be added to all past due balances. Based on our preliminary estimates, the fee should approximate \$1,000.00 for the audit. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Whenever possible, we will attempt to use your company's personnel. This effort could substantially reduce our time requirements and help you hold down audit fees.

It is our understanding that the staff of The Saint Paul Foundation will prepare the federal nonprofit tax return. We will review their work and process this tax return at no additional cost.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printer's proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

EXHIBIT ~~Mr. Paul Verret, Secretary~~
Page 6 Minnesota Zoological Garden Foundation
June 9, 1986
Page 3

Please indicate your agreement to these arrangements by signing the attached copy of this letter and returning it to us.

We appreciate your confidence in retaining us as your certified public accountants and look forward to working with you and your staff.

Very truly yours,


Leonard A. Swanson, CPA

LAS:kw

Approved:

By _____

Date _____

Minnesota Zoological Garden Foundation
 Contributions
 December 16, 1985 - May 31, 1986

Contr. Date	Donor	Amount	Adminis- tration.	ISIS	Caribou & Timber Wolf Exhibit	Save The Monorail
86 1/03	Noreen A. Besbitt	100				100
1/07	New York Zoological Society	1000		1000		
1/08	First National Bank of St. Paul	4000		4000		
1/13	Arnold Goldman	100				100
1/13	Ginger Sisco	5				5
1/13	A. G. Connor	25				25
1/22	Eleanore Matczynski	5				5
1/22	Fredrick Bradford	25				25
1/22	Calvin Lerman	10				10
1/22	Leroy Lisk	10				10
2/21	New York Zoological Society	1000		1000		
2/21	Robert Bartholow	5				5
2/21	Henry DeBoom	15				15
3/11	New York Zoological Society	1000		1000		
3/19	The Chicago Zoological Society	1827		1827		
4/09	New York Zoological Society	1000		1000		
4/15	Susan Roberts	25				25
4/22	City of Kansas City	500		500		
4/22	Riverbanks Park Commission	500		500		
4/22	City of Racine	500		500		
4/22	Metro Dade	500		500		
4/22	Jersey Wildlife Preservation Trust	500		500		
4/22	City of Topeka	500		500		
4/22	State of North Carolina	500		500		
5/06	John Ball Zoological Society	500		500		
5/06	City of Pittsburg	500		500		
5/06	New York Zoological Society	1000		1000		
5/21	Philip Morris, Inc.	3088		3088		
5/21	Jacksonville Zoological Society	500		500		
5/21	French Government	500		500		
		19740		19415		325

Minnesota Zoological Garden Foundation
Grants Listing for the Period December 17, 1985 through May 31, 1986

Grant No.	Grantee	Amount	Fund	Date Paid	Purpose
21-85	Roland Johnson	75.00	MN Zoo Society: Interns	12/23/85	Internship
1-86	Minnesota Zoological Garden	7,000.00	ISIS	2/11/86	Salaries
2-86	Proto-PC Inc.	692.66	ISIS	3/4/86	Computer Hardware
3-86	PC-Solutions	4,599.00	ISIS	3/4/86	Computer Hardware
4-86	PC-Solutions	3,088.00	ISIS	4/10/86	Microcomputer
5-86	Minnesota Zoological Garden	750,000.00	Monorail Fund	12/23/85	Purchase of Monorail
<u>Grant Return</u>					
2-86	Proto-PC Inc.	<u>-692.66</u>	ISIS	3/4/86	
Total Grants for Period		764,762.00			
		=====			