



Minnesota State Zoological Board.
Zoo-Related Organizations Files.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

ATTORNEY GENERAL

STATE OF MINNESOTA

DEPARTMENT :

Office Memorandum

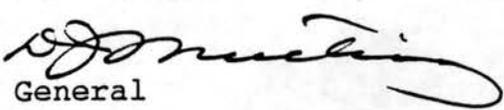
December 21, 1990

DATE :

TO :

RICHARD BUSKE, Director
Operations Division
Minnesota Zoological Garden

FROM :

DONALD J. MUETING 
Assistant Attorney General

PHONE :

6-3369

SUBJECT :

Proposed Agreement

I have been asked by the attorney for the Zoo Foundation to review a proposed agreement for services and supplies from the Zoo to the Foundation. You have a copy of the proposed agreement and have asked me to put my comments about it in writing.

As you know, I have urged the Zoo to keep the Zoo Foundation, a new, private, nonprofit entity, at arms length. There are a number of reasons for this suggestion including but not limited to the fact that the Foundation is not a legislatively-authorized entity for which the Zoo is or can be responsible. The Foundation should not be viewed as a mechanism for operating outside of normal State-imposed guidelines and restrictions. In other words, the Foundation's participation and cooperation with the Zoo should be independent acts not subject to oversight and control by the Zoo or the Zoo Board.

The proposed cost reimbursement agreement raises some red flags with regard to my concerns about the commingling of Foundation and Zoo affairs that blur the lines of distinction between the two entities. The obligations of the Zoo are broad and offer only vague rights to question or refuse to provide whatever the Foundation requests in the way of supplies, services, and facilities. Likewise, the method of arriving at the terms of payment is vague. Also, the agreement is perpetual except for a 90 day termination provision. Even though the Zoo may choose to end the arrangement, it would still have to live with it another three months after deciding to end it. Additionally, unless otherwise stated, the Foundation might claim that a "cause" is needed to terminate the Agreement. These are all the kinds of things that two parties operating at arms length would need to spell out in greater specificity. You might want to look at this arrangement as if there could be future disagreements as to what was intended by the parties and then avoid the ambiguities that create disputes.



Richard Buske, Director

Page 2

December 21, 1990

More fundamentally, this agreement appears to evidence a closer than arms length arrangement with the Foundation. The Foundation could be seen as operating as a part of the Zoo administration. It is located at the Zoo, using the Zoo's staff, facilities, copiers, telephones, postage meter, etc. How then is it different from the other subdivisions of the Zoo administration? If it is not a truly separate entity, then the Zoo Board and the State can be vicariously liable for the Foundation's activities. Obviously, this is to be avoided.

While I do not suggest that there can be no formal contracts or contacts between the Zoo and the Foundation, I suggest that the Zoo not allow itself to become the alter ego of the Foundation and vice versa. The Foundation should not be granted the benefits of being a State agency, e.g., State purchasing and personnel benefits, while at the same time asserting that it is a private entity. To diminish this problem, you may wish to consider making some changes in the proposed agreement. For example, the Zoo may release personnel from their duties so that they can work for the Foundation but the Zoo personnel should not be assigned by the Zoo to staff the Foundation. The Zoo should not be ordering supplies for the Foundation that the Zoo does not also intend to use for its own purposes, e.g., Foundation stationery, promotional materials, etc. The Zoo should not provide accounting and bookkeeping services for the Foundation.

The above are meant to be examples of things that the Zoo should be cognizant of in establishing its relationship with the Foundation. This list is not intended to be all-inclusive. All such decisions should be made on the basis of maintaining an arms length relationship. Please let me know if you have any questions or concerns about this matter.

DRAFT
FOR DISCUSSION PURPOSES

Minnesota Zoo Foundation

Revised Campaign Timetable

November 1990

- * General Mills, McKnight, Bigelow, Mardag Foundation proposals completed and submitted
- * St. Paul Foundation proposal formally withdrawn
- * Continue and accelerate enlistment of Foundation Board of Trustees -- goal minimum of 15 Trustees by Jan. 1st
- * Review list of Advance Division prospects
 - affirm or change evaluations
 - discuss strategy
 - where possible, assign to solicitor
 - identify those who can be approached before Jan. 1st
- * Revise Case Statement as required to reflect changes in campaign strategy

December 1990

- * Review status of Family Division
 - contact any outstanding prospects for finalization of pledges
 - review status of employee solicitation to determine any additional action
 - review status of new Directors & Trustees to determine course of action
- * Make all calls which are appropriate prior to Jan. 1st
- * Orientation gathering for all Trustees
 - acquaint as needed with Zoo programs
 - acquaint with background of campaign
 - conduct general review of Cast Statement (as revised) and Campaign Plan
 - acquaint with other Foundation plans
- * Enlist Advance Division Chair

January 1991

- * Review and revise list of Leadership Division prospects
 - discuss strategy
 - determine evaluation
 - preliminary discussion of solicitor assignment
- * Launch remainder of Advance Division solicitation -- goal, all first calls to be completed by Mar. 1st -- exceptions to comply with prospect calendars and special circumstances

February 1991

- * Continue Advance Division solicitation -- prepare specific proposals, specialized requests, additional information requested by prospects to support the work of the soliciting teams

March 1991

- * Complete evaluation work for Leadership Division
- * Enlist Leadership Division Chair
- * Conduct any "clean-up" work that may be required for the Advance Division

April 1991

- * Enlist 15-20 Leadership Division solicitors
- * Conduct briefing meeting with solicitors and assign prospects
- * Begin support work for soliciting teams
- * Conduct preliminary review of Zoo Member and Donor lists to identify prospects for significant giving in Member Division
- * Following review, determine structure and plan for Member Division campaign

May 1991

- * Enlist Chair for Member Division and brief on structure and plan
- * Enlist leadership committee for Member Division, and begin detailed planning and recruitment
- * Continue support work for soliciting teams in Leadership Division
- * Complete solicitation of Leadership Division prospects

Summer 1991

- * Conduct any required "clean up" activities for previous divisions
- * Continue planning and enlistment work for Member Division
- * Finalize prospect identification and evaluation work for Member Division
- * Coordinate with Beastly Ball Committee on use of event as a Campaign Kickoff

September 1991

- * Finalize enlistment of 50-75 solicitors as needed for the Member Division
- * Conduct solicitor briefing meetings as needed
- * Finalize all solicitor materials required
- * Continue to work with Beastly Ball committee on preparations for Kickoff Event

October 1991

- * Extend special campaign invitations to Beastly Ball to all Member Division prospects -- objective: to make certain as many as possible attend event
- * Prepare solicitors to make all calls as nearly following Beastly Ball as possible -- objective: 2-3 weeks maximum
- * Stage kickoff Event

November 1991

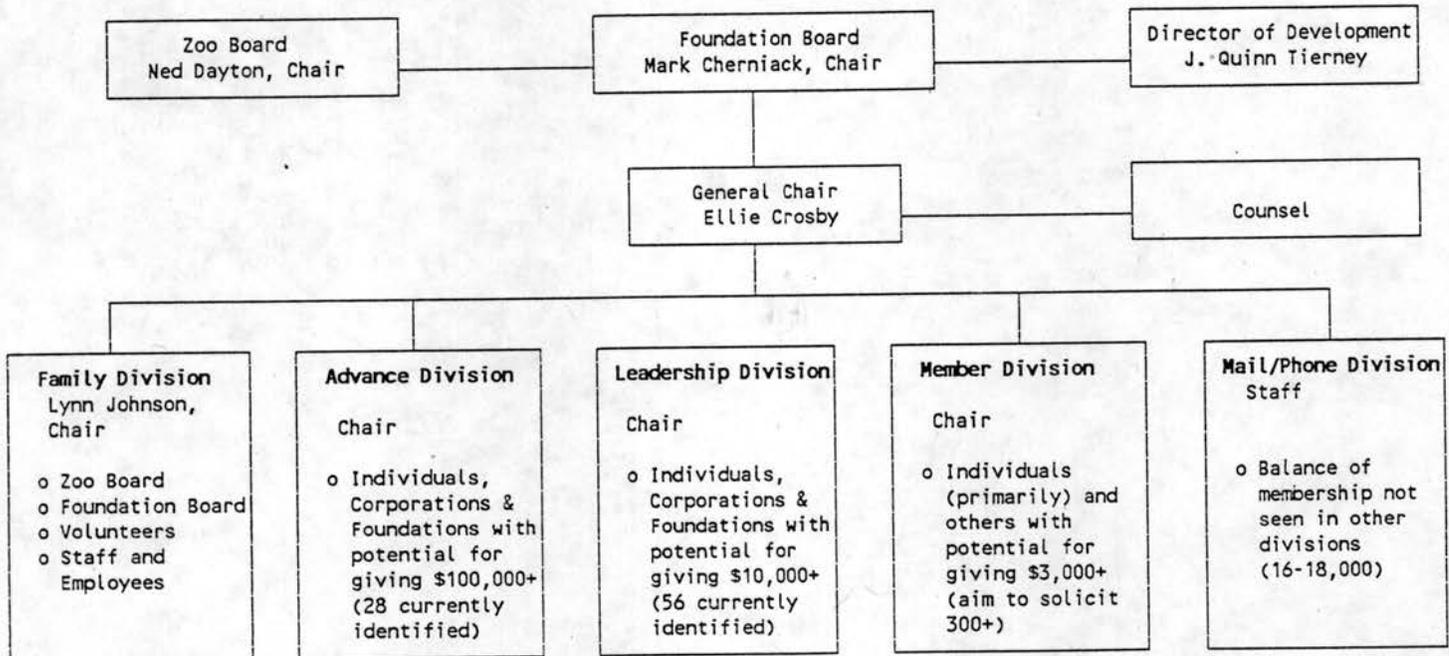
- * Aggressive solicitation of Member Division prospects to be completed before Thanksgiving 1991
- * Support work for solicitors in the field
- * Stage at least two report meetings for all solicitors and at least weekly meetings of the Member Division committee to track progress

December 1991

- * Complete all solicitation, Conduct "clean up" activity as needed
- * Prepare and review campaign analysis, determine next steps if any

DRAFT
FOR DISCUSSION PURPOSES

**Minnesota Zoo Campaign
Organizational Chart**



MINNESOTA ZOO

Strengthening The Bond Between People and The Living Earth.

Minnesota Zoo • Apple Valley, Minnesota • 55124 • 612/431-9200

May 22, 1990

Mr. Scott A. Kisting
Executive Vice President
Norwest Bank Minnesota, N.A.
Norwest Center
Sixth and Marquette
Minneapolis, MN 55479-0107

Wm Brody, ATTY.
Fredrickson & Byron
900 2nd Ave S
Mpls 55402

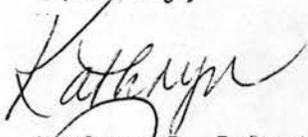
Dear Scott:

I had a delightful lunch today and enjoyed meeting you. I have enclosed some information about the Zoo which I thought might be of interest. These are the same materials that we distribute to incoming Zoo Board members so you will find more information about policy issues than what you think of as Foundation issues.

The next Foundation meeting is scheduled for June 12 at 3:00 P.M. at Mark Cherniack's office (meeting notice enclosed).

Again, welcome! I am sure you will enjoy working with us. I look forward to hearing from you about setting up a tour with your family. Just give me a call at 431-9299.

Sincerely,



Kathryn R. Roberts
General Director

KRR:pn

Enclosures

CES brochure
Zoo2000 brochure
Seat brochure
strategic plan
long range plan
Ann Rpt
Bd roster
" Committee
Crowded Ark



MESSERLI & KRAMER

ATTORNEYS AT LAW

1500 NORTHLAND PLAZA BUILDING

3800 WEST 80TH STREET

MINNEAPOLIS, MINNESOTA 55431-4409

(612) 893-6650

FACSIMILE (612) 893-6755

WILLIAM F. MESSERLI
ROSS E. KRAMER
JOHN E. DRAWZ
TOM TOGAS
GLENN E. PURDUE
DAVID R. KRACUM
MARK S. LARSON
TIMOTHY J. BAUER
REBECCA H. FREDERICK
ROBERT G. RENNER, JR.
SANDRA L. NEREN
RANDOLPH W. MORRIS
CHRISTOPHER B. HUNT

JAMES C. WICKA
PAUL A. SORTLAND
JOSEPH B. NIERENBERG
WILLIAM C. HICKS
DAVID D. BEAUDOIN
WILLIAM M. HABICHT
PAUL W. ANDERSON
WILLIAM D. TURKULA
CARLA J. BUTZ
ANN M. SETNES
JOHN F. APITZ
DAVID C. ROLAND
MARK J. GERGEN

December 12, 1990

Mr. Donald J. Mueting
Assistant Attorney General
Government Services Section
525 Park Street, suite 500
St. Paul, MN 55103

Re: Minnesota Zoo Foundation
Our File: 6152-1

Dear Don:

The Minnesota Zoo Foundation has completed the Amendments to its Articles of Incorporation and By-Laws. Copies are enclosed for your file.

Also enclosed is a copy of the Cost Reimbursement Agreement we prepared earlier this year. We anticipate that the Zoo Board and the Zoo Foundation will adopt resolutions to enter into this Agreement, in order to document the allocation of operating costs at the Zoo offices.

Please let me know if the Cost Reimbursement Agreement meets with your approval. The next Foundation Board meeting is scheduled for December 21 and I would like to have any revisions made and approved for review by the Board at that meeting.

Yours,

MESSERLI & KRAMER



Mark S. Larson

MSL/rmr.ne5

enclosures

PAT

MESSERLI & KRAMER

WILLIAM F. MESSERLI
ROSS E. KRAMER
JOHN E. DRAWZ
TOM TOGAS
GLENN E. PURDUE
DAVID R. KRACUM
MARK S. LARSON
TIMOTHY J. BAUER
REBECCA H. FREDERICK
ROBERT G. RENNER, JR.
SANDRA L. NEREN
RANDOLPH W. MORRIS
CHRISTOPHER B. HUNT

ATTORNEYS AT LAW
1500 NORTHLAND PLAZA BUILDING
3800 WEST 80TH STREET
MINNEAPOLIS, MINNESOTA 55431-4409
(612) 893-6650
FACSIMILE (612) 893-6755

JAMES C. WICKA
PAUL A. SORTLAND
JOSEPH B. NIERENBERG
WILLIAM C. HICKS
DAVID D. BEAUDOIN
WILLIAM M. HABICHT
PAUL W. ANDERSON
WILLIAM D. TURKULA
CARLA J. BUTZ
ANN M. SETNES
JOHN F. APITZ
DAVID C. ROLAND
CINDY L. DAVIS

June 26, 1990

Mr. Mark E. Cherniack
CC Dunnavan & Co., Inc.
Suite 640
505 North Highway 169
Plymouth, MN 55441

Mr. Donald E. Maysack
Maysack, Inc.
3300 Edinborough Way #400
Minneapolis, MN 55435

Ms. Kathryn R. Roberts
Minnesota Zoological Garden
13000 Zoo Boulevard
Apple Valley, MN 55124

RE: Articles and By-Laws of Minnesota Zoo Foundation

Dear Mark, Kathryn and Don:

Enclosed to each of you are revised drafts of Restated Articles of Incorporation and By-Laws for Minnesota Zoo Foundation, together with a proposed form of Election to be governed by the new Minnesota Non-Profit Corporation Act.

The enclosed drafts are based on my recent discussions with Mark Cherniack concerning the proper relationship between the Zoo Board and the Zoo Foundation. I have indicated the substantive changes from the last draft of these documents sent out to you on May 15, 1990.

Please let me know if the enclosed drafts are satisfactory or if you desire further revisions. When the documents are in final form, we can approach Don Mueting and request his approval.

Yours,

MESSERLI & KRAMER



Mark S. Larson

MSL/blh.lq4
Encs.

May 21

Nancy,

The Foundation met last week to talk about our next proposals going out to donors. One of our discussion points was how to recover from the legislative disaster...

That's where you come in. We want to try and get the Heintz Company to give a significant donation to the Dophinarium. If they give us a big enough gift (probably 3 million or more) we will put Charlie the Tuna logo on the facade and talk about how Heintz made the first commitment to stop fishing tuna at the expense of the dolphins.

Don Maysack, our funding consultant has begun to research the company. A gift of a million would be extraordinary for the company. However, we are thinking that we can possibly guilt them into a gift of that size or more. We are trying to find a connection to the company. Didn't you work directly with the CEO of the company during the negotiations? What do you think? Would they be possibly open to giving a gift? Would you be willing to work with the Foundation Board to put the proposal together and deliver it?

Let me know. Kathryn.

Post-It™ brand fax transmittal memo 7671 # of pages ▾ 1

To	MANA FAX	From	
Co.		Co.	KCR
Dept.		Phone #	
Fax #		Fax #	

To: Mark E. Cherniack
Bernadette J. Klein
Eleanor R. Crosby
Edward N. Dayton
Lynn Johnson
Willis F. Rich, Jr.

May 17, 1990

From: Kathryn R. Roberts

Re: May 16, 1990 Zoo Foundation Meeting

As a result of our Foundation meeting, a number of assignments were made. We decided that rather than meeting in two weeks, we would prefer to wait so that our assignments could be completed or at least have significant progress. I thought it might be helpful to summarize the assignments as I recall them:

1. Roberts will deal with Norwest and transferring money into a savings account. Roberts will also refer Sjolander to Cherniack.
2. Klein will call Reuel Harmon to set up lunch. The lunch will include Dayton, Roberts, Klein and Harmon.
3. Roberts will call Crosby to remind her to set up a meeting with General Mills. Meeting will include Crosby, Roberts, and possibly Rich or Klein.
4. Klein will call Chris Vitek in Verret's office and try to schedule a meeting before mid-June with Verret. Meeting will include Roberts, Dayton, Cherniack and Klein.
5. Roberts will call Humphrey Doermann and schedule a meeting to deliver Foundation proposal. Meeting will include Dayton, Klein, Roberts and possibly Kling or Cherniack.
6. Roberts will prepare graphs and charts showing levels of State and private support over past three years.
7. Roberts will present legislative plan to Foundation members at next meeting.
8. Natko will get copy of audit and forward to Cherniack.
9. Cherniack will finalize changes in By-laws and Articles of Incorporation with Mark Larson.
10. Klein will contact Don Weesner and schedule a lunch for June 4. Meeting to include Klein, Dayton, Williams and Roberts.

11. Meeting with Kisting will be to solicit him as Foundation meeting.
12. Cherniack created an Investment Committee consisting of Cherniack, Rich, Klein, and Jim Campbell, pending his agreement.

KRR:pn



*file -
founda*

Maysack Inc. • 3300 Edinborough Way, Suite 400 • Minneapolis, Minnesota 55435 • 612/831-4661

May 9, 1990

Kathryn:

Good meeting this morning. As we discussed, the following is my understanding of agenda items for the Foundation board meeting next week. Will your office prepare agenda, or would you like us to? I'll assume you will unless you ask --

1. Appointment of an investment committee, at least on a temporary basis, to handle immediate investment of Foundation funds (\$388,000 now in checking account).
2. Assignments for the Harmon solicitation -- hopefully Bernie, you, and Ned -- to be completed by end of May.
3. Assignments for the General Mills visit -- must be you and Ellie, could include others. Should be done immediately.
4. Assignments for the St. Paul Foundation group -- Mardag, Bigelow & St. Paul Foundations -- should be one formal call, Bernie should set it up and be the "hostess", and at least you and Ned should be involved.
5. Assignments for the Bush Foundation call -- should include at least you and Ned -- others would be helpful.
6. Discussion of our posture with regard the lack of legislative support for capital.

You and I will visit privately with Ned in regard his family gift(s), the naming of the Amphitheater, and the Weesner solicitation -- Ginny is setting that up. *I know nothing about it!*

Thanks -- I know it was a busy day, but meetings between us like that are particularly helpful.

DM

*Ned
Don
KR*

FACSIMILE MESSAGE

TO: Kathryn Roberts
Minnesota Zoo

FROM: Donald R. Maysack
Maysack, Inc.
3300 Edinborough Way
Suite 400
Minneapolis, Minnesota 55435

Phone: (612) 831-4661
(800) 729-9450
FAX: (612) 831-3260

The attached message is considered urgent. Please deliver to the person indicated without delay.

This message contains 2 pages, including this cover sheet. If, for any reason you do not receive the entire message please call Brenda Schweitzer at the above number.

Thank you.

MINNESOTA ZOO

Strengthening The Bond Between People and The Living Earth.

Minnesota Zoo • Apple Valley, Minnesota • 55124 • 612/431-9200

May 1, 1990

Mr. Jim Campbell
President & Chief Executive Officer
Norwest Bank Minnesota
Norwest Center
6th & Marquette
Minneapolis, MN 55479-0116

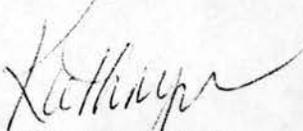
Dear Jim:

When we had lunch together here at the Zoo this past winter, Mark Cherniack and I promised we would arrange a special tour of the zoo during nice weather for you and your family.

I would like to suggest that you choose a day in May or early June. The weather isn't usually too hot, and the crowds aren't unbearable except for Memorial Day weekend. Let me know so I can arrange to have you taken behind the scenes to see whatever would interest you, your wife and children.

I can be reached at 431-9333 during the day. I hope to hear from you soon. I look forward to meeting Carmen, Peter and Kathryn.

Sincerely,



Kathryn R. Roberts
General Director

KRR/gb



MINNESOTA ZOO

Strengthening The Bond Between People and The Living Earth.

Minnesota Zoo • Apple Valley, Minnesota • 55124 • 612/431-9200

To: Don Maysack
Fr: Kathryn R. Roberts

4-30-90

Thanks for the FAX received on Friday. I agree that Pat knows what is going on, and we can pretty much leave her alone. I did talk to her after you left and told her that she would be reporting to Tom, and as you said, she was fine with the change.

She had a call today from the person working on the software for the development function. He had called and asked what they should be doing. I told her to put them on hold until the new person could come on board. I didn't want to spend another cent until we know if it is a wise use of money.

I did talk to Ned about the Vice Chair seat. Ned agreed that it should be Ellie or Burt. He sort of decided by default that it should be Ellie, because he didn't think he would have time to call Burt. At the Nominating committee meeting today Bernie suggested that it be Mark Cherniack. This was after Ellie had already been suggested...Burt's name never came up. I did call Ned and let him know the outcome. I don't think he will call Burt or influence the outcome.

More about funding the dolphin exhibit. Brian suggests that after we hit up Heinz for the exhibit, we think about asking one of the other companies to cover the operating costs. It might be a good symbol to ask them to pay for the dolphin food, for example. Another idea which will need money is to support our efforts to manage the captive breeding records for all institutions in North America (actually broader than that). It will involve some travel, some international, meetings and computer time. The work falls under the CBSG, Captive Breeding Specialist Group, which is chaired by Ulie Seal. If you think it is worth pursuing, I will work up a proposal and get it to you.

Finally, I saw the letter from Mark Larson. I feel as though the process on by-laws has been slower than the proverbial molasses. I am going to take some of my time and see if I can get him going.

More later.

Post-It™ brand fax transmittal memo 7671		# of pages ▶
To <i>Don Maysack</i>	From <i>Kathryn Roberts</i>	
Co.	Co. <i>MN Zoo</i>	
Dept.	Phone # <i>431-9333</i>	
Fax # <i>831-3260</i>	Fax # <i>431-9300</i>	



MESSERLI & KRAMER

ATTORNEYS AT LAW

1500 NORTHLAND PLAZA BUILDING
3800 WEST 80TH STREET
MINNEAPOLIS, MINNESOTA 55431-4409
(612) 893-6650
FACSIMILE (612) 893-6755

WILLIAM F. MESSERLI
ROSS E. KRAMER
JOHN E. DRAWZ
TOM TOGAS
GLENN E. PURDUE
DAVID R. KRACUM
MARK S. LARSON
TIMOTHY J. BAUER
REBECCA H. FREDERICK
ROBERT G. RENNER, JR.
SANDRA L. NEREN
RANDOLPH W. MORRIS
CHRISTOPHER B. HUNT

JAMES C. WICKA
PAUL A. SORTLAND
JOSEPH B. NIERENBERG
WILLIAM C. HICKS
DAVID D. BEAUDOIN
WILLIAM M. HABICHT
PAUL W. ANDERSON
WILLIAM D. TURKULA
CARLA J. BUTZ
ANN M. SETNES
JOHN F. APITZ
DAVID C. ROLAND
MARK J. GERGEN

April 26, 1990

Ms. Kathryn R. Roberts
Minnesota Zoo Foundation
13000 Zoo Blvd.
Apple Valley, MN 55124

RE: Zoo Foundation Articles and By-Laws

Dear Kathryn:

I received from Don Maysack his draft of Articles and By-Laws for the Zoo Foundation. I spoke once with Karen Jensen regarding these. I ran out of time before I had to leave town and was unable to complete my review and comments.

I will be out of town until May 2, 1990. As soon as I return, I will complete my review and call you.

Yours,

MESSERLI & KRAMER

Mark Larson

Mark S. Larson

MSL/kjy.ky6
Encl.

cc: Mr. Donald Maysack





STATE OF MINNESOTA

OFFICE OF THE ATTORNEY GENERAL

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

February 7, 1990

GOVERNMENT SERVICE SECTION
225 PARK STREET
SUITE 100
ST. PAUL, MN 55101
TELEPHONE: (612) 297-2000
FAX/SIMILE: (612) 297-3560

Handwritten notes: KJ - Please stay on Larson - We need some resolution - file a progress report by Friday

Mark S. Larson, Esq.
3800 West 80th Street
Bloomington, MN 55431

Dear Mr. Larson:

Enclosed are copies of audit reports which contain discussions of foundations associated with state governmental entities.

As we discussed, my concern is that the Zoo Foundation and the Zoo Board become two separate entities which are easy to discern from each other. With the present commonality of the foundation members and the Zoo Board, the distinction between the two is vague. This circumstance raises questions about whether the Zoo Board is responsible for the actions and duties of the foundation. The situation is aggravated because all Zoo Board members are ex officio members of the foundation whether or not such members agree to foundation membership.

An additional issue is whether the Zoo Board is statutorily authorized to create a private entity to do for the Zoo that which the Zoo Board is not authorized to do itself. As a creature of statute, the Board has only such power as is expressly granted or necessarily implied from its legislative underpinnings. I am unable to discover authority for the Board to establish for itself a foundation for which the Board serve as its members.

I trust that these problems can be resolved and the foundation can continue to operate. I would be happy to again discuss these matters with you at your convenience.

Very truly yours,

Signature of Donald J. Mueting
DONALD J. MUETING
Assistant Attorney General
Atty. Reg. No. 75929

Telephone: (612) 296-3369

DJM/rlb
Enclosures
cc: Kathryn Roberts

MINUTES OF ACTION
OF
BOARD OF TRUSTEES
OF
THE MINNESOTA ZOO FOUNDATION

The undersigned, constituting the entire Board of Trustees of the Minnesota Zoo Foundation, a Minnesota non-profit corporation (the "Corporation"), acting pursuant to Minn. Stat. Sec. 317.20, Subd. 12, have as of this date adopted the following resolutions:

WHEREAS, Article IV, Section II of the By-Laws of the Corporation provides that the number of trustees which shall constitute the Board of Trustees shall be not less than 20 nor more than 30; and

WHEREAS, the current Board consists of four trustees and it is anticipated that additional trustees needed to reach the minimum Board size of 20 will not be recruited prior to the 1990 Annual Meeting of Members; and

WHEREAS, Article XVI of the By-Laws provides that the By-Laws may be amended by the affirmative vote of two-thirds of the trustees in office;

BE IT THEREFORE RESOLVED, that Article IV, Section II of the By-Laws is hereby amended to provide that, prior to the 1990 Annual Meeting of Members of the Corporation, the number of Trustees which shall constitute the Board of Trustees shall be not less than four nor more than 30.

BE IT FURTHER RESOLVED, that the following persons are hereby elected to the offices set forth below, to serve in such capacities until the 1990 Annual Meeting of the Board of Trustees, or until their successors are duly elected and qualify:

Chairman

MARK CHERNIACK

Vice Chairman

ELLIE CROSBY

President

Kathryn R. Roberts

Secretary

Paul A. Verret

Treasurer

EDWARD N. DAYTON

Assistant Secretary

BERNADETTE KLEIN

WHEREAS, the Board has reviewed a proposed form of Cost Reimbursement Agreement between the Corporation and the State of Minnesota, acting through its Minnesota Zoological Board, concerning payment for the cost of office space, equipment, staff time, and other resources used by the Corporation, effective as of January 1, 1990; and

WHEREAS, the Board has determined that such Cost Reimbursement Agreement is in the best interests of the Corporation;

BE IT THEREFORE RESOLVED, that the officers of the Corporation are hereby authorized and directed to execute and deliver the Cost Reimbursement Agreement with the Minnesota Zoological Board, in the form hereby approved, on behalf of the Corporation.

Effective Date: January 2, 1990

Mark Cherniack
Mark Cherniack

Ellie Crosby
Ellie Crosby

Edward N. Dayton
Edward N. Dayton

Bernadette Klein
Bernadette Klein

COST REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made effective as of January 1, 1990 by and between the State of Minnesota, acting through its Minnesota Zoological Board (the "Zoo") and the Minnesota Zoo Foundation, a Minnesota non-profit corporation (the "Foundation").

WHEREAS, the Zoo is a political subdivision of the State of Minnesota and operates and administers the Minnesota Zoological Garden in Apple Valley, Minnesota; and

WHEREAS, the Foundation was established in 1975 as a private, independent non-profit corporation for the purpose of providing financial support and services to the Zoo; and

WHEREAS, the Foundation was reorganized in 1989 and will be operating out of a portion of the offices of the Zoo commencing January 1, 1990, and the parties hereto wish to set forth their agreement and understanding regarding the reimbursement of certain costs and expenses from the Foundation to the Zoo;

NOW THEREFORE, it is hereby agreed as follows:

1. Term. The term of this Agreement shall be indefinite. Either party may terminate this Agreement upon ninety (90) days advance written notice to the other party.

2. Provision of Resources. The Zoo hereby agrees to provide to the Foundation, as may be reasonable requested by the Foundation from time to time and as can be reasonably accommodated by the Zoo within its capacity and consistent with its own operating needs, such office space, facilities, furniture and equipment, staff time, and access to postage meter, photocopier, facsimile machine, telephones, computers, supplies, and other resources as are reasonably required by the Foundation in performing its functions.

3. Reimbursement. The Foundation agrees to reimburse the Zoo, and the Zoo agrees to accept in full payment therefor, the actual cost to the Zoo of all resources provided under this Agreement. Actual cost shall be determined by allocations and methodologies agreed upon by the parties and in accordance with generally accepted accounting principles. The Zoo shall provide the Foundation with invoices for the cost of resources provided, on a monthly or other periodic basis, and the Foundation shall pay the Zoo on each invoice within 30 days of receipt thereof.

4. Relationship of Parties. The relationship of the parties hereto shall be solely that of independent contractors. Under no circumstances shall the parties be deemed partners or joint venturers, nor shall either party be deemed the agent or legal representative of the other for any purpose. The Foundation shall not be deemed to be the employer, for any purpose, of any persons employed by the Zoo, by reason of the staff time or services provided by such employees to the Foundation hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized representatives, effective as of the day and year first above written.

MINNESOTA ZOOLOGICAL BOARD

MINNESOTA ZOO FOUNDATION

By: Bonnette G. Lewis
Its: Chairperson

By: Mark Cherniak
Its: Chairperson

.jf2

MESSERLI & KRAMER

ATTORNEYS AT LAW

1500 NORTHLAND PLAZA BUILDING

3800 WEST 80TH STREET

MINNEAPOLIS, MINNESOTA 55431-4409

(612) 893-6650

FACSIMILE (612) 893-6755

WILLIAM F. MESSERLI
ROSS E. KRAMER
JOHN E. DRAWZ
TOM TOGAS
GLENN E. PURDUE
DAVID R. KRACUM
MARK S. LARSON
TIMOTHY J. BAUER
REBECCA H. FREDERICK
ROBERT G. RENNER, JR.
SANDRA L. NEREN
RANDOLPH W. MORRIS
CHRISTOPHER B. HUNT
JAMES C. WICKA

PAUL A. SORTLAND
JOSEPH B. NIERENBERG
WILLIAM C. HICKS
DAVID D. BEAUDOIN
WILLIAM M. HABICHT
PAUL W. ANDERSON
WILLIAM D. TURKULA
CARLA J. BUTZ
ANN M. SETNES
JOHN F. APITZ
DAVID C. ROLAND
MARK J. GERGEN
CAROL A. BARTHOLOMEW

December 28, 1989

Gregory A. Kvam, Esq.
Doherty, Rumble & Butler
2800 Minnesota World Trade Center
30 E. 7th Street
St. Paul, MN 55101

HAND DELIVERED

Re: Minnesota Zoo Foundation

Dear Greg:

As we discussed by telephone today, the Minnesota Secretary of State would not accept the Restated Articles of Incorporation in the form presented.

In order to expedite the amendment and transition, I have prepared a Certificate of Restated Articles for execution by Paul A. Verret, Secretary of the Corporation. The only substantive changes I have made to the Restated Articles is to delete what was formerly Article VI concerning incorporators and to clarify that the names and addresses of the trustees are the trustees at the time of adoption of the Restated Articles.

Please review this Certificate and if it is acceptable to you, please arrange for execution by Paul Verret and acknowledgement of his signature and return the Certificate to me by messenger. If at all possible, we would like to file the Certificate with the Minnesota Secretary of State in 1989 so that the new board can elect officers and begin conducting business effective as of January 1, 1990.

Gregory A. Kvam, Esq.
December 28, 1989
Page 2

We appreciate your assistance in this matter.

Yours,

MESSERLI & KRAMER



Mark S. Larson

MSL/dcr.jfl

Encl.

cc: Mark Cherniack
Karen Jenson
Kathryn Roberts

CERTIFICATE OF RESTATED
ARTICLES OF INCORPORATION
OF
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

I, the undersigned Secretary of Minnesota Zoological Garden Foundation, a non-profit corporation organized under Minnesota Statutes, Chapter 317, do hereby certify that Restated Articles of Incorporation in the form attached hereto were adopted by resolution of the members and Board of Directors of Minnesota Zoological Garden Foundation at a duly called meeting thereof held on December 7, 1989, and said Restated Articles shall supersede all existing Articles of Incorporation of the Corporation and all amendments thereto.

IN WITNESS WHEREOF, I have subscribed my name this ___ day
of _____, 19__.

Paul A. Verret, Secretary

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___
day of _____, 19__, by Paul A. Verret, Secretary of
Minnesota Zoological Garden Foundation, a Minnesota non-profit
corporation, on behalf of the Corporation.

Notary Public

RESTATED
ARTICLES OF INCORPORATION
OF
THE MINNESOTA ZOO FOUNDATION
(formerly Minnesota Zoological Garden Foundation)

ARTICLE I

The name of this Corporation shall be the Minnesota Zoo Foundation.

ARTICLE II

This Corporation is organized and shall be operated exclusively for charitable purposes, all as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Consistent with the foregoing and without limiting its generality, the purpose of this Corporation shall be in sole support of the Minnesota Zoological Garden and its affiliated organizations provided such organizations have been determined to be charitable in nature under Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Within the framework and limitations of the foregoing, this Corporation is organized and shall be operated exclusively to engage in, advance, support, promote, and administer charitable activities, causes, and activities of every kind and nature whatsoever in its own behalf or as the agent, trustee, or representative of others, but only if and to the extent consistent with the foregoing purposes.

For such purposes, this Corporation shall have and exercise only such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise, or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants, and contributions of, and to convey, transfer, and dispose of any funds and property and the income therefrom in furtherance of the purposes of the Corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber and use the same, and other such powers that are consistent with the foregoing purposes and that are afforded

to this Corporation by the Minnesota Nonprofit Corporation Act and by any future laws amendatory thereof and supplementary thereto. Provided, however, that all such powers of this Corporation shall be exercised only so that the activities of this Corporation shall be exclusively within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and of Section 290.05 of the Minnesota Statutes; provided further, however, that the references herein to Section 290.05 of the Minnesota Statutes shall not permit, and shall not be taken as permitting this Corporation to have or exercise any power which is not within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986; and provided finally that this Corporation shall not carry on any activity not permitted to be carried on by a corporation that is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986, as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or by a corporation that is described in, and contributions to which are deductible for federal income tax purposes under, Section 170(c)(2) of the Internal Revenue Code of 1986.

ARTICLE III

This Corporation is organized as a non-profit organization. The Corporation shall pay no dividends or other pecuniary gain, directly or indirectly, to its members, trustees, officers, as such, nor shall any part of the earnings of the Corporation inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of this Corporation shall constitute the carrying on of propaganda or attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office, nor shall the Corporation engage in any transaction or carry on any activity which is not permitted to be carried on by a corporation exempt from federal income taxes under Sections 501(c)(3) or 501(a) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue law, or by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding sections of any future United States Internal Revenue law.

ARTICLE IV

The duration of this Corporation shall be perpetual.

ARTICLE V

The registered office of this Corporation shall be 13000 Zoo Boulevard, Apple Valley, Minnesota 55124.

ARTICLE VI

The membership of this Corporation shall consist solely of the members of the Board of Directors of the Minnesota Zoological Garden. Each member of said Board shall become a member of this Corporation concurrently with his or her becoming a member of such Board, shall continue to be a member of this Corporation for so long as he or she is a member of such Board, and automatically shall cease to be a member of this Corporation concurrently with his or her ceasing to be a member of such Board. Each member shall be entitled to one vote on all matters requiring the vote of the members of this Corporation as prescribed from time to time in the Bylaws of this Corporation.

ARTICLE VII

The management and direction of the business and affairs of this Corporation shall be vested in a Board of Trustees. The number, qualifications, term of office, method of election, powers, authority, and duties of the Trustees of this Corporation, the time and place of their meetings, and such other provisions with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified in the Bylaws of this Corporation.

The names and addresses of the Trustees at the time of adoption of these Restated Articles of Incorporation are:

Mark Cherniack
C.C.Dunnavan Co.
505 N. Cty.Rd. 18, #640
Plymouth, MN 55441

Ellie Crosby
1612 Willow Drive
Long Lake, MN 55356

Edward N. Dayton
NED, Inc.
445 Lake, # 308
Wayzata, MN 55391

Bernadette Klein
1840 Troy Lane
Plymouth, MN 55447

The term of office of each such Trustee shall be until the annual meeting of members in the year 1990, or until such Trustees' successors shall have been elected and qualified.

ARTICLE VIII

No Trustee, Officer or Member of this Corporation shall have any personal liability for any debt or obligation of the Corporation.

ARTICLE IX

This Corporation shall have no capital stock, either authorized or issued.

ARTICLE X

The Members of this Corporation may from time to time make, alter, amend, or rescind all or any part of these Articles of Incorporation in any manner now or hereinafter prescribed in Minnesota Statutes governing non-profit corporations. Such action shall require the affirmative vote of two-thirds of all the Members at any regular or special meeting called for that purpose and at which a quorum is present as prescribed in the Corporation By-laws.

ARTICLE XI

The Members of this Corporation may dissolve the Corporation or sell, lease, exchange, mortgage, encumber or dispose of all, or substantially all of the assets of the Corporation including its goodwill, when authorized at a meeting of the Members called for that purpose. Such action shall require the affirmative vote of two-thirds of all of the Members at any regular or special meeting at which a quorum is present as prescribed in the Corporation Bylaws.

ARTICLE XII

Upon the dissolution of the Corporation, the Board of Trustees shall, after making provision for the payment of all of the just debts and obligations of the Corporation, and all costs and expenses incurred by the Corporation in connection with such dissolution, dispose of all of the remaining assets of the

Corporation. Such assets shall be distributed to one or more organizations determined to be exempt from federal income taxes and charitable in nature as provided in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. The use of said assets after distribution shall be restricted to purposes consistent with the needs of environmental protection and education and the protection of endangered animal species.

MSL/.jfb

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
BOARD OF DIRECTORS

December 7, 1989
10:00 a.m.

Joe O'Neill -

Gordon Rosenmeyer - Sen. Little Falls

Malcolm Chase:

- introduces everyone in grp.

Goes thru motions

- Dick Gray asks why change in being rec
need to create Found.

Dick talks about Freshwater Institute & stability
in leadership

? of continuity our & of private input

how carry forward work of Tilton, Onan etc

Unanimously adopted

Transition

Dick want
attorneys to shut
off requests

Where in the \$
for the asset?

Ken MORITZ - retired Cargill
2950 Dane Pkwy
55416

7 fund raiser
interested in 2008

November 21, 1989

AGENDA

For a Special Meeting of the Members and Board of Directors of the Minnesota Zoological Garden Foundation, to be held on Thursday, December 7, 1989, at 10:00 a.m., in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota.

ELECTION OF NEW MEMBERS AND DIRECTORS

It is recommended that the following resolution be adopted:

RESOLVED that the following persons are elected Directors of the Minnesota Zoological Garden Foundation:

Firman Alexander	Richard C. Buske
Mark E. Cherniak	Burton D. Cohen
John G. Couchman	Eleanor R. Crosby
Edward N. Dayton	Connie DeLand
Robert H. Engels	Ann M. Fruetel
Louise B. Gallagher	Richard G. Gray, Sr.
Reuel D. Harmon	Jean E. Hart ✓
Jean M. Hensch	James Hetland
Karen J. Jensen	Lynn Johnson
Bernadette Klein	Gregory A. Kvam
Malcolm W. McDonald	Edith A. Meissner
Carol R. Olson	Joseph T. O'Neill ✓
Jack H. Pohl	Hazel H. Reinhardt
Willis F. Rich, Jr.	Kathryn R. Roberts
Dr. U. S. Seal	Donna L. Sherlock
Ronald L. Tilton	Robert E. Tracy
Paul A. Verret	Christie A. Vitek
Thomas B. Williams	

MINUTES OF JULY 24, 1986 MEETING

The Minutes of the July 24, 1986 meeting of the Board of Directors are included with this Agenda as TAB A for your review and approval.

1987 MINUTES OF ACTION

TAB B contains a photocopy of 1987 Minutes of Action.

It is recommended that the following resolution be adopted:

RESOLVED that the 1987 Minutes of Action are reviewed and approved.

1988 MINUTES OF ACTION

TAB C contains a photocopy of 1988 Minutes of Action.

It is recommended that the following resolution be adopted:

RESOLVED that the 1988 Minutes of Action are reviewed and approved.

AUDIT FOR FISCAL YEAR ENDED JUNE 30, 1989

The Audit for the fiscal year ended June 30, 1989 is included with the mailing for this Agenda.

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, 1989, as prepared by Ernst & Young, is reviewed and accepted.

MINNESOTA CHARITABLE ORGANIZATIONS ANNUAL REPORT

TAB D of this Agenda contains a photocopy of the Minnesota Charitable Organizations Annual Report for the year ended June 30, 1989.

It is recommended that the following resolution be adopted:

RESOLVED that the Charitable Organization Annual Report for, the year ended June 30, 1989, is reviewed and approved, with the understanding that the President and Secretary will execute and file this report.

RATIFICATION OF GRANTS SINCE THE LAST MEETING

TAB E of this Agenda contains a schedule of all grants paid since the last Board meeting.

It is recommended that the following resolution be adopted:

RESOLVED that the grants paid from the funds of the Minnesota Zoological Garden Foundation during the period July 25, 1986 through November 10, 1989, are ratified and confirmed.

ADOPTION OF NEW ARTICLES AND BYLAWS

TABS F AND G of this Agenda contain copies of the Restated Articles and Bylaws. These documents have been reviewed by the Minnesota Zoological Board Development Committee and recommended to the Minnesota Zoological Board for approval. There are two additional changes to the Articles since the Members and Directors received them by mail, namely:

1. Line 2 of the Articles, now reads Chapter 317 A.
2. Page 3, Article VII, line 2 now reads "Board of Directors of the Minnesota Zoological Garden" and not Minnesota Zoological Board.

It is recommended that the following resolution be adopted:

RESOLVED that the Restated Articles and Bylaws of The Minnesota Zoo Foundation are reviewed and approved.

AUTHORIZATION OF SECRETARY TO CARRY OUT AN ORDERLY ADMINISTRATION TRANSITION

It is recommended that the following resolution be adopted:

RESOLVED that the Secretary is authorized and directed to carry out an orderly administrative transition of the Minnesota Zoological Garden Foundation, with the understanding that:

1. An outside audit of the financial books and records of the Minnesota Zoological Garden for the period July 1, 1989 to the actual date of administrative transition will be conducted.
2. All records of the Minnesota Zoological Garden Foundation will be transferred to the new administration after this audit is completed.
3. Such other steps as may be deemed necessary by the Secretary to effect this transition will be taken.

RESIGNATION OF MEMBERS AND DIRECTORS

It is recommended that the following resolution be adopted:

RESOLVED that all current members of the Board of Directors of the Minnesota Zoological Garden Foundation do hereby resign, effective on the date that their successors have been elected.

ADJOURNMENT

August 14, 1986

MINUTES

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

Present were:

Malcolm W. McDonald, President
Firman Alexander
Anthony L. Andersen
Donald Dayton
D. Stephen Farley
Reuel D. Harmon
Joseph T. O'Neill, by Proxy
John E. Tilton
Harold S. Webster, by Proxy

Also present were:

John G. Fischer, President, Professional Fundraising Services, Inc.
Paul A. Verret, Secretary-Treasurer

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

APPROVAL OF MINUTES OF THE DECEMBER 23, 1985 ANNUAL MEETING OF THE BOARD OF DIRECTORS

The Minutes of the December 23, 1985 Annual Meeting of the Board of Directors of the Minnesota Zoological Garden Foundation were reviewed and accepted.

FINANCIAL REPORT

A financial report on the Minnesota Zoological Garden Foundation for the current fiscal year, as of May 31, 1986, was reviewed and accepted.

SELECTION OF AUDITOR FOR FISCAL YEAR ENDED JUNE 30, 1986

The Directors reviewed bids from two auditing firms to conduct an audit of the financial records of the Foundation and prepare related tax returns and reports for the fiscal year ended June 30, 1986.

The following resolution was adopted:

RESOLVED that the bid of Taylor McCaskill & Co. Ltd., to conduct an audit of the financial records of the Minnesota Zoological Garden Foundation, for the fiscal year ended June 30, 1986, and prepare related mandatory tax returns and other reports, is approved, with the understanding that:

1. The cost of this audit will not exceed \$1,000.
2. The audit will be completed by September 30, 1986.

RATIFICATION OF GRANTS AUTHORIZED SINCE THE LAST MEETING

The following resolution was adopted:

RESOLVED that the following discretionary grants authorized since the last meeting of the Board of Directors are ratified and confirmed:

Grant Number	Amount	Grantee and Purpose
#21-85	\$ 75.00	Roland Johnson, for internship, from the Minnesota Zoological Society: Interns.
# 1-86	\$ 7,000.00	Minnesota Zoological Garden, for salaries, from ISIS.
# 2-86	\$ 692.66	Proto-PC, Inc., for computer hardware, from ISIS.
# 3-86	\$ 4,599.00	PC-Solutions, for computer hardware, from ISIS.
# 4-86	\$ 3,088.00	PC-Solutions, for a microcomputer, from ISIS.
# 5-86	\$750,000.00	Minnesota Zoological Garden, for the purchase of the monorail, from the Monorail Fund.

FUND RAISING COMMITTEE REPORT

Donald Dayton, Chair of the Monorail Fund Raising Committee, reported on the status of the fund raising campaign. The Committee accepted Mr. Dayton's report and thanked him for the generous use of his time and his effective work to date.

BID OF PROFESSIONAL FUNDRAISING SERVICES, INC.

The Committee was briefed on the proposal of Professional Fundraising Services, Inc., to assist the Foundation's Monorail Fund Raising Committee in raising the \$750,000 needed to repay the program related investment from the Blandin Foundation. Services to be provided by Professional Fundraising Services, Inc., are as follows:

1. Research potential prospects for funding the Minnesota Zoological Garden Foundation's \$750,000 project (individuals, corporations, foundations). Rate prospects for giving ability and match them with the appropriate Board Member or volunteer.
2. Write generic and specialized proposals for foundations and corporations.
3. Work with Donald Dayton and Malcolm McDonald to prepare proposals and with Board Members for calling on prospective donors.
4. Assist with other fund raising functions (e.g. year-end gifts, writing solicitation letters, etc.).
5. Consulting services will be on an as needed basis to be determined by Donald Dayton and Malcolm McDonald. It is understood that the maximum budget for this project is \$10,000, unless modified at some later date.

The following resolution was adopted:

RESOLVED that the bid of Professional Fundraising Services, Inc., to assist the Minnesota Zoological Garden Foundation in raising \$750,000 to repay the program related investment from the Charles K. Blandin Foundation to help finance the purchase of the monorail, is accepted, with the understanding that, without formal approval of the Foundation's Board of Directors, the cost for this service will not exceed \$10,000.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A TRUE AND CORRECT RECORD ATTEST:

Paul A. Verret. Secretary-Treasurer

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM

March 1, 1988

TO: The Board of Directors

FROM: Paul A. Verret, Secretary

RE: Minnesota Charitable Organizations Annual Report for the
year ended June 30, 1987

Each year the Minnesota Zoological Garden Foundation must file a Minnesota Charitable Organizations Annual Report with the Attorney General of the State of Minnesota.

Because no Board meeting is scheduled for the immediate future, I am recommending that this statement be approved through Minutes of Action. Please indicate whether you approve or disapprove submission of this Report to the Attorney General on the enclosed card and return it to my office.

If you have any questions concerning the report or this process, please do not hesitate to contact me at (612) 224-5463.

PAV:cv

Enclosures

MARCH1.2



STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL

HUBERT H. HUMPHREY, III
Attorney General

CHARITIES DIVISION
340 Bremer Tower
St. Paul, Minnesota 55101
(612) 296-6172

CHARITABLE ORGANIZATION
ANNUAL REPORT
PART A

1. The Minnesota Zoological Garden Foundation
 Legally Established Name of Organization

1120 Norwest Center
 Address of Principal Office

Saint Paul, MN 55101
 City State Zip

(612) 224-5463
 Telephone Number (Include Area Code)

2. Is the address and/or telephone number provided in Number 1 new?
 Yes No

3. Has the organization's accounting year changed since the last report or registration statement was filed?
 Yes No If yes, provide new date _____

4. List name, address and title of all current officers, board members, trustees and key employees (Attach list if additional space needed.)
 Schedule Attached
 Name _____, Title _____
 Address _____
 City _____, State _____, Zip _____

 Name _____, Title _____
 Address _____
 City _____, State _____, Zip _____

5. a. Since the filing of its last annual report or registration statement, did the organization use an outside professional fund-raiser?

Yes x No

- b. If yes, state the name and address of the professional fund-raiser.

Professional Fundraising Services, Inc.

822 Marquette Avenue Suite 410

Minneapolis, MN 55402

Note: A professional fund-raiser is any person (including a corporation or other entity) who, for compensation or profit performs any service for a charitable organization by which contributions are solicited or who plans, manages, advises or consults or prepares materials for, or with respect to, the solicitation of contributions.

6. If the answer to any of the following is yes, attach a detailed explanation. All questions relate to the period since the filing of the organization's last annual report or registration statement.

- a. Has there been any change in the organization's tax status with the Internal Revenue Service?

Yes No X

- b. Has there been a significant change in the purposes of the organization?

Yes No X

- c. Has the organization's right to solicit funds been denied, suspended, revoked or enjoined by any state agency or court, or are proceedings pending?

Yes No X

7. Describe the funds or properties transferred out of this state. Include an explanation as to recipient and amount.

None

8. Attach a copy of a completed Internal Revenue Service Form 990 or Form 990-PF, with all applicable schedules and attachments. If you do not file Form 990 or 990-PF, complete Part B of this form.

Form **990**
Department of the Treasury
Internal Revenue Service

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

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

1986

For the calendar year 1986, or fiscal year beginning July 1, 1986, and ending June 30, 1987

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 Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here <input type="checkbox"/> (see instruction C10).

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

E Accounting method: Cash Accrual Other (specify)

F Is this a group return (see instruction J) filed for affiliates? Yes No
If "Yes," enter the number of affiliates for which this return is filed _____

G If "Yes" to either, give four-digit group exemption number (GEN) Yes No **N/A**

H 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.

I 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	928,803	975	927,828
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions).	928,803	975	927,828
	2 Program service revenue (from Part IV, line f)			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments	9,658	9,658	
	5 Dividends and interest from securities	36	36	
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
7 Other investment income (Describe <input type="checkbox"/> Securities <input type="checkbox"/> Other)	8a Gross amount from sale of assets other than inventory	51,722		
	b Minus: cost or other basis and sales expenses	52,490		
	c Gain (loss) (attach schedule)	(768)	(768)	
9 Special fundraising events and activities (attach schedule—see instructions):	a Gross revenue (not including \$ _____ of contributions reported on line 1a)			
	b Minus: direct expenses			
	c Net income (line 9a minus line 9b)			
10a 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 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)	937,729	9,901	927,828	
Expenses	13 Program services (from line 44, column (B)) (see instructions)	170,354		170,354
	14 Management and general (from line 44, column (C)) (see instructions)	11,065	11,065	
	15 Fundraising (from line 44, column (D)) (see instructions)	6,402		6,402
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44, column (A))	187,821	11,065	176,756
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	749,908	(1,164)	751,072
	19 Fund balances or net worth at beginning of year (from line 74, column (A))	(539,831)	29,991	(569,822)
	20 Other changes in fund balances or net worth (attach explanation)	(181,250)		(181,250)
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)	28,827	28,827	-0-

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most sections 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 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule)	170,354	170,354		
	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	6,402			6,402
	31 Accounting fees	1,000		1,000	
	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	10,065		10,065	
	b				
	c				
d					
e					
f					
44 Total functional expenses (add lines 22 through 43) Organizations completing columns B-D, carry these totals to lines 13-15.		187,821	170,354	11,065	6,402

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 Minneosta Zoological Garden	(Grants and allocations \$ 170,354)	170,354
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, column (B))		170,354

Form 990 (1986)

Part IV 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 V Balance Sheets If line 12 or Column (B) of line 59 is more than \$25,000, complete the entire balance sheet. If line 12, Part I, and Column (B) of line 59 are \$25,000 or less, you may complete only lines 59, 66, 74, and 75. 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	214,682	123,377	
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 ▶ _____	214,682	123,377	
59	Total assets (add lines 45 through 58)			
Liabilities				
60	Accounts payable and accrued expenses	4,513	2,531	
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)	750,000		
65	Other liabilities ▶ Deferred Restricted Contributions 92,019			
66	Total liabilities (add lines 60 through 65)	754,513	94,550	
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.				
67a	Current unrestricted fund	29,991	28,827	
b	Current restricted fund	(569,822)		
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)	(539,831)	28,827	
75	Total liabilities and fund balances/net worth (see instructions)	214,682	123,377	

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.		X
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.		X
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	N/A	
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.		X
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.		X
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 the organization ▶ <u>Minnesota Zoological Garden</u> ----- and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.	X	
81 a Enter amount of political expenditures, direct or indirect, as described in the instructions		N/A
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 ▶		X
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 ▶		N/A
84 Section 501(c)(7) organizations.—Enter amount of: a Initiation fees and capital contributions included on line 12 ▶		N/A
b Gross receipts, included in line 12, for public use of club facilities (see instructions) ▶		N/A
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 ▶		N/A
b Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them) ▶		N/A
86 Public interest law firms.—Attach information described in the instructions.		
87 List the states with which a copy of this return is filed ▶ <u>Minnesota</u> -----		X
88 During this tax year did you maintain any part of your accounting/tax records on a computerized system?		X
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 Foundation, 1120 Norwest Center, St. Paul, MN</u>		

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

Please Sign Here
 Signature of officer: Paul A. Verret Date: 11-9-87 Title: Secy - Treasurer

Paid Preparer's Use Only
 Preparer's signature: William D. J... Date: 11-4-87 Check if self-employed
 Firm's name (or yours, if self-employed) and address: ERNST & YOUNG ZIP code: 55403

**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.

1986

Name **The 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)**

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
NONE				
Total number of other employees paid over \$30,000 ▶				

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

Name and address of persons paid more than \$30,000	Type of service	Compensation
NONE		
Total number of others receiving over \$30,000 for professional services ▶		

Part III Statements About Activities

	Yes (1)	No (2)
1 During the year, have you attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the legislative activities \$ <u>N/A</u> Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		X
2 During the year, have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of your income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions. <u>N/A</u>		X
3 Do you make grants for scholarships, fellowships, student loans, etc.?		X
4 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. (See specific instructions) <u>N/A</u>		X

For Paperwork Reduction Act Notice, see page 1 of the separate instructions to this form.

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
Minneosta Zoological Garden	4

- 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)
	1985	1984	1983	1982	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					
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		N/A			
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:					N/A
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 1982 through 1985 exceeded the amount shown in 26a. Enter the sum of all excess amounts here					N/A

(Continued on page 3)

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:

(1985).....(1984).....(1983).....(1982).....

b Attach a list showing, for 1982 through 1985, 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:

(1985).....(1984).....(1983).....(1982).....

28 For an organization described in box 10, 11, or 12, page 2, that received any unusual grants during 1982 through 1985, 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)

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

	Yes (1)	No (2)
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 extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a 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 34a 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 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation. (See instructions for Part V).		

Part VI 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—												
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">If the amount on line 40 is—</td> <td style="width: 50%;">The lobbying nontaxable amount is—</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> </table>	If the amount on line 40 is—	The lobbying nontaxable amount is—	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000	\$225,000 plus 5% of the excess over \$1,500,000		
If the amount on line 40 is—	The lobbying nontaxable amount is—											
Not over \$500,000	20% of the amount on line 40											
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000											
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000											
Over \$1,500,000	\$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.)

Lobbying Expenses During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ▶	(a) 1986	(b) 1985	(c) 1984	(d) 1983	(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)					

PART 1, LINE 1 (d) CONTRIBUTIONS, GIFTS, GRANTS
AND SIMILAR AMOUNTS RECEIVED DIRECTLY FROM THE PUBLIC
THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION 51-0147653
FISCAL YEAR ENDED JUNE 30, 1987

<u>NAME</u>	<u>DATE</u>	<u>AMOUNT</u>
F. R. BIGELOW FOUNDATION	9/86	\$5,000
1120 NORWEST CENTER	12/86	75,000
ST. PAUL, MN 55101	5/87	<u>-10,883</u>
		\$69,117 .
AMERICAN DAIRY QUEEN CORPORATION	12/86	10,000 .
P.O. BOX 35286		
MINNEAPOLIS, MN 55435		
DOUGLAS J. DAYTON	12/86	10,000
400 SHEPARD PLAZA BUILDING SUITE 309		
MINNEAPOLIS, MN 55426		
BRUCE D. DAYTON	12/86	10,000
990 OLD LONG LAKE ROAD		
WAYZATA, MN 55391		
WALLACE C. DAYTON	12/86	10,000
505 - 730 BUILDING		
MINNEAPOLIS, MN 55402		
K. N. DAYTON	12/86	10,000
419 PEAVEY BUILDING		
MINNEAPOLIS, MN 55402		
CHADWICK FOUNDATION	12/86	10,000 .
MINNEAPOLIS, MN		
ANDERSEN FOUNDATION	12/86	25,000 .
287 CENTRAL AVE.		
BAYPORT, MN 55003		
JOHN COWLES, JR.	12/86	50,000
MINNEAPOLIS, MN		
GAMBLE & SKOGMO FOUNDATION	12/86	75,000 .
500 FOSHAY TOWER		
821 MARQUETTE AVE		
MINNEAPOLIS, MN 55402		
DAYTON-HUDSON FOUNDATION	7/86	75,000 .
777 NICOLLET MALL		
MINNEAPOLIS, MN 55402		
THE MC KNIGHT FOUNDATION	11/86	75,000 .
410 PEAVEY BUILDING		
MINNEAPOLIS, MN 55402		

<u>NAME</u>	<u>DATE</u>	<u>AMOUNT</u>
PATRICK AND AIMEE BUTLER FAMILY FOUNDATION W-1380 FIRST NATIONAL BANK BLDG ST. PAUL, MN 55101	11/86	5,000 .
NATIONAL ZOOLOGICAL PARK WASHINGTON, D. C.	10/86	10,000 .
DELUXE CHECK PRINTERS 1080 W CO RD F PO BOX 64399 ST. PAUL, MN 55164	9/86	75,000 .
CURTIS L. CARLSON FOUNDATION 12755 B STATE HIGHWAY 55 MINNEAPOLIS, MN 55441	9/86	75,000 .
JAMES B. MASSIE MINNEAPOLIS, MN	9/86	47,450
G. R. STEINER MINNEAPOLIS, MN	8/86	10,000
THE SAINT PAUL FOUNDATION 1120 NORWEST CENTER ST. PAUL, MN 55101	10/86	5,000
	12/86	25,000
	5/87	-17,754
	6/87	<u>10,265</u>
		22,511 .
MARDAG FOUNDATION 1120 NORWEST CENTER ST. PAUL, MN 55101	12/86	10,000 .
THE CHICAGO ZOOLOGICAL SOCIETY BROOKFIELD, IL	8/86	10,000 .
REUEL D. HARMON 14 HIGH ROAD INVER GROVE HEIGHTS, MN 55075	7/86	25,000
THE CROIXWOOD TRUST 10 POINT ROAD BAYPORT, MN 55003	12/86	15,000 .
MAUDE A. TRASK ESTATE MINNEAPOLIS, MN	2/87	18,956 .
DONALD WEESNER 2296 W LAKE OF THE ISLES MINNEAPOLIS, MN 55405	12/86	5,040

<u>NAME</u>	<u>DATE</u>	<u>AMOUNT</u>
COWLES MEDIA COMPANY	7/86	50,000
329 PORTLAND AVENUE	11/86	<u>25,000</u>
MINNEAPOLIS, MN 55415		75,000 .
VARIOUS DONORS		6,498
ADD: REVERSAL OF 1985 - 1986 NET DEFERRED CONTRIBUTIONS		119,897
LESS: 1986 - 1987 NET DEFERRED CONTRIBUTIONS		<u>-30,666</u>
		<u>928,803</u>

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Saint Paul, Minnesota
I.D. Number 510147653
6/30/87

Form 990 Part I Line 8 Gross amount from sale of assets other than inventory

<u>Asset</u>	<u>Date Aquired</u> <u>How Aquired</u>	<u>Date Sold</u> <u>Whom Sold to</u>	<u>Sales Price</u>	<u>Donated</u> <u>Value</u>
500 Shares Becton Dickenson stock	8/20/86 contribution	9/5/86 Norwest Bank	\$28,987	\$30,250
400 shares Wool- Worth stock	8/20/86 contribution	9/2/86 Piper Jaffery	16,901	17,200
96 Shares First Bank System stock	12/4/86 contribution	1/27/87 Paine Webber	2,758	2,520
96 Shares First Bank System stock	12/4/86 contribution	4/30/87 Paine Webber	3,076	2,520
			<u>\$51,722</u>	<u>\$52,490</u>

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Saint Paul, Minnesota
I.D. Number 510147653
6/30/87

Form 990 Part I Line 20 Other changes in fund balance or net worth
(explanation)

The Foundation changed its method of recognizing revenue from restricted non-permanent endowment contributions in 1987 in order to more properly match restricted support with related expenditures. Contributions restricted by the donor or grantor for a particular purpose and time frame are deemed to be earned and, therefore, are reported as revenue and support, when the Foundation has incurred expenses for the purpose specified. Such amounts received, but not yet earned, are reported as deferred contributions. Prior to 1987, restricted contributions were recognized as earned prior to incurring related expenditures, thereby resulting in a restricted fund balance. Restricted fund balances of \$181,250 at June 30, 1986 have been reclassified to deferred contributions.

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Saint Paul, Minnesota
I.D. Number 510147653
6/30/87

Form 990 Part II Line 22 Grants and Allocations

Contributions to the Minnesota Zoological Garden:

Program Grants: \$170,354

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
Saint Paul, Minnesota
I.D. Number 510147653
6/30/87

Form 990 Part V Line 64 Mortgages and other Notes Payable

Note Payable:

Original amount	\$750,000
Balance due	\$ 0
Date of Note	January 2, 1986
Maturity date	December 31, 1986
Repayment terms	Full amount payable at maturity
Interest rate	None
Security interest	None
Purpose of Loan	To provide grant money to the Minnesota Zoological Garden (the zoo) for the pur- chase of the zoo monorail system.
Consideration	\$750,000 in cash

PART VI - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION 51 - 0147653

Year Ended June 30, 1987

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Accounts</u>
Firmin Alexander 5673 - 133rd Street Court Apple Valley, Minnesota 55124	Member	Part	None	None	None
Anthony L. Andersen H. B. Fuller Company 2400 Kasota Avenue St. Paul, Minnesota 55108	Member	Part	None	None	None
Thomas M. Crosby, Sr. Brackett's Point Road Wayzata, Minnesota 55391	Member	Part	None	None	None
Ms. Patricia Davies 687 Woodridge Drive Mendota Heights, Minnesota	Member	Part	None	None	None
Donald Dayton 4900 IDS Center Minneapolis, Minnesota 55402	Member	Part	None	None	None
Connie Deland 4641 Kingsdale Drive Minneapolis, Minnesota 55437	Member	Part	None	None	None
Robert H. Engels 2950 Dean Parkway Minneapolis, Minnesota 55416	Member	Part	None	None	None

tax.ret.zoo.board

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Accounts</u>
D. Stephen Farley Norwest Corporation 1200 Peavey Building Minneapolis, Minnesota 55402	Member	Part	None	None	None
Richard G. Gray, Sr. 2500 Shadywood Road Box 90 Navarre, Minnesota 55392	Member	Part	None	None	None
Kathleen Gretsch 7 Buffalo Road North Oaks, Minnesota 55110	Member	Part	None	None	None
Reuel D. Harmon 14 High Road Inver Grove Heights, Minnesota 55075	Member	Part	None	None	None
James Hetland First Bank Minneapolis 120 South Sixth Street Minneapolis, Minnesota 55402	Member	Part	None	None	None
Margee Kinney 990 Shady Lane Wayzata, Minnesota 55391	Member	Part	None	None	None
Malcolm W. McDonald 21 East Oaks Road North Oaks, Minnesota 55110	President	Part	None	None	None
Joseph T. O'Neill 800 Norwest Center St. Paul, Minnesota 55101	Member	Part	None	None	None

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Account</u>
Wayne Petersen 7220 York Avenue South, Apt. #508 Edina, Minnesota 55435	Member	Part	None	None	None
Hazel H. Reinhardt Cowles Media Company 329 Portland Avenue Minneapolis, Minnesota 55415	Vice President	Part	None	None	None
Gordon Rosenmeier 72 Broadway Little Falls, Minnesota 56345	Member	Part	None	None	None
Dr. U. S. Seal 9801 Pillsbury Avenue South Bloomington, Minnesota 55420	Member	Part	None	None	None
John E. Tilton One Webster Place Hopkins, Minnesota 55343	Member	Part	None	None	None
Harold S. Webster Norwest Bancorporation 2400 Multifoods Tower 33 South 6th Street Minneapolis, Minnesota 55480	Member	Part	None	None	None
Paul A. Verret 1120 Norwest Center St. Paul, MN 55101	Secretary	Part	None	None	None

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM

November 22, 1988

TO: The Board of Directors
FROM: Paul A. Verret 
RE: Minnesota Charitable Organizations Annual Report for the
Year Ended June 30, 1988

Each year the Minnesota Zoological Garden Foundation must file a Minnesota Charitable Organizations Annual Report with the Attorney General of the State of Minnesota.

Because no Board meeting is scheduled for the immediate future, I am recommending that this statement be approved through Minutes of Action. Please indicate whether you approve or disapprove submission of this Report to the Attorney General on the enclosed card and return it to my office (envelope enclosed) no later than December 12, 1988.

If you have any questions concerning the report or this process, please do not hesitate to contact me at (612) 224-5463.

PAV:cv

Name _____, Title _____
Address _____
City _____, State _____, Zip _____

5. State the name and address of any outside professional fund-raiser employed by the organization.

N/A

Note: A professional fund-raiser is any person (including a corporation or other entity) who, for compensation or profit performs any service for a charitable organization by which contributions are solicited or who plans, manages, advises or consults or prepares materials for, or with respect to, the solicitation of contributions.

6. If the answer to any of the following is yes, attach a detailed explanation. All questions relate to the period since the filing of the organization's last annual report or registration statement.

- a. Has there been any change in the organization's tax status with the Internal Revenue Service?

Yes _____ No x

- b. Has there been a significant change in the purposes of the organization?

Yes _____ No x

- c. Has the organization's right to solicit funds been denied, suspended, revoked or enjoined by any state agency or court, or are proceedings pending?

Yes _____ No x

7. Describe the funds or properties transferred out of this state. Include an explanation as to recipient and amount.

None

8. Attach a copy of a completed Internal Revenue Service Form 990 or Form 990-PF, with all applicable schedules and attachments. IF YOU DO NOT FILE FORM 990 OR 990-PF, COMPLETE PART B OF THIS FORM.

... financial statements,
... amount of \$100,000
... accounting year?

... if yes, attach an audited financial statement and opinion
of a certified public accountant.

Note: This requirement may be satisfied in either of two
ways: (1) If the opinion relates directly to the IRS Form
990 or 990-PF, attach the CPA's opinion together with the
IRS form; or (2) If the opinion relates to a separate set
of audited financial statements, attach the CPA's opinion
together with the audited financial statements. In the
latter case, the opinion and audited financial statement
must be filed in addition to IRS Form 990 or 990-PF.

SIGNATURES AND ACKNOWLEDGMENT

We hereby state and acknowledge that we are duly constituted
officers of the organization named in this Annual Report, being the

SECRETARY and PRESIDENT
(title) (title)

thereof, respectively, that this Annual Report is executed on behalf
of the organization pursuant to resolution of the

BOARD OF DIRECTORS
(Board of Directors or Trustees, or if none, other Managing Group)

duly adopted on the 23rd day of DECEMBER, 1988,

approving the content of this Annual Report and all its
attachments.

TWO SIGNATURES REQUIRED

PAUL A. VERRET
Name (Print)

Paul A. Verret
Signature

SECRETARY
Title

12-29-88
Date

MALCOLM W. McDONALD
Name (Print)

X Malcolm W. McDonald
Signature

PRESIDENT
Title

12-30 88
Date

Form **990**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0047

1987

For the calendar year 1987, or fiscal year beginning 7/1, 1987, and ending 6/30, 19 88

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 St. Paul, Minnesota 55101	C Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here <input type="checkbox"/> (see instruction C10)

D Check type of organization—Exempt under section 501(c) (3) (insert number), OR section 4947(a)(1) trust
E Accounting method: Cash Accrual Other (specify)

F Is this a group return (see instruction J) filed for affiliates? Yes No
If "Yes," enter the number of affiliates for which this return is filed _____
G If "Yes" to either, give four-digit group exemption number (GEN) **N/A**
Is this a separate return filed by a group affiliate? Yes No

H 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.

I 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 VI¹ 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	50,153	3,000	47,153
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions)	50,153	3,000	47,153
	2 Program service revenue (from Part IV, line f)			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments	7,019	7,019	
	5 Dividends and interest from securities			
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
7 Other investment income (Describe _____)				
8a Gross amount from sale of assets other than inventory	Securities			
	Other			
	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 1a)			
	b Minus: direct expenses			
	c Net income (line 9a minus line 9b)			
10a 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 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)	57,172	10,019	47,153	
Expenses	13 Program services (from line 44, column (B)) (see instructions)	47,153		47,153
	14 Management and general (from line 44, column (C)) (see instructions)	5,212	5,212	
	15 Fundraising (from line 44, column (D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44, column (A))	52,365	5,212	47,153
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	4,807	4,807	
	19 Fund balances or net worth at beginning of year (from line 74, column (A))	28,827	28,827	
	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)	33,634	33,634	

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most sections 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 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule)	47,153	47,153		
	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	1,100		1,100	
	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): <u>Administrative</u> Expenses	4,112		4,112	
b					
c					
d					
e					
f					
44 Total functional expenses (add lines 22 through 43) Organizations completing columns B-D, carry these totals to lines 13-15.	52,365	47,153	5,212		

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 \$ 47,153)	47,153
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, column (B))		47,153

Part IV Program Service Revenue and Other Revenue (State nature.)		Program service revenue	Other revenue
a	Fees from government agencies <i>N/A</i>		
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 V Balance Sheets If line 12 or Column (B) of line 59 is more than \$25,000, complete the entire balance sheet. If line 12, Part I, and Column (B) of line 59 are \$25,000 or less, you may complete only lines 59, 66, 74, and 75. 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—noninterest-bearing	123,377	119,184	
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)	123,377	119,184	
Liabilities				
60	Accounts payable and accrued expenses	2,531	2,026	
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 ▶ <u>Deferred Restricted Contribu-</u>	92,019	83,524	
66	Total liabilities (add lines 60 through 65) <u>tions</u>	94,550	85,550	
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.				
67a	Current unrestricted fund	28,827	33,634	
b	Current restricted fund			
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)	28,827	33,634	
75	Total liabilities and fund balances/net worth (see instructions)	123,377	119,184	

Part VI List of Officers, Directors, and Trustees (List each one 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
See attached Schedule 3.				

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.		x
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.		x
78 If the organization had income from business activities, such as those reported on lines 2, 9, and 10 (among others), but NOT reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		x
b If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		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.		x
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 the organization ▶ Minnesota Zoological Garden	x	
..... and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81 a Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ N/A		
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 ▶ N/A		x
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 ▶ N/A		N/A
84 Section 501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12 ▶ N/A		
b Gross receipts, included in line 12, for public use of club facilities (See instructions.) ▶ N/A		
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 ▶ N/A		
b Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them) ▶ N/A		
86 Public interest law firms.—Attach information described in the instructions.		
87 List the states with which a copy of this return is filed ▶ Minnesota		
88 During this tax year did you maintain any part of your accounting/tax records on a computerized system?		x
89 The books are in care of ▶ Paul A. Verret Telephone no. ▶ (612) 224-5463 Located at ▶ c/o The Saint Paul Foundation, 1120 Norwest Center, St. Paul, MN 55101		
90 Section 4947(a)(1) trusts filing Form 990 in lieu of Form 1041.—Enter the amount of tax-exempt interest received or accrued during the tax year. ▶		

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

Please Sign Here: Paul Verret Signature of officer, Date: 11-10-88, Title: Secretary

Paid Preparer's Use Only: Preparer's signature: Gregory L. Carlson CPA, Date: 11/07/88, Check if self-employed:
 Firm's name (or yours, if self-employed) and address: ERNST & WHINNEY, 1120 NORWEST CENTER, ST. PAUL, MN 55101, ZIP code: 55101

**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

1987

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.)

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
None				
Total number of other employees paid over \$30,000 ▶				

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

Name and address of persons paid more than \$30,000	Type of service	Compensation
None		
Total number of others receiving over \$30,000 for professional services ▶		

Part III Statements About Activities

	Yes (1)	No (2)
1 During the year, have you attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the legislative activities \$ <u>N/A</u> Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		X
2 During the year, have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of your income or assets?	2e	X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions. <u>N/A</u>		
3 Do you make grants for scholarships, fellowships, student loans, etc.?	3	X
4 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. (See specific instructions.) <u>N/A</u>		

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	4

- 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)
	1986	1985	1984	1983	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					
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		N/A			
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 1983 through 1986 exceeded the amount shown in 26a. Enter the sum of all excess amounts here					N/A

(Continued on page 3)

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:
- (1986).....(1985).....(1984).....(1983).....
- b Attach a list showing, for 1983 through 1986, 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:
- (1986).....(1985).....(1984).....(1983).....
- 28 For an organization described in box 10, 11, or 12, page 2, that received any unusual grants during 1983 through 1986, 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.)

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

	Yes (1)	No (2)
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 extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a 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 34a 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 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation. (See instructions for Part V.)		

Part VI 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.)

Lobbying Expenses During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ►	(a) 1987	(b) 1986	(c) 1985	(d) 1984	(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
51-0147653
INCOME TAX RETURN SCHEDULES
YEAR ENDED JUNE 30, 1988

SCHEDULE 1

Part I, Line 1(d)—Contributions, Gifts, Grants and Similar Amounts
Received Directly From the Public

<u>Name</u>	<u>Date</u>	<u>Amount</u>
Samsung American	8/3/87	\$ 3,000
American Association of Zoological Parks & Gardens	8/3/87 \$ 750 11/23/87 1,500 12/11/87 750 6/16/88 <u>2,000</u>	5,000
American Express Foundation	8/5/87	3,000
State of Minnesota	11/16/87 2,414 11/20/87 <u>811</u>	3,225
Chadwick Foundation	12/22/87	10,000
The Lincoln Park Zoological Society	1/9/88	5,250
The Chicago Zoological Society	1/20/88	5,000
Various donors		7,183
Add—reversal of 1986-1987 net deferred contributions		8,495
Less—1987-1988 net deferred contributions		<u>-</u>
		<u>\$ 50,153</u>

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
51-0147653
INCOME TAX RETURN SCHEDULES
YEAR ENDED JUNE 30, 1988

SCHEDULE 2

Part II, Line 22--Grants and Allocations

Contributions to Minnesota Zoological Garden:
Program grants

\$ 47,153

PART VI - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
 THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION 51 - 0147653

Year Ended June 30, 1988

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Accounts</u>
Firmin Alexander 5673 - 133rd Street Court Apple Valley, Minnesota 55124	Member	Part	None	None	None
Anthony L. Andersen H. B. Fuller Company 2400 Kasota Avenue St. Paul, Minnesota 55108	Member	Part	None	None	None
Donald Dayton 4900 IDS Center Minneapolis, Minnesota 55402	Member	Part	None	None	None
Connie DeLand 4641 Kingsdale Drive Minneapolis, Minnesota 55437	Member	Part	None	None	None
Robert H. Engels 2950 Dean Parkway Minneapolis, Minnesota 55416	Member	Part	None	None	None
D. Stephen Farley 480 S. Mississippi River Blvd. St. Paul, Minnesota 55105.	Member	Part	None	None	None
Richard G. Gray, Sr. 11000 Red Circle Drive Suite 221 "B" Minnetonka, Minnesota 55343	Member	Part	None	None	None

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Accounts</u>
Kathleen Gretsch 7 Buffalo Road North Oaks, Minnesota 55110	Member	Part	None	None	None
Reuel D. Harmon 14 High Road Inver Grove Heights, Minnesota 55075	Member	Part	None	None	None
James Hetland First Bank Minneapolis 120 South Sixth Street Minneapolis, Minnesota 55402	Member	Part	None	None	None
Margee Kinney 990 Shady Lane Wayzata, Minnesota 55391	Member	Part	None	None	None
Bernadette Klein 1840 Troy Lane Plymouth, Minnesota 55447	Board Chair	Part	None	None	None
Malcolm W. McDonald 21 East Oaks Road North Oaks, Minnesota 55110	President	Part	None	None	None
Joseph T. O'Neill 800 Norwest Center St. Paul, Minnesota 55101	Member	Part	None	None	None

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Accounts</u>
Hazel H. Reinhardt Cowles Media Company 329 Portland Avenue Minneapolis, Minnesota 55415	Vice President	Part	None	None	None
Gordon Rosenmeier 72 Broadway Little Falls, Minnesota 56345	Member	Part	None	None	None
Dr. U. S. Seal 9801 Pillsbury Avenue South Bloomington, Minnesota 55420	Member	Part	None	None	None
John E. Tilton One Webster Place Hopkins, Minnesota 55343	Member	Part	None	None	None
Harold S. Webster Norwest Center 6th Street and Marquette Avenue Minneapolis, Minnesota 55479	Member	Part	None	None	None
Paul A. Verret 1120 Norwest Center St. Paul, MN 55101	Secretary	Part	None	None	None



STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL

HUBERT H. HUMPHREY, III
Attorney General

CHARITIES DIVISION
340 Bremer Tower
St. Paul, Minnesota 55101
(612) 296-6172

CHARITABLE ORGANIZATION ANNUAL REPORT

For Year Ending:
June 30, 1989

INSTRUCTIONS: Complete, sign and ATTACH a copy of IRS form 990 and \$25.00 registration fee, made payable to STATE OF MINNESOTA. If the organization received more than \$100,000 in public contributions, you must also ATTACH a copy of your certified audit. If less than \$25,000 in contributions were received, the \$25.00 fee is not required.

1. Minnesota Zoological Garden Foundation
Legally Established Name of Organization
1120 Norwest Center
Address of Principal Office
St. Paul MN 55101 (612) 224-5463
City State Zip Telephone Number

2. Has the name, address and/or telephone number changed in the last year?
Yes _____ No
3. Has the organization's accounting year changed since the last report or registration statement was filed?
Yes _____ No If yes, provide new date _____

4. Identify the name and address of any outside professional fundraiser employed by the organization.
Name NONE
Address _____
City _____, State _____, Zip _____

5. If the answer to any of the following is yes, attach a detailed explanation. All questions relate to the period since the filing of the organization's last annual report or registration statement.
- a. Has there been any change in the organization's tax status with the Internal Revenue Service?
Yes _____ No

- b. Has there been a significant change in the purposes of the organization?
 Yes _____ No
- c. Has the organization's right to solicit funds been denied, suspended, revoked or enjoined by any state agency or court, or are proceedings pending?
 Yes _____ No

6. Describe any funds or properties transferred out of this state, such as those funds paid to affiliated organizations located out of Minnesota. Include an explanation as to recipient and amount.

None

7. Were the organizations total contributions less than \$25,000?

Yes _____ No

8. State the amount spent for the following program activities.

- a. Education \$ _____
- b. Services \$ _____
- c. Research \$ _____
- d. Funding to the Minnesota Zoological Gardens \$ 33,682
 (Other)

9. **ATTACH** a copy of a completed Internal Revenue Service Form 990 with all applicable schedules and attachments. If you do not file Form 990, complete the financial section that follows.

10. **Financial Section.** Complete this section only if you have not attached a completed IRS Form 990.

INCOME

Contributions from the public	\$ _____	
Government grants	\$ _____	
Fees for program service	\$ _____	
Other revenue	\$ _____	
TOTAL INCOME		\$ _____

EXPENSES

Amounts spent for program or charitable purposes	\$ _____	
Management/general expense	\$ _____	
Fundraising expense	\$ _____	
Amounts paid to affiliated organizations	\$ _____	
TOTAL EXPENSES		\$ _____

EXCESS or Deficit	\$ _____
TOTAL Assets	\$ _____
TOTAL Liabilities	\$ _____

END OF YEAR FUND BALANCE/NET WORTH (Assets minus Liabilities) \$ _____

11. a. Were the organization's total contributions, excluding government grants, in excess of \$100,000 for the most recently completed accounting year?

Yes _____ No

b. If yes, ATTACH an audited financial statement and opinion prepared by a certified public accountant.

12. ATTACH list of name, address and title of all current officers, board members, trustees and key employees. *See attached Form 990.*

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 _____
(title) (title)

thereof, respectively, that this Annual Report is executed on behalf of the organization 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 and all its attachments.

TWO SIGNATURES REQUIRED

Name (Print)

Name (Print)

Signature

Signature

Title

Title

Date

Date

Form

990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

1988

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

For the calendar year 1988, or fiscal year beginning July 1, 1988, and ending June 30, 19 89

Use IRS label. Otherwise, please print or type.	Name of organization <u>MINNESOTA ZOOLOGICAL GARDEN FOUNDATION</u>	A Employer identification number (see instruction L) <u>51-0147653</u>
	Address (number and street) <u>1120 NORWEST CENTER</u>	B State registration number (see instruction D) <u>N/A</u>
	City or town, state, and ZIP code <u>ST. PAUL, MN 55101</u>	C Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here <input type="checkbox"/> (see instruction C10)

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

E Accounting method: Cash Accrual Other (specify)

F Is this a group return (see instruction J) filed for affiliates? Yes No
If "Yes," enter the number of affiliates for which this return is filed _____

G If "Yes" to either, give four-digit group exemption number (GEN) N/A

Is this a separate return filed by a group affiliate? Yes No

H 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.

I 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 <u>Schedule 1</u> <u>33982</u>		<u>300</u>	<u>33682</u>
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions)	<u>33982</u>	<u>300</u>	<u>33682</u>
	2 Program service revenue (from Part IV, line f)			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments	<u>8792</u>	<u>8792</u>	
	5 Dividends and interest from securities			
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
7 Other investment income (Describe <input type="checkbox"/>)				
8a Gross amount from sale of assets other than inventory	Securities			
	Other			
	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 1a)				
b Minus: direct expenses				
c Net income (line 9a minus line 9b)				
10a 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)	<u>42774</u>	<u>9092</u>	<u>33682</u>	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)	<u>33682</u>	<u>—</u>	<u>33682</u>	
Expenses	13 Program services (from line 44, column (B)) (see instructions)	<u>5671</u>	<u>5671</u>	<u>—</u>
	14 Management and general (from line 44, column (C)) (see instructions)			
	15 Fundraising (from line 44, column (D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)	<u>39353</u>	<u>5671</u>	<u>33682</u>
	17 Total expenses (add lines 16 and 44, column (A))	<u>3421</u>	<u>3421</u>	<u>—</u>
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	<u>33634</u>	<u>33634</u>	<u>—</u>
	19 Fund balances or net worth at beginning of year (from line 74, column (A))	<u>37055</u>	<u>37055</u>	<u>—</u>
	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)			

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most sections 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 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule) <i>Schedule 2</i>	33682	33682		
	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	1525		1525	
	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): <i>a Admin Expenses</i>	4146		4146	
b					
c					
d					
e					
f					
44 Total functional expenses (add lines 22 through 43) Organizations completing columns B-D, carry these totals to lines 13-15.	39353	33682	5671		

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	<i>Organizations primary purpose is to provide funds to the Minnesota Zoological Garden</i>			
		(Grants and allocations \$ 33682)		33682
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, column (B))			33682

Part IV Program Service Revenue and Other Revenue (State nature.)

	Program service revenue	Other revenue
a Fees from government agencies . . . <i>N/A</i>		
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 V Balance Sheets If line 12 or Column (B) of line 59 is more than \$25,000, complete the entire balance sheet. If line 12, Part I, and Column (B) of line 59 are \$25,000 or less, you may complete only lines 59, 66, 74 and 75. See instructions.

	(A) Beginning of year	End of year		
		(B) Total	(C) Unrestricted/Expendable	(D) Restricted/Nonexpendable
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.				
Assets				
45 Cash—noninterest-bearing	119184	130956	38182	92774
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)	119184	130956	38182	92774
Liabilities				
60 Accounts payable and accrued expenses	2026	5847	1127	4720
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 ▶ <i>Deferred Restricted Contributions</i>	83524	88054		88054
66 Total liabilities (add lines 60 through 65)	85,530	93901	1127	92774
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.				
67a Current unrestricted fund	33634	37055	37055	
b Current restricted fund				
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)	33634	37055	37055	-
75 Total liabilities and fund balances/net worth (see instructions)	119184	130956	38182	92774

Part VI List of Officers, Directors, and Trustees (List each one whether compensated or not. See instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter zero)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
See Schedule 3				

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	If the organization had income from business activities, such as those reported on lines 2, 9, and 10 (among others), but NOT reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		<input checked="" type="checkbox"/>
b	If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		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 the organization <u>Minnesota Zoological Garden</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.	<input checked="" type="checkbox"/>	
81 a	Enter amount of political expenditures, direct or indirect, as described in the instructions		N/A
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		<input checked="" 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		N/A
84	Section 501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12.		N/A
b	Gross receipts, included in line 12, for public use of club facilities (See instructions.)		N/A
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		N/A
b	Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		N/A
86	Public interest law firms.—Attach information described in the 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>612-224-5463</u> Located at <u>c/o St. Paul Foundation 1120 Norwest Center St. Paul MN 55101</u>		
90	Section 4947(a)(1) trusts filing Form 990 in lieu of Form 1041.—Enter the amount of tax-exempt interest received or accrued during the tax year.		

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

Please Sign Here

Paul Verret | 11-10-89 | Secretary
Signature of officer | Date | Title

Paid Preparer's Use Only

W. J. D. [Signature] | 11-7-89 |
Preparer's signature | Date | Check if self-employed

ERNST & YOUNG | |
Firm's name (or yours, if self-employed) and address | ZIP code

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	4

- 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)
	1987	1986	1985	1984	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					
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		N/A			
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					
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 1984 through 1987 exceeded the amount shown in 26a. Enter the sum of all excess amounts here					

(Continued on page 3)

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:
 (1987) (1986) (1985) (1984)
- b Attach a list showing, for 1984 through 1987, 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:
 (1987) (1986) (1985) (1984)
- 28 For an organization described in box 10, 11, or 12, page 2, that received any unusual grants during 1984 through 1987, 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.)

Part V Private School Questionnaire (To be completed ONLY by schools that checked box 6 in Part IV) *N/A*

	Yes (1)	No (2)
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 extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a 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 34a 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 C.B. 587 covering racial nondiscrimination? If "No," attach an explanation. (See instructions for Part V.)		

Part VI 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) 1988	(b) 1987	(c) 1986	(d) 1985	(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)					

INCOME TAX RETURN SCHEDULES

NAME Minnesota Zoological Garden Foundation 51-0147653
 ADDRESS _____
 YEAR ENDED June 30 1989

Schedule 1

Part 1 Contributions, gifts, grants and similar amounts received		AMOUNT	
Name	Date		
American Association of Zoological Parks	7/11/88	1 000	-
	1/12/89	1 100	-
	2/28/89	1 100	-
	3/10/89	1 100	-
	4/10/89	1 100	-
	5/16/89	1 100	-
	6/22/89	1 100	-
Fort Snelling Credit Union	8/17/88	5 000	-
	1/12/89	10 000	-
	6/2/89	4 000	-
State of Minnesota	9/9/88	7 756	-
Mendon F Schmitt Foundation	10/12/88	300	-
National Westminster Bank	1/12/89	1 212	-
Other		2 645	-
Deferred Revenue		(4 531)	-
		<u>33 982</u>	-

PART VI - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
 THE MINNESOTA ZOOLOGICAL GARDEN FOUNDATION 51 - 0147653

Year Ended June 30, 1989

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Account</u>
Firman Alexander 12188 Ethelon Way Apple Valley, Minnesota 55124	Member	Part	None	None	None
Anthony L. Andersen H. B. Fuller Company 2400 Kasota Avenue St. Paul, Minnesota 55108	Member	Part	None	None	None
Donald Dayton (Now deceased) 4900 IDS Center Minneapolis, Minnesota 55402	Member	Part	None	None	None
Connie DeLand 4641 Kingsdale Drive Minneapolis, Minnesota 55437	Member	Part	None	None	None
Robert H. Engels 2950 Dean Parkway Minneapolis, Minnesota 55416	Member	Part	None	None	None
D. Stephen Farley 480 S. Mississippi River Blvd. St. Paul, Minnesota 55105	Member	Part	None	None	None
Richard G. Gray, Sr. 11000 Red Circle Drive Suite 221 "B" Minnetonka, Minnesota 55343	Member	Part	None	None	None
Kathleen Gretsich 7 Buffalo Road North Oaks, Minnesota 55110	Member	Part	None	None	None

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Account</u>
Reuel D. Harmon 14 High Road Inver Grove Hgts., Minnesota 55075	Member	Part	None	None	None
James Hetland First Bank Minneapolis 120 South Sixth Street Minneapolis, Minnesota 55402	Member	Part	None	None	None
Margee Kinney 990 Shady Lane Wayzata, Minnesota 55391	Member	Part	None	None	None
Bernadette Klein 1840 Troy Lane Plymouth, Minnesota 55447	Board Chair	Part	None	None	None
Malcolm W. McDonald 21 East Oaks Road North Oaks, Minnesota 55110	President	Part	None	None	None
Joseph T. O'Neill 800 Norwest Center St. Paul, Minnesota 55101	Member	Part	None	None	None
Hazel H. Reinhardt Cowles Media Company 329 Portland Avenue Minneapolis, Minnesota 55415	Vice President	Part	None	None	None
Gordon Rosenmeier (Now deceased) 72 Broadway Little Falls, Minnesota 56345	Member	Part	None	None	None
Dr. U. S. Seal 9801 Pillsbury Avenue South Bloomington, Minnesota 55420	Member	Part	None	None	None

<u>Name and Address</u>	<u>Title</u>	<u>Time Devoted to Position</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>	<u>Expense Account</u>
Harold S. Webster 325 Lake Avenue South Duluth, Minnesota 55802	Member	Part	None	None	None
Paul A. Verret 1120 Norwest Center St. Paul, Minnesota 55101	Secretary	Part	None	None	None

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
 GRANTS
 JULY 1, 1986 - JUNE 30, 1987

DATE PAID -----	GRANT NO. -----	PAYEE -----	TOTAL -----	WOLF & CARIBOU EXHIBIT -----	ISIS -----	PURPOSE -----
8-11-86	6-86	MINNESOTA ZOO GARDEN	\$50,000.00	\$50,000.00		CONSTRUCTION OF EXHIBIT
9-10-86	7-86	ARTFORM COMMUNICATION	113.25		\$113.25	PREPARATION OF SLIDES
9-17-86	8-86	MINNESOTA ZOO GARDEN	94,000.00	94,000.00		CONSTRUCTION OF EXHIBIT
10- 8-86	9-86	LAURIE BINGMAN	832.45		832.45	COMPILATION OF HERP TAXONOMY
12- 1-86	10-86	PC SOLUTIONS	3,264.00		3,264.00	COMPUTER HARDWARE
7-23-86	11-86	INT'L OFFICE SYSTEMS	8,290.00		8,290.00	PURCHASE OF A COPIER
1-19-87	1-87	ISIS	10,000.00		10,000.00	GENERAL OPERATING EXPENSES
2-23-87	2-87	DR. ANDREW TEARE	823.65		823.65	COMPUTER PROGRAMMING
4- 3-87	3-87	DR. ANDREW TEARE	1,590.77		1,590.77	COMPUTER PROGRAMMING
4- 3-87	4-87	GARNATZ & GROVENDER	1,440.00		1,440.00	COMPUTER PROGRAMMING
			-----	-----	-----	
			\$170,354.12	\$144,000.00	\$26,354.12	
			=====	=====	=====	

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
GRANTS
JULY 1, 1987 - JUNE 30, 1988

DATE PAID	GRANT NO.	PAYEE	TOTAL	ADMINIS-TRATION	MONORAIL	ISIS	CAPTIVE BREEDING	PURPOS
7- 1-87	5-87	MINNESOTA ZOO GARDEN	\$2,811.19		\$2,811.19			MISCELLANEOUS EXP
8-14-87	6-87	JON BALLOU	512.70			\$512.70		MEETING ATTENDANC
8-14-87	7-87	RANDY ROCKWELL	151.35			151.35		MEETING ATTENDANC
8-14-87	8-87	ANDY ODUM	146.70			146.70		MEETING ATTENDANC
8-14-87	9-87	TERRY KREEGER	4,000.00				\$4,000.00	CONSULTING SERVIC
9- 8-87	10-87	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
10- 5-87	11-87	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
11- 2-87	12-87	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
12- 8-87	13-87	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
12-28-87	14-87	MINNESOTA ZOO GARDEN	10,000.00	\$10,000.00				MATCHING GIFT
1-11-88	1-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
2- 8-88	2-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
3- 8-88	3-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
4- 5-88	4-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
5-12-88	5-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
5-17-88	6-88	COMPUTER APPLICATION	7,756.03			7,756.03		PURCHASE PC
5-17-88	7-88	FREDRIKSON & BYRON	680.00			680.00		COMPUTER SOFTWARE
6-13-88	8-88	FREDERICKSON & BYRON	95.00			95.00		COMPUTER SOFTWARE
6-13-88	9-88	TERRY KREEGER	2,000.00				2,000.00	CONSULTING SERVIC
			-----	-----	-----	-----	-----	
			\$46,152.97	\$10,000.00	\$2,811.19	\$9,341.78	\$24,000.00	
			=====	=====	=====	=====	=====	

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
GRANTS
JULY 1, 1988 - JUNE 30, 1989

DATE PAID	GRANT NO.	PAYEE	TOTAL	ISIS	CAPTIVE BREEDING	PURPOSE
7-12-88	11-88	FREDERICKSON & BYRON	\$235.00	\$235.00		CONSULTING SERVICES
8- 2-88	12-88	FREDERICKSON & BYRON	825.80	825.80		CONSULTING SERVICES
8-15-88	13-88	TERRY KREEGER	1,000.00		\$1,000.00	CONSULTING SERVICES - JULY
9- 7-88	14-88	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - AUGUST
9- 8-88	15-88	FREDERICKSON & BYRON	582.40	582.40		CONSULTING SERVICES
10- 6-88	16-88	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - SEPT
10-10-88	17-88	BOFFIN, LTD.	2,644.70	2,644.70		COMPUTER PURCHASE
10-14-88	18-88	KEN KAWATA	110.00	110.00		TRANSLATION SERVICE
11- 9-88	19-88	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - OCT
12-14-88	20-88	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - NOV
12-14-88	21-88	FREDERICKSON & BYRON	476.70	476.70		CONSULTING SERVICES
1- 9-89	1-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - DEC
2- 7-89	2-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - JAN
2-24-89	3-89	JUDITH MIKOLAI	1,000.00		1,000.00	CONSULTING SERVICES - JAN
3-14-89	4-89	IKOLA DESIGNS	1,400.00	1,400.00		DESIGN SERVICES
3-14-89	5-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - FEB
3-14-89	6-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - FEB
3-30-89	7-89	FREDERICKSON & BYRON	270.60	270.60		CONSULTING SERVICES - FEB
3-30-89	8-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - MARCH
4-12-89	9-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - MARCH
5- 3-89	10-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - APRIL
5-11-89	11-89	FREDERICKSON & BYRON	762.40	762.40		CONSULTING SERVICES - MARCH
5-11-89	12-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - APRIL
6- 7-89	13-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - MAY
6- 7-89	14-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - MAY
6- 9-89	15-89	CHARLES ELDRIDGE	1,612.00	1,612.00		CONSULTING SERVICES - MAY
6- 9-89	16-89	FREDERICKSON & BYRON	42.00	42.00		CONSULTING SERVICES - APRIL
7- 7-89	17-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - JUNE
7- 7-89	18-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - JUNE
7-13-89	19-89	CHARLES ELDRIDGE	1,720.00	1,720.00		CONSULTING SERVICES - JUNE
			<u>\$33,681.60</u>	<u>\$10,681.60</u>	<u>\$23,000.00</u>	
			=====	=====	=====	

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION
GRANTS
JULY 1, 1989 - NOVEMBER 10, 1989

DATE PAID	GRANT NO.	PAYEE	TOTAL	ISIS	CAPTIVE BREEDING	PURPOSE
----	-----	-----	-----	-----	-----	-----
7-25-89	20-89	BOFFIN, LIMITED	\$299.00	\$299.00		DICONIX 150 PRINTER
8- 8-89	21-89	TERRY KREEGER	1,000.00		\$1,000.00	CONSULTING SERVICES - JULY
8- 8-89	22-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - JULY
8-23-89	23-89	CHARLES ELDRIDGE	2,757.44	2,757.44		CONSULTING SERVICES - JULY
9-11-89	24-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - AUGUST
9-18-89	25-89	CHARLES ELDRIDGE	2,958.64	2,958.64		CONSULTING SERVICES - AUGUST
9-19-89	26-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - AUGUST
10- 5-89	27-89	W. A. LANG INSURANCE CO	1,421.00	1,421.00		WORKERS' COMP INSURANCE
10- 5-89	28-89	JUDITH MIKOLAI	2,000.00		2,000.00	CONSULTING SERVICES - SEPT
10- 5-89	29-89	TERRY KREEGER	1,000.00		1,000.00	CONSULTING SERVICES - SEPT
10-16-89	30-89	CHARLES ELDRIDGE	2,725.75	2,725.75		CONSULTING SERVICES - SEPT
11- 1-89	31-89	ISIS	19,698.20	19,698.20		CLOSE-OUT ISIS FUND
			-----	-----	-----	
			\$38,860.03	\$29,860.03	\$9,000.00	
			=====	=====	=====	

RESTATED
ARTICLES OF INCORPORATION
OF
THE MINNESOTA ZOO FOUNDATION

We, the undersigned, for the purposes of re-organizing a non-profit Corporation under Chapter 317a of Minnesota Statutes, and all laws amendatory and supplementary thereof, hereby associate ourselves as a body corporate and adopt these Articles of Incorporation:

ARTICLE I

The name of this Corporation shall be the Minnesota Zoo Foundation.

ARTICLE II

This Corporation is organized and shall be operated exclusively for charitable purposes, all as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Consistent with the foregoing and without limiting its generality, the purpose of this Corporation shall be in sole support of the Minnesota Zoological Garden and its affiliated organizations provided such organizations have been determined to be charitable in nature under Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Within the framework and limitations of the foregoing, this Corporation is organized and shall be operated exclusively to engage in, advance, support, promote, and administer charitable activities, causes, and activities of every kind and nature whatsoever in its own behalf or as the agent, trustee, or representative of others, but only if and to the extent consistent with the foregoing purposes.

For such purposes, this Corporation shall have and exercise only such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise, or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants, and contributions of, and to convey, transfer, and dispose of any funds and property and

the income therefrom in furtherance of the purposes of the Corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber and use the same, and other such powers that are consistent with the foregoing purposes and that are afforded to this Corporation by the Minnesota Nonprofit Corporation Act and by any future laws amendatory thereof and supplementary thereto. Provided, however, that all such powers of this Corporation shall be exercised only so that the activities of this Corporation shall be exclusively within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and of Section 290.05 of the Minnesota Statutes; provided further, however, that the references herein to Section 290.05 of the Minnesota Statutes shall not permit, and shall not be taken as permitting this Corporation to have or exercise any power which is not within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986; and provided finally that this Corporation shall not carry on any activity not permitted to be carried on by a corporation that is exempt from federal income taxes under Section 509(a) of the Internal Revenue Code of 1986, as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or by a corporation that is described in, and contributions to which are deductible for federal income tax purposes under, Section 170(c)(2) of the Internal Revenue Code of 1986.

ARTICLE III

This Corporation is organized as a non-profit organization. The Corporation shall pay no dividends or other pecuniary gain, directly or indirectly, to its members, trustees, officers, as such, nor shall any part of the earnings of the Corporation inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of this Corporation shall constitute the carrying on of propaganda or attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office, nor shall the Corporation engage in any transaction or carry on any activity which is not permitted to be carried on by a corporation exempt from federal income taxes under Sections 501(c)(3) or 509(a) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue law, or by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding sections of any future United States Internal Revenue law.

ARTICLE IV

The duration of this Corporation shall be perpetual.

ARTICLE V

The registered office of this Corporation shall be 13000 Zoo Boulevard, Apple Valley, Minnesota 55124.

ARTICLE VI

The following persons constitute the incorporators who are re-organizing the Corporation:

Mark Cherniack
C.C.Dunnavan Co.
505 N. Cty.Rd. 18, #640
Plymouth, MN 55441

Ellie Crosby
1612 Willow Drive
Long Lake, MN 55356

Edward N. Dayton
NED, Inc.
445 Lake, # 308
Wayzata, MN 55391

Bernadette Klein
1840 Troy Lane
Plymouth, MN 55447

ARTICLE VII

The membership of this Corporation shall consist solely of the members of the Board of Directors of the Minnesota Zoological Garden. Each member of said Board shall become a member of this Corporation concurrently with his or her becoming a member of such Board, shall continue to be a member of this Corporation for so long as he or she is a member of such Board, and automatically shall cease to be a member of this Corporation concurrently with his or her ceasing to be a member of such Board. Each member shall be entitled to one vote on all matters requiring the vote of the members of this Corporation as prescribed from time to time in the Bylaws of this Corporation.

ARTICLE VIII

The management and direction of the business and affairs of this Corporation shall be vested in a Board of Trustees. The number, qualifications, term of office, method of election, powers, authority, and duties of the Trustees of this Corporation, the time and place of their meetings, and such other provi-

sions with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified in the Bylaws of this Corporation.

The names and addresses of the members of the first Board of Trustees of this re-organized Corporation are:

Mark Cherniack
C.C.Dunnavan Co.
505 N. Cty.Rd. 18, #640
Plymouth, MN 55441

Ellie Crosby
1612 Willow Drive
Long Lake, MN 55356

Edward N. Dayton
NED, Inc.
445 Lake, # 308
Wayzata, MN 55391

Bernadette Klein
1840 Troy Lane
Plymouth, MN 55447

The term of office of each such member of the first Board of Trustees shall be until the annual meeting in the year 1990, or until such Trustees' successors shall have been elected and qualified.

ARTICLE IX

No Trustee, Officer or Member of this Corporation shall have any personal liability for any debt or obligation of the Corporation.

ARTICLE X

This Corporation shall have no capital stock, either authorized or issued.

ARTICLE XI

The Members of this Corporation may from time to time make, alter, amend, or rescind all or any part of these Articles of Incorporation in any manner now or hereinafter prescribed in Minnesota Statutes governing non-profit corporations. Such action shall require the affirmative vote of two-thirds of all the Members at any regular or special meeting called for that purpose and at which a quorum is present as prescribed in the Corporation Bylaws.

ARTICLE XII

The Members of this Corporation may dissolve the Corporation or sell, lease, exchange, mortgage, encumber or dispose of all, or substantially all of the assets of the Corporation including its goodwill, when authorized at a meeting of the Members called for that purpose. Such action shall require the affirmative vote of two-thirds of all of the Members at any regular or special meeting at which a quorum is present as prescribed in the Corporation Bylaws.

ARTICLE XIII

Upon the dissolution of the Corporation, the Board of Trustees shall, after making provision for the payment of all of the just debts and obligations of the Corporation, and all costs and expenses incurred by the Corporation in connection with such dissolution, dispose of all of the remaining assets of the Corporation. Such assets shall be distributed to one or more organizations determined to be exempt from federal income taxes and charitable in nature as provided in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. The use of said assets after distribution shall be restricted to purposes consistent with the needs of environmental protection and education and the protection of endangered animal species.

IN WITNESS WHEREOF, we have hereunto executed these Articles of Incorporation this ____ day of _____, 1989.

BYLAWS
OF
THE MINNESOTA ZOO FOUNDATION

ARTICLE I

OFFICES

The principal office of this Corporation shall be located at 13000 Zoo Boulevard, Apple Valley, Minnesota, 55124. The Corporation may have other offices, either within or without the city of Apple Valley, as the Board of Trustees may from time to time determine.

The Corporation shall have and continuously maintain in Apple Valley, Minnesota a registered office. The registered office may be but need not be identical with the principal office in the city of Apple Valley, Minnesota and shall be as set forth in the Articles of Incorporation.

ARTICLE II

MEMBERSHIP

The voting membership of this Corporation shall consist solely of the membership of the Board of Directors of the Minnesota Zoological Garden. The terms of the members of this Corporation shall be concurrent with their membership on said Board of Directors and no member may voluntarily or involuntarily transfer membership, certificate of membership, or any right arising therefrom.

ARTICLE III

MEETINGS OF MEMBERS

Section I: Place of Meeting

All meetings of the members shall be held at the principal office of the Corporation in the State of Minnesota, or at such place within or without the State as may be selected from time to time by the Board of Trustees or by written consent of all members entitled to vote at such meeting.

Section II: Annual Meeting

The annual meeting of members shall be held during the first four months following the close of the previous fiscal year, for the purpose of electing Trustees and transaction of any other business as may come before the meeting. However, no business with respect to which special notice is required shall be transacted unless notice shall have been given. If for any reason, the annual meeting is not held, or the Trustees are not elected at the annual meeting, Trustees may be elected at a special meeting held for that purpose, and it shall be the duty of the Chairman, Vice Chairman, or Secretary upon demand of any

member entitled to vote to call such meeting. Should none of the said officers call such meeting upon demand, the members shall have the right and power to call such meeting.

Section III: Notice of Annual Meeting

Written notice of the time and place of the annual meeting shall be mailed, postage prepaid, at least ten days before such meeting, to each member entitled to vote at the annual meeting, at the member's address that appears on the books of the Corporation.

Section IV: Special Meeting

Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the Chairman, and shall be called by the Chairman at the request in writing of any ten members of the Corporation. Such request which shall be by registered mail or delivered in person to the Chairman, shall state the purpose or purposes of the proposed meeting.

Section V: Notice of Special Meeting

Written notice of the time, place and purpose or purposes of a special meeting shall be mailed, postage pre-paid, at least five days before such meeting, to each member entitled to vote at such meeting at the member's address that appears upon the books of the Corporation.

Section VI: Business to be Transacted

No business shall be transacted at any special meeting of the members except that stated in the notice of the special meeting.

Section VII: Waiver of Notice

Notice of the time, place and purpose of any meeting of members may be waived in writing by any member. Such waiver may be given before or after the meeting and shall be filed with the Secretary or entered upon the records of the meeting.

Section VIII: Quorum and Adjournment

A majority of the members then in office shall be necessary to constitute a quorum to transact business. If, at any meeting of the members, there shall be less than a quorum present, a majority of those present may adjourn the meeting, without further notice from time to time until a quorum shall have been obtained. Members may not participate or vote by proxy in any meeting of the members, and no proxy shall be deemed to constitute attendance for the purpose of constituting a quorum at any such meeting. Any action that may be taken by the members at a meeting may be taken without a meeting, if consent in writing, set forth the action so taken, shall be signed by all of the members. Such action shall be effective on the date on which the last signature is placed thereon or on such earlier effective date as set forth therein.

Section IX: Organization of Meeting

At all meetings of members, the Chairman shall act as Chairperson and in the Chairperson's absence any person appointed by the Chairman shall act as Chairperson, and the Secretary, or in the Secretary's absence any person appointed by the Chairperson, shall act as Secretary. Robert's Rules of Order shall govern the conduct of the meetings of members.

ARTICLE IV

BOARD OF TRUSTEES

Section I: General Powers

The business of the Corporation shall be managed by the Board of Trustees which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws required to be exercised or done by the members.

Section II: Number and Terms of Office

The number of Trustees which shall constitute the whole Board shall be not less than twenty nor more than thirty. The property, affairs, concerns, directions and business of the Corporation shall be vested in, and managed at the discretion of the Board of Trustees.

The Board of Trustees shall pursue such policies and principles as shall be in accordance with the provisions in the Articles of Incorporation, these Bylaws and the statutes of the State of Minnesota.

All voting power in the Corporation shall be vested in the Board of Trustees except for those matters specifically reserved for the members of the Corporation as provided in the Articles of Incorporation and in these Bylaws. Each Trustee shall have one vote in all matters requiring the action or vote of the Board of Trustees and voting shall not be cumulative.

The Trustees shall be divided into three classes, as nearly equal in number as may be. The term of office of those Trustees of the first class shall expire at the annual meeting of the Board of Trustees in 1990, and such Trustees shall be referred to as the Class of 1990; the term of office of those Trustees of the second class shall expire at the annual meeting of the Board of Trustees in 1991, and such Trustees shall be referred to as the Class of 1991; and the term of office of those Trustees of the third class shall expire at the annual meeting of the Board of Trustees in the year 1992, and such Trustees shall be referred to as the class of 1992. Upon expiration of the terms of office of the Trustees as classified above, there successors shall be elected for the term of three years each, so that approximately one-third of the number of Trustees of the Corporation shall be elected annually. Each class of Trustees shall be referred to by the year in which its term expires. In addition to the above described Trustees who shall be considered regularly elected, there shall be two Trustees who serve on the Board of Trustees ex-officio. The Chair of the Board of Directors of the Minnesota Zoological Garden shall serve ex-officio as a Trustee with full voting privileges. The General Director of the Minnesota Zoological Garden shall serve ex-officio as a Trustee without voting privileges. All regularly elected Trustees shall hold

office for the term indicated or until his or her successor shall have been elected and qualified. All ex-officio Trustees shall hold office for a term con-current with their term in the office they represent or until their successors shall have been elected and qualified.

Section III: Election of Trustees

The Trustees shall be elected by a vote of the members at their annual meeting or at any special meeting called for such purpose from a slate of nominations made by the nominating committee. An individual member may give nominations to the Nominating Committee prior to sixty days before the election to fill a directorship which is vacant or will be vacated. Vacancies in the Board of Trustees shall be filled for the remainder of the vacated term by vote of the remaining Trustees, though less than a quorum.

Section IV: Resignation and Removal

Any Trustee of the Corporation may resign at any time by giving written notice to the Secretary of the Corporation. Such resignation shall take effect at the date of the receipt or at any later time specified in the resignation, and unless otherwise specified in the resignation, the acceptance of such resignation shall not be necessary to make it effective. Any Trustee may be removed with or without cause, by a majority vote of the members entitled to vote at an election of directors or at any special meeting thereof.

Section V: Nominating Committee

There shall be a Nominating Committee appointed by the Chairman comprised of three Trustees then in good standing. The term of each member shall be for the shorter of one year or the period ending on the date of the annual meeting of members immediately following his or her appointment. The Nominating Committee shall carry on such duties as specified by the Board of Trustees. Nominations shall be presented by the Nominating Committee to the entire membership prior to thirty days before the election to fill such office or trusteeship. Other members or Trustees may suggest names of prospective Board members to the Nominating Committee at least sixty days prior to the date names must be presented to the membership.

The Nominating Committee shall also nominate persons for vacated offices, and for offices which will be vacated at the Annual Meeting of Trustees next following.

Section VI: Limitation on Number of Terms

Any Trustee may be elected for up to two consecutive three-year terms. A Trustee elected to fill a vacancy shall not be considered to have served a three-year term and shall be eligible for election to two consecutive three-year terms upon the expiration of the vacated term to which elected. Any Trustee having served two consecutive three-year terms shall again become eligible for re-election after an absence from the Board for one year.

ARTICLE V

MEETINGS OF TRUSTEES

Section I: Place of Meetings

The Board of Trustees of the Corporation may hold meetings, both regular and special, either within or without the State of Minnesota at such place as a majority of the members of the Board may from time to time appoint.

Section II: Annual Meeting of Trustees

An annual meeting of the Trustees for the purpose of electing Officers shall be held immediately following the annual meeting of members. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice, as hereinafter provided for special meetings of the Board of Trustees, or such meeting may be dispensed with and the election of officers and any other business may be handled pursuant to provisions of these Bylaws which provide for action without meetings.

Section III: Regular Meetings

Regular meetings of the Board of Trustees may be held without notice at such time and at such place as shall from time to time be determined by the Board. At a minimum, the Board shall be required to meet at least once in each calendar quarter.

Section IV: Special Meetings

Special meetings of the Board may be called by the Chairman on ten days notice to each Trustee, either personally or by mail or by telegram; special meetings shall be called by the President or the Secretary in a like manner and on like notice on the written request of four or more Trustees. Every such notice shall state the time and place of meeting and the purpose of the meeting. No business other than that stated in the notice shall be transacted at said meeting without the unanimous consent of all the members of the Board of Trustees.

Section V: Quorum

At all meetings of the Board of Trustees the majority of Trustees shall constitute a quorum for the transaction of business and the act of the majority of Trustees present at any meeting at which there is a quorum shall be the act of the Board of Trustees, except as may otherwise specifically be provided by statute or by the Articles of Incorporation. If a quorum shall not be present at any meeting of the Board of Trustees, the Trustees present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present. If a quorum is present at the call of a meeting, the Trustees may continue to transact business regardless of the number of Trustees present.

Section VI: Organization of Meetings

At all meetings of the Board of Trustees, the Chairman or in the Chairman's absence any person appointed by the Chairman shall act as Chairperson, and the Secretary or in the Secretary's absence any person appointed by the Chairperson shall act as Secretary. Robert's Rules of Order shall govern the conduct of business at all Board meetings.

Section VII: Action without Meeting

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Trustees or of any Committees thereof may be taken without a meeting if a written consent thereto is signed by all members of the Board or of such Committees as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or Committee. Such Action shall be effective on the date on which the last signature is placed on the writing or writings or such early effective date as set forth therein.

ARTICLE VI

COMMITTEES

Section I: Executive Committee

An Executive Committee of five or more Trustees may be designated by resolution, passed by a majority of the whole Board. The Chairman and the President shall automatically serve on the Executive Committee ex-officio. During the interval between meetings of the Board, the Executive Committee shall advise and aid the officers of the Board in all matters concerning its interests and the management of its business, and generally performing such duties as may be directed by the Board from time to time. The Chairman of the Board shall be the Chairperson of the Executive Committee. The Committee shall possess and may exercise all the powers of the Board of Trustees while the Board is not in session except power (1) which has been delegated to other Committees in accordance with these Bylaws, (2) to remove any member of the Executive Committee or any principal officer, (3) to change the number of members of the Executive Committee, (4) to alter or amend these Bylaws, (5) to alter or amend the Articles of Incorporation, (6) to take any action which the Board of Trustees may specifically reserve to itself or as may be reserved in the Articles of Incorporation. Actions of the Executive Committee must be reported and ratified at the regular meeting of the Board of Trustees next following.

Section II: Other Committees

The Board of Trustees shall establish, in addition to the Executive Committee, a Finance Committee, a Nominating Committee, a Personnel Policy Committee, and other such standing and ad hoc Committees as the Board shall determine to be in the best interest of the Corporation. The membership, duties, and responsibilities of said Committees shall be designated by the Board of Trustees.

ARTICLE VII

OFFICERS

Section I: Number and Names of Offices

The Officers of the Corporation shall be chosen by the Board of Trustees and shall include a Chairman, a President, a Vice Chairman, a Secretary, and a Treasurer. All such Officers shall be elected from the membership of the Board of Trustees. No person shall hold more than one office simultaneously.

Section II: Election and Term of Office

With the exception of the President the Officers shall be elected for a term of one year or as specified by the Board of Trustees. The election of Officers shall be held at the annual meeting of the Board of Trustees by vote, on a slate of nominations provided by the nominating Committee. New offices may be created and filled at any meeting of the Board of Trustees. Each Officer shall hold office until the Officer's successor shall have been duly elected and shall have qualified.

Section III: Resignations, Removal, and Vacancies

Any Officer elected or appointed by the Board of Trustees may be removed with or without cause at any time by the affirmative vote of the majority of the Board of Trustees. Any Officer may resign at any time by giving written notice to the President or the Secretary of the Corporation. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Trustees.

Section IV: The Chairman -- Powers and Duties

The Chairman shall be the Chief Executive Officer of the Corporation, shall preside at all meetings of the Members and meetings of the Board of Trustees, and shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the Board of Trustees are carried into effect.

The Chairman shall execute bonds, mortgages, and other contracts required of the Corporation except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall expressly be delegated by the Board of Trustees to some other Officer or agent of the Corporation.

Section V: The Vice Chairman -- Powers and Duties

The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman, and shall perform such other duties and have such other powers as the Board of Trustees may from time to time prescribe.

Section VI: The President -- Powers and Duties

The President shall serve in office by virtue of his or her office as General Director of the Minnesota Zoological Garden. The President shall be the Chief Administrative Officer of the corporation and shall employ, supervise and

discharge all employees of the corporation in accordance with the policies of the Board of Trustees. The President shall render such assistance to the officers of the corporation as may be necessary for such officers to carry out their duties.

The President shall be the chief liaison between the Board of Trustees and the Minnesota Zoological Garden, and shall make the Board of Trustees aware of any action of the corporation which would be in conflict with the purpose and policies of the Minnesota Zoological Garden. In addition, the President shall carry out any other duties and perform other such tasks as may be assigned to him or her by action of the Board of Trustees.

Section VII: The Secretary — Powers and Duties

The Secretary shall attend all meetings of the Board of Trustees and all meetings of the members and record the proceedings of the meetings of the Members and the Board of Trustees in a book to be kept for that purpose and shall perform like duties for standing Committees when required. The Secretary shall give, or cause to be given notice of all meetings of the members and meetings of the Board of Trustees and shall perform such other duties as may be prescribed by the Board of Trustees or the President, under whose supervision the Secretary shall be.

Section VIII: The Treasurer — Powers and Duties

The Treasurer shall have the custody of the Corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Trustees.

A. Accounting

The Treasurer shall disperse such funds of the Corporation as may be ordered by the Board of Trustees, taking proper vouchers for such disbursements, and shall render to the Chairman and to the Board of Trustees as required an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

B. Bonding

The Treasurer shall give the Corporation a bond, if requested, which shall be kept constantly in force in the sum and with such security or sureties as shall be satisfactory to the Board of Trustees for faithful performance of the duties of his or her office, and for the restoration to the Corporation in the case of his or her death, resignation, retirement, or removal of office, of all books, papers vouchers, money, and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

E. Audit

The Treasurer shall cause an independent audit of the books of the Corporation to be conducted at least once annually by a Certified Public Accountant chosen by the Board of Trustees for that purpose.

ARTICLE VIII

COMPENSATION, CONFLICTS OF INTEREST

By resolution of the Board of Trustees, each Trustee may be paid expenses if any of attendance at meetings of the Board of Trustees. No Trustee, and no Member however, shall be paid a salary, stipend, honorarium, or any other compensation for service as a Trustee or a Member. Likewise, any member of a standing or ad hoc Committee may be allowed, pursuant to the resolution, to be reimbursed for expenses incurred in attendance at meetings.

All Members of the Corporation, Trustees of the Corporation, members of Committees of the Board of Trustees, and employees of the Corporation shall refrain from any action which constitutes a conflict of interest regarding their service to the Corporation. The Corporation does not afford pecuniary gain, directly, incidentally, or otherwise to its Members, Trustees, members of Committees of the Board of Trustees or its employees other than their Board-authorized compensation.

ARTICLE IX

SEAL

The Corporation shall have no seal.

ARTICLE X

INDEMNIFICATION

Each Trustee, Officer, agent or employee, whether or not then in office, shall be indemnified by the Corporation, in accordance with the provision of Minnesota Statutes, Section 317.A521, and any amendments thereto, against all costs and expenses reasonably incurred by or imposed upon him or her in connection with or rising out of any threatened or real action, suit or proceeding whether civil, criminal, administrative, or investigative, in which he or she may be involved by reason of his or her being or having been a Trustee, Officer, agent or employee of the Corporation. Such expenses to include the cost of reasonable settlement other than amounts paid to the Corporation itself made with a view to curtailment of costs of litigation. The Corporation shall not, however, indemnify any Trustee, Officer, agent or employee with respect to matters as to which he or she shall have been finally adjudged in any such action, suit or proceeding to have been derelict in the performance of his or her duty as such Trustee, Officer, agent or employee nor in respect to any matter on which any settlement or compromise is effected, if the total expense, including the cost of such settlement, shall substantially exceed the expense which might reasonably be incurred by such Trustee, Officer, agent or employee in conducting such litigation to final conclusion. The corporation shall not pay indemnification hereunder without prior court approval in the event the same may be required by the laws of the State of Minnesota. The foregoing right of indemnification shall not be exclusive of other rights to which any Trustee, Officer, agent or employee may be entitled as a matter of law or under bylaw, agreement, vote of the members, or otherwise, and shall not be deemed a limitation upon the powers granted to

the Corporation generally by said laws of the State of Minnesota. With respect to the person who is or was serving as a Trustee, Officer, agent or employee of another corporation, partnership, joint venture, trust, or other enterprise, the indemnification provided for herein shall apply only to the extent such person is not indemnified by other corporations, partnerships, joint ventures, trusts or other enterprises.

ARTICLE XI

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section I: Contracts

The Board of Trustees may authorize any officer or officers, agent or agents of the Board of Trustees and of the Corporation, other than the officers so authorized by these bylaws to enter into contract or execute and deliver any instrument in the name of and in behalf of the Corporation.

Section II: Checks, Drafts, Etc.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall be from time to time determined by resolution of the Board of Trustees.

Section III: Gifts

The Board of Trustees may accept or reject on behalf of the Corporation any contribution, grant, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE XII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Trustees, members, and any Committees having any of the authority of the Board of Trustees or members and shall keep at its registered or principal office a record giving names, addresses, and telephone numbers of the members, and directors.

ARTICLE XIII

FISCAL YEAR

The fiscal year of this Corporation shall end on December 31 of every year, or as otherwise determined by the Board of Trustees.

ARTICLE XIV

DISSOLUTION, TRANSFER OF ASSETS, MERGERS, ETC.

The members of this Corporation may dissolve the Corporation or sell, lease, exchange, mortgage, encumber or dispose of all, or substantially all of the assets and property of the Corporation including its good will, when authorized at any regular or special meeting of the members. Such action shall require the affirmative vote of two-thirds of all of the members at any regular or special meeting of members called for that purpose as prescribed in Article III and Article V of these bylaws.

Upon the dissolution of the Corporation, the Board of Trustees shall, after making provision for the payment of all of the just debts and obligations of the Corporation and all costs and expenses incurred by the Corporation in connection with such dissolution, dispose of all of the remaining assets of the Corporation. Such assets shall be distributed to one or more organizations determined to be exempt from federal income taxes and charitable in nature as provided in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. The use of said assets after distribution shall be restricted to purposes consistent with the needs of environmental protection and education and the protection of endangered animal species.

ARTICLE XV

WAIVER OF NOTICE

Whenever any notice is required to be given under the provision of the Minnesota Non-Profit Corporation Act or under the provision of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time of the vent to which such notice would have pertained shall be deemed equivalent to the giving of such notice.

ARTICLE XVI

AMENDMENT

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by the affirmative vote of two-thirds of the Trustees of the Corporation then in office at any regular, annual, or special meeting called for that purpose at which a quorum of the Trustees are present and with respect to which notice of intention to alter, amend, repeal, or adopt new bylaws at such meeting has been given. The notice shall specify the type of change proposed.

THE SAINT PAUL FOUNDATION

1120 NORWEST CENTER

(612) 224-5463

SAINT PAUL, MINNESOTA 55101

November 30, 1989

Ginny,

Here is the list that Bernie Klein is responsible for. I have not spoken to anyone on this list. They have all received the appropriate materials.

If anyone of the eleven is not attending, we need a resignation form signed by them. Ignore the alternates. They have not been included in any mailing and will not be asked to attend.

Ginny, if you have any questions, please phone.

Thanks!

Chris

September 29, 1989

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

Dear Paul,

I hereby appoint the following persons to the Board of Directors
of the Minnesota Zoological Garden Foundation:

Form
Mr. Burton D. Cohen
Adams Publishing
Suite 400, Plymouth Building *no*
12 South 6th Street
Minneapolis, MN 55402

Eleanor R. Crosby *called*
1612 Willow Drive
Long Lake, MN 55356

Mark E. Cherniack *yes*
1805 Logan Avenue South
Minneapolis, MN 55405

Lynn Johnson *yes*
186 West Lake Street
Excelsior, MN 55331

Edward N. Dayton *yes*
NED, INC.
445 Lake, Suite 308
Wayzata, MN 55391

Willis F. Rich, Jr. *yes*
4770 Manitou Road
Tonka Bay, MN 55331

Kathryn R. Roberts
13000 Zoo Boulevard
Apple Valley, MN 55124

Page 2
September 29, 1989

Karen J. Jensen
13000 Zoo Boulevard
Apple Valley, MN 55124

Thomas B. Williams
13000 Zoo Boulevard
Apple Valley, MN 55124

Ronald L. Tilson
13000 Zoo Boulevard
Apple Valley, MN 55124

Richard C. Buske
13000 Zoo Boulevard
Apple Valley, MN 55124

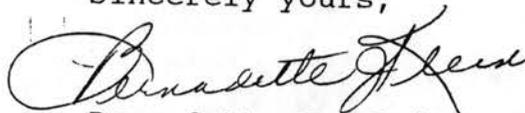
Alternates:

Gloria Heinz
13000 Zoo Boulevard
Apple Valley, MN 55124

Peter O. Thomas
13000 Zoo Boulevard
Apple Valley, MN 55124

Virginia D. Bender
13000 Zoo Boulevard
Apple Valley, MN 55124

Sincerely yours,



Bernadette J. Klein
Chair
Minnesota Zoological Garden

Dec. 7

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

MEMORANDUM

November 20, 1989

TO: The Members and Board of Directors of the Minnesota
Zoological Garden Foundation

FROM: Paul A. Verret, Secretary *WV*

RE: Change in (4) of November 13, 1989 Notice of Special
Meeting

Enclosed is a revised Notice of Special Meeting for the Members and Board of Directors of the Minnesota Zoological Garden Foundation. Number (4) has been clarified to read "reviewed by the Minnesota Zoological Board Development Committee" and not by the Minnesota Zoological Board itself and the Development Committee. The Development Committee has the authority to recommend approval but can only review and recommend approval by the Board.

If you have any questions about this clarification, please do not hesitate to phone.

PAV:cv

Enclosure

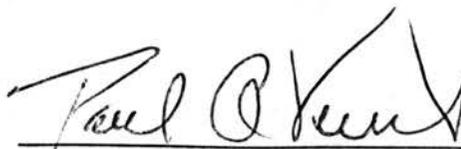
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

NOTICE OF SPECIAL MEETING
OF
MEMBERS AND BOARD OF DIRECTORS

REVISED

NOTICE IS HEREBY GIVEN of a special meeting of the Members and Board of Directors of the Minnesota Zoological Garden Foundation to be held on Thursday, December 7, 1989, at 10:00 a.m. in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota, for the following purposes:

- (1) Election of new Members and Directors.
- (2) Review and approve the Minutes of the last meeting.
- (3) Ratify all discretionary grants and any other actions since the last meeting requiring Board ratification.
- (4) Review and vote on the enclosed Restated Articles of Incorporation and revised Bylaws. These documents have been reviewed by the Minnesota Zoological Board Development Committee and the Administrative Staff. Under these documents, the members of the Board of Directors of the Minnesota Zoological Garden will be the sole members of the Foundation and would have three powers reserved to them.
 1. The power to elect the Board of Trustees of the Foundation from a slate of nominations prepared by a committee of three Trustees; and
 2. The power to amend the Articles of Incorporation of the Foundation; and
 3. The power to dissolve the Foundation.
- (5) Review and take action, as appropriate, on any other matters which properly come before the meeting.
- (6) Authorize Paul A. Verret, as Secretary, to take such actions as may be necessary to accomplish the above described matters.



Paul A. Verret, Secretary

Dated: November 20, 1989

DND.MZOO.NOM

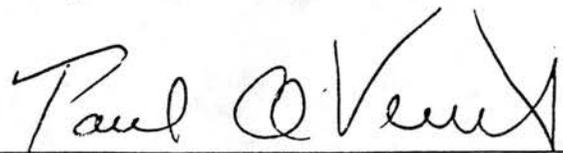
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

NOTICE OF SPECIAL MEETING
OF
MEMBERS AND BOARD OF DIRECTORS

hangouts for me

NOTICE IS HEREBY GIVEN of a special meeting of the Members and Board of Directors of the Minnesota Zoological Garden Foundation to be held on Thursday, December 7, 1989, at 10:00 a.m. in the Board Room of The Saint Paul Foundation, 1120 Norwest Center, Saint Paul, Minnesota, for the following purposes:

- (1) Election of new Members and Directors.
- (2) Review and approve the Minutes of the last meeting.
- (3) Ratify all discretionary grants and any other actions since the last meeting requiring Board ratification.
- (4) Review and vote on the enclosed Restated Articles of Incorporation and revised Bylaws. These documents have been reviewed and approved by the Minnesota Zoological Board, Development Committee and the Administrative Staff. Under these documents, the members of the Board of Directors of the Minnesota Zoological Garden will be the sole members of the Foundation and would have three powers reserved to them.
 1. The power to elect the Board of Trustees of the Foundation from a slate of nominations prepared by a committee of three Trustees; and
 2. The power to amend the Articles of Incorporation of the Foundation; and
 3. The power to dissolve the Foundation.
- (5) Review and take action, as appropriate, on any other matters which properly come before the meeting.
- (6) Authorize Paul A. Verret, as Secretary, to take such actions as may be necessary to accomplish the above described matters.


Paul A. Verret, Secretary

Dated: November 13, 1989

1118199

RESTATED
ARTICLES OF INCORPORATION
OF
THE MINNESOTA ZOO FOUNDATION

We, the undersigned, for the purposes of re-organizing a non-profit Corporation under Chapter 317 of Minnesota Statutes, and all laws amendatory and supplementary thereof, hereby associate ourselves as a body corporate and adopt these Articles of Incorporation:

ARTICLE I

The name of this Corporation shall be the Minnesota Zoo Foundation.

ARTICLE II

This Corporation is organized and shall be operated exclusively for charitable purposes, all as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Consistent with the foregoing and without limiting its generality, the purpose of this Corporation shall be in sole support of the Minnesota Zoological Garden and its affiliated organizations provided such organizations have been determined to be charitable in nature under Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. Within the framework and limitations of the foregoing, this Corporation is organized and shall be operated exclusively to engage in, advance, support, promote, and administer charitable activities, causes, and activities of every kind and nature whatsoever in its own behalf or as the agent, trustee, or representative of others, but only if and to the extent consistent with the foregoing purposes.

For such purposes, this Corporation shall have and exercise only such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise, or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants, and contributions of, and to convey, transfer, and dispose of any funds and property and

the income therefrom in furtherance of the purposes of the Corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber and use the same, and other such powers that are consistent with the foregoing purposes and that are afforded to this Corporation by the Minnesota Nonprofit Corporation Act and by any future laws amendatory thereof and supplementary thereto. Provided, however, that all such powers of this Corporation shall be exercised only so that the activities of this Corporation shall be exclusively within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and of Section 290.05 of the Minnesota Statutes; provided further, however, that the references herein to Section 290.05 of the Minnesota Statutes shall not permit, and shall not be taken as permitting this Corporation to have or exercise any power which is not within the contemplation of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986; and provided finally that this Corporation shall not carry on any activity not permitted to be carried on by a corporation that is exempt from federal income taxes under Section 509(a) of the Internal Revenue Code of 1986, as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or by a corporation that is described in, and contributions to which are deductible for federal income tax purposes under, Section 170(c)(2) of the Internal Revenue Code of 1986.

ARTICLE III

This Corporation is organized as a non-profit organization. The Corporation shall pay no dividends or other pecuniary gain, directly or indirectly, to its members, trustees, officers, as such, nor shall any part of the earnings of the Corporation inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of this Corporation shall constitute the carrying on of propaganda or attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign on behalf of any candidate for public office, nor shall the Corporation engage in any transaction or carry on any activity which is not permitted to be carried on by a corporation exempt from federal income taxes under Sections 501(c)(3) or 509(a) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue law, or by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding sections of any future United States Internal Revenue law.

ARTICLE IV

The duration of this Corporation shall be perpetual.

ARTICLE V

The registered office of this Corporation shall be 13000 Zoo Boulevard, Apple Valley, Minnesota 55124.

ARTICLE VI

The following persons constitute the incorporators who are re-organizing the Corporation:

Mark Cherniack
C.C.Dunnavan Co.
505 N. Cty.Rd. 18, #640
Plymouth, MN 55441

Ellie Crosby
1612 Willow Drive
Long Lake, MN 55356

Edward N. Dayton
NED, Inc.
445 Lake, # 308
Wayzata, MN 55391

Bernadette Klein
1840 Troy Lane
Plymouth, MN 55447

ARTICLE VII

The membership of this Corporation shall consist solely of the members of the Minnesota Zoological Board. Each member of said Board shall become a member of this Corporation concurrently with his or her becoming a member of such Board, shall continue to be a member of this Corporation for so long as he or she is a member of such Board, and automatically shall cease to be a member of this Corporation concurrently with his or her ceasing to be a member of such Board. Each member shall be entitled to one vote on all matters requiring the vote of the members of this Corporation as prescribed from time to time in the Bylaws of this Corporation.

ARTICLE VIII

The management and direction of the business and affairs of this Corporation shall be vested in a Board of Trustees. The number, qualifications, term of office, method of election, powers, authority, and duties of the Trustees of this Corporation, the time and place of their meetings, and such other provi-

sions with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified in the Bylaws of this Corporation.

The names and addresses of the members of the first Board of Trustees of this re-organized Corporation are:

Mark Cherniack
C.C.Dunnavan Co.
505 N. Cty.Rd. 18, #640
Plymouth, MN 55441

Ellie Crosby
1612 Willow Drive
Long Lake, MN 55356

Edward N. Dayton
NED, Inc.
445 Lake, # 308
Wayzata, MN 55391

Bernadette Klein
1840 Troy Lane
Plymouth, MN 55447

The term of office of each such member of the first Board of Trustees shall be until the annual meeting in the year 1990, or until such Trustees' successors shall have been elected and qualified.

ARTICLE IX

No Trustee, Officer or Member of this Corporation shall have any personal liability for any debt or obligation of the Corporation.

ARTICLE X

This Corporation shall have no capital stock, either authorized or issued.

ARTICLE XI

The Members of this Corporation may from time to time make, alter, amend, or rescind all or any part of these Articles of Incorporation in any manner now or hereinafter prescribed in Minnesota Statutes governing non-profit corporations. Such action shall require the affirmative vote of two-thirds of all the Members at any regular or special meeting called for that purpose and at which a quorum is present as prescribed in the Corporation Bylaws.

ARTICLE XII

The Members of this Corporation may dissolve the Corporation or sell, lease, exchange, mortgage, encumber or dispose of all, or substantially all of the assets of the Corporation including its goodwill, when authorized at a meeting of the Members called for that purpose. Such action shall require the affirmative vote of two-thirds of all of the Members at any regular or special meeting at which a quorum is present as prescribed in the Corporation Bylaws.

ARTICLE XIII

Upon the dissolution of the Corporation, the Board of Trustees shall, after making provision for the payment of all of the just debts and obligations of the Corporation, and all costs and expenses incurred by the Corporation in connection with such dissolution, dispose of all of the remaining assets of the Corporation. Such assets shall be distributed to one or more organizations determined to be exempt from federal income taxes and charitable in nature as provided in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. The use of said assets after distribution shall be restricted to purposes consistent with the needs of environmental protection and education and the protection of endangered animal species.

IN WITNESS WHEREOF, we have hereunto executed these Articles of Incorporation this _____ day of _____, 1989.

BYLAWS
OF
THE MINNESOTA ZOO FOUNDATION

ARTICLE I

OFFICES

The principal office of this Corporation shall be located at 13000 Zoo Boulevard, Apple Valley, Minnesota, 55124. The Corporation may have other offices, either within or without the city of Apple Valley, as the Board of Trustees may from time to time determine.

The Corporation shall have and continuously maintain in Apple Valley, Minnesota a registered office. The registered office may be but need not be identical with the principal office in the city of Apple Valley, Minnesota and shall be as set forth in the Articles of Incorporation.

ARTICLE II

MEMBERSHIP

The voting membership of this Corporation shall consist solely of the membership of the Board of Directors of the Minnesota Zoological Garden. The terms of the members of this Corporation shall be concurrent with their membership on said Board of Directors and no member may voluntarily or involuntarily transfer membership, certificate of membership, or any right arising therefrom.

ARTICLE III

MEETINGS OF MEMBERS

Section I: Place of Meeting

All meetings of the members shall be held at the principal office of the Corporation in the State of Minnesota, or at such place within or without the State as may be selected from time to time by the Board of Trustees or by written consent of all members entitled to vote at such meeting.

Section II: Annual Meeting

The annual meeting of members shall be held during the first four months following the close of the previous fiscal year, for the purpose of electing Trustees and transaction of any other business as may come before the meeting. However, no business with respect to which special notice is required shall be transacted unless notice shall have been given. If for any reason, the annual meeting is not held, or the Trustees are not elected at the annual meeting, Trustees may be elected at a special meeting held for that purpose, and it shall be the duty of the Chairman, Vice Chairman, or Secretary upon demand of any

member entitled to vote to call such meeting. Should none of the said officers call such meeting upon demand, the members shall have the right and power to call such meeting.

Section III: Notice of Annual Meeting

Written notice of the time and place of the annual meeting shall be mailed, postage prepaid, at least ten days before such meeting, to each member entitled to vote at the annual meeting, at the member's address that appears on the books of the Corporation.

Section IV: Special Meeting

Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the Chairman, and shall be called by the Chairman at the request in writing of any ten members of the Corporation. Such request which shall be by registered mail or delivered in person to the Chairman, shall state the purpose or purposes of the proposed meeting.

Section V: Notice of Special Meeting

Written notice of the time, place and purpose or purposes of a special meeting shall be mailed, postage pre-paid, at least five days before such meeting, to each member entitled to vote at such meeting at the member's address that appears upon the books of the Corporation.

Section VI: Business to be Transacted

No business shall be transacted at any special meeting of the members except that stated in the notice of the special meeting.

Section VII: Waiver of Notice

Notice of the time, place and purpose of any meeting of members may be waived in writing by any member. Such waiver may be given before or after the meeting and shall be filed with the Secretary or entered upon the records of the meeting.

Section VIII: Quorum and Adjournment

A majority of the members then in office shall be necessary to constitute a quorum to transact business. If, at any meeting of the members, there shall be less than a quorum present, a majority of those present may adjourn the meeting, without further notice from time to time until a quorum shall have been obtained. Members may not participate or vote by proxy in any meeting of the members, and no proxy shall be deemed to constitute attendance for the purpose of constituting a quorum at any such meeting. Any action that may be taken by the members at a meeting may be taken without a meeting, if consent in writing, set forth the action so taken, shall be signed by all of the members. Such action shall be effective on the date on which the last signature is placed thereon or on such earlier effective date as set forth therein.

Section IX: Organization of Meeting

At all meetings of members, the Chairman shall act as Chairperson and in the Chairperson's absence any person appointed by the Chairman shall act as Chairperson, and the Secretary, or in the Secretary's absence any person appointed by the Chairperson, shall act as Secretary. Robert's Rules of Order shall govern the conduct of the meetings of members.

ARTICLE IV

BOARD OF TRUSTEES

Section I: General Powers

The business of the Corporation shall be managed by the Board of Trustees which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws required to be exercised or done by the members.

Section II: Number and Terms of Office

The number of Trustees which shall constitute the whole Board shall be not less than twenty nor more than thirty. The property, affairs, concerns, directions and business of the Corporation shall be vested in, and managed at the discretion of the Board of Trustees.

The Board of Trustees shall pursue such policies and principles as shall be in accordance with the provisions in the Articles of Incorporation, these Bylaws and the statutes of the State of Minnesota.

All voting power in the Corporation shall be vested in the Board of Trustees except for those matters specifically reserved for the members of the Corporation as provided in the Articles of Incorporation and in these Bylaws. Each Trustee shall have one vote in all matters requiring the action or vote of the Board of Trustees and voting shall not be cumulative.

The Trustees shall be divided into three classes, as nearly equal in number as may be. The term of office of those Trustees of the first class shall expire at the annual meeting of the Board of Trustees in 1990, and such Trustees shall be referred to as the Class of 1990; the term of office of those Trustees of the second class shall expire at the annual meeting of the Board of Trustees in 1991, and such Trustees shall be referred to as the Class of 1991; and the term of office of those Trustees of the third class shall expire at the annual meeting of the Board of Trustees in the year 1992, and such Trustees shall be referred to as the class of 1992. Upon expiration of the terms of office of the Trustees as classified above, their successors shall be elected for the term of three years each, so that approximately one-third of the number of Trustees of the Corporation shall be elected annually. Each class of Trustees shall be referred to by the year in which its term expires. In addition to the above described Trustees who shall be considered regularly elected, there shall be two Trustees who serve on the Board of Trustees ex-officio. The Chair of the Board of Directors of the Minnesota Zoological Garden shall serve ex-officio as a Trustee with full voting privileges. The General Director of the Minnesota Zoological Garden shall serve ex-officio as a Trustee without voting privileges. All regularly elected Trustees shall hold

office for the term indicated or until his or her successor shall have been elected and qualified. All ex-officio Trustees shall hold office for a term concurrent with their term in the office they represent or until their successors shall have been elected and qualified.

Section III: Election of Trustees

The Trustees shall be elected by a vote of the members at their annual meeting or at any special meeting called for such purpose from a slate of nominations made by the nominating committee. An individual member may give nominations to the Nominating Committee prior to sixty days before the election to fill a directorship which is vacant or will be vacated. Vacancies in the Board of Trustees shall be filled for the remainder of the vacated term by vote of the remaining Trustees, though less than a quorum.

Section IV: Resignation and Removal

Any Trustee of the Corporation may resign at any time by giving written notice to the Secretary of the Corporation. Such resignation shall take effect at the date of the receipt or at any later time specified in the resignation, and unless otherwise specified in the resignation, the acceptance of such resignation shall not be necessary to make it effective. Any Trustee may be removed with or without cause, by a majority vote of the members entitled to vote at an election of directors or at any special meeting thereof.

Section V: Nominating Committee

There shall be a Nominating Committee appointed by the Chairman comprised of three Trustees then in good standing. The term of each member shall be for the shorter of one year or the period ending on the date of the annual meeting of members immediately following his or her appointment. The Nominating Committee shall carry on such duties as specified by the Board of Trustees. Nominations shall be presented by the Nominating Committee to the entire membership prior to thirty days before the election to fill such office or trusteeship. Other members or Trustees may suggest names of prospective Board members to the Nominating Committee at least sixty days prior to the date names must be presented to the membership.

The Nominating Committee shall also nominate persons for vacated offices, and for offices which will be vacated at the Annual Meeting of Trustees next following.

Section VI: Limitation on Number of Terms

Any Trustee may be elected for up to two consecutive three-year terms. A Trustee elected to fill a vacancy shall not be considered to have served a three-year term and shall be eligible for election to two consecutive three-year terms upon the expiration of the vacated term to which elected. Any Trustee having served two consecutive three-year terms shall again become eligible for re-election after an absence from the Board for one year.

ARTICLE V

MEETINGS OF TRUSTEES

Section I: Place of Meetings

The Board of Trustees of the Corporation may hold meetings, both regular and special, either within or without the State of Minnesota at such place as a majority of the members of the Board may from time to time appoint.

Section II: Annual Meeting of Trustees

An annual meeting of the Trustees for the purpose of electing Officers shall be held immediately following the annual meeting of members. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice, as hereinafter provided for special meetings of the Board of Trustees, or such meeting may be dispensed with and the election of officers and any other business may be handled pursuant to provisions of these Bylaws which provide for action without meetings.

Section III: Regular Meetings

Regular meetings of the Board of Trustees may be held without notice at such time and at such place as shall from time to time be determined by the Board. At a minimum, the Board shall be required to meet at least once in each calendar quarter.

Section IV: Special Meetings

Special meetings of the Board may be called by the Chairman on ten days notice to each Trustee, either personally or by mail or by telegram; special meetings shall be called by the President or the Secretary in a like manner and on like notice on the written request of four or more Trustees. Every such notice shall state the time and place of meeting and the purpose of the meeting. No business other than that stated in the notice shall be transacted at said meeting without the unanimous consent of all the members of the Board of Trustees.

Section V: Quorum

At all meetings of the Board of Trustees the majority of Trustees shall constitute a quorum for the transaction of business and the act of the majority of Trustees present at any meeting at which there is a quorum shall be the act of the Board of Trustees, except as may otherwise specifically be provided by statute or by the Articles of Incorporation. If a quorum shall not be present at any meeting of the Board of Trustees, the Trustees present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present. If a quorum is present at the call of a meeting, the Trustees may continue to transact business regardless of the number of Trustees present.

Section VI: Organization of Meetings

At all meetings of the Board of Trustees, the Chairman or in the Chairman's absence any person appointed by the Chairman shall act as Chairperson, and the Secretary or in the Secretary's absence any person appointed by the Chairperson shall act as Secretary. Robert's Rules of Order shall govern the conduct of business at all Board meetings.

Section VII: Action without Meeting

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Trustees or of any Committees thereof may be taken without a meeting if a written consent thereto is signed by all members of the Board or of such Committees as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or Committee. Such Action shall be effective on the date on which the last signature is placed on the writing or writings or such early effective date as set forth therein.

ARTICLE VI

COMMITTEES

Section I: Executive Committee

An Executive Committee of five or more Trustees may be designated by resolution, passed by a majority of the whole Board. The Chairman and the President shall automatically serve on the Executive Committee ex-officio. During the interval between meetings of the Board, the Executive Committee shall advise and aid the officers of the Board in all matters concerning its interests and the management of its business, and generally performing such duties as may be directed by the Board from time to time. The Chairman of the Board shall be the Chairperson of the Executive Committee. The Committee shall possess and may exercise all the powers of the Board of Trustees while the Board is not in session except power (1) which has been delegated to other Committees in accordance with these Bylaws, (2) to remove any member of the Executive Committee or any principal officer, (3) to change the number of members of the Executive Committee, (4) to alter or amend these Bylaws, (5) to alter or amend the Articles of Incorporation, (6) to take any action which the Board of Trustees may specifically reserve to itself or as may be reserved in the Articles of Incorporation. Actions of the Executive Committee must be reported and ratified at the regular meeting of the Board of Trustees next following.

Section II: Other Committees

The Board of Trustees shall establish, in addition to the Executive Committee, a Finance Committee, a Nominating Committee, a Personnel Policy Committee, and other such standing and ad hoc Committees as the Board shall determine to be in the best interest of the Corporation. The membership, duties, and responsibilities of said Committees shall be designated by the Board of Trustees.

ARTICLE VII

OFFICERS

Section I: Number and Names of Offices

The Officers of the Corporation shall be chosen by the Board of Trustees and shall include a Chairman, a President, a Vice Chairman, a Secretary, and a Treasurer. All such Officers shall be elected from the membership of the Board of Trustees. No person shall hold more than one office simultaneously.

Section II: Election and Term of Office

With the exception of the President the Officers shall be elected for a term of one year or as specified by the Board of Trustees. The election of Officers shall be held at the annual meeting of the Board of Trustees by vote on a slate of nominations provided by the nominating Committee. New offices may be created and filled at any meeting of the Board of Trustees. Each Officer shall hold office until the Officer's successor shall have been duly elected and shall have qualified.

Section III: Resignations, Removal, and Vacancies

Any Officer elected or appointed by the Board of Trustees may be removed with or without cause at any time by the affirmative vote of the majority of the Board of Trustees. Any Officer may resign at any time by giving written notice to the President or the Secretary of the Corporation. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Trustees.

Section IV: The Chairman -- Powers and Duties

The Chairman shall be the Chief Executive Officer of the Corporation, shall preside at all meetings of the Members and meetings of the Board of Trustees, and shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the Board of Trustees are carried into effect.

The Chairman shall execute bonds, mortgages, and other contracts required of the Corporation except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall expressly be delegated by the Board of Trustees to some other Officer or agent of the Corporation.

Section V: The Vice Chairman -- Powers and Duties

The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman, and shall perform such other duties and have such other powers as the Board of Trustees may from time to time prescribe.

Section VI: The President -- Powers and Duties

The President shall serve in office by virtue of his or her office as General Director of the Minnesota Zoological Garden. The President shall be the Chief Administrative Officer of the corporation and shall employ, supervise and

discharge all employees of the corporation in accordance with the policies of the Board of Trustees. The President shall render such assistance to the officers of the corporation as may be necessary for such officers to carry out their duties.

The President shall be the chief liaison between the Board of Trustees and the Minnesota Zoological Garden, and shall make the Board of Trustees aware of any action of the corporation which would be in conflict with the purpose and policies of the Minnesota Zoological Garden. In addition, the President shall carry out any other duties and perform other such tasks as may be assigned to him or her by action of the Board of Trustees.

Section VII: The Secretary — Powers and Duties

The Secretary shall attend all meetings of the Board of Trustees and all meetings of the members and record the proceedings of the meetings of the Members and the Board of Trustees in a book to be kept for that purpose and shall perform like duties for standing Committees when required. The Secretary shall give, or cause to be given notice of all meetings of the members and meetings of the Board of Trustees and shall perform such other duties as may be prescribed by the Board of Trustees or the President, under whose supervision the Secretary shall be.

Section VIII: The Treasurer — Powers and Duties

The Treasurer shall have the custody of the Corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Trustees.

A. Accounting

The Treasurer shall disperse such funds of the Corporation as may be ordered by the Board of Trustees, taking proper vouchers for such disbursements, and shall render to the Chairman and to the Board of Trustees as required an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

B. Bonding

The Treasurer shall give the Corporation a bond, if requested, which shall be kept constantly in force in the sum and with such security or sureties as shall be satisfactory to the Board of Trustees for faithful performance of the duties of his or her office, and for the restoration to the Corporation in the case of his or her death, resignation, retirement, or removal of office, of all books, papers, vouchers, money, and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

E. Audit

The Treasurer shall cause an independent audit of the books of the Corporation to be conducted at least once annually by a Certified Public Accountant chosen by the Board of Trustees for that purpose.

ARTICLE VIII

COMPENSATION, CONFLICTS OF INTEREST

By resolution of the Board of Trustees, each Trustee may be paid expenses if any of attendance at meetings of the Board of Trustees. No Trustee, and no Member however, shall be paid a salary, stipend, honorarium, or any other compensation for service as a Trustee or a Member. Likewise, any member of a standing or ad hoc Committee may be allowed, pursuant to the resolution, to be reimbursed for expenses incurred in attendance at meetings.

All Members of the Corporation, Trustees of the Corporation, members of Committees of the Board of Trustees, and employees of the Corporation shall refrain from any action which constitutes a conflict of interest regarding their service to the Corporation. The Corporation does not afford pecuniary gain, directly, incidentally, or otherwise to its Members, Trustees, members of Committees of the Board of Trustees or its employees other than their Board-authorized compensation.

ARTICLE IX

SEAL

The Corporation shall have no seal.

ARTICLE X

INDEMNIFICATION

Each Trustee, Officer, agent or employee, whether or not then in office, shall be indemnified by the Corporation, in accordance with the provision of Minnesota Statutes, Section 317.A521, and any amendments thereto, against all costs and expenses reasonably incurred by or imposed upon him or her in connection with or rising out of any threatened or real action, suit or proceeding whether civil, criminal, administrative, or investigative, in which he or she may be involved by reason of his or her being or having been a Trustee, Officer, agent or employee of the Corporation. Such expenses to include the cost of reasonable settlement other than amounts paid to the Corporation itself made with a view to curtailment of costs of litigation. The Corporation shall not, however, indemnify any Trustee, Officer, agent or employee with respect to matters as to which he or she shall have been finally adjudged in any such action, suit or proceeding to have been derelict in the performance of his or her duty as such Trustee, Officer, agent or employee nor in respect to any matter on which any settlement or compromise is effected, if the total expense, including the cost of such settlement, shall substantially exceed the expense which might reasonably be incurred by such Trustee, Officer, agent or employee in conducting such litigation to final conclusion. The corporation shall not pay indemnification hereunder without prior court approval in the event the same may be required by the laws of the State of Minnesota. The foregoing right of indemnification shall not be exclusive of other rights to which any Trustee, Officer, agent or employee may be entitled as a matter of law or under bylaw, agreement, vote of the members, or otherwise, and shall not be deemed a limitation upon the powers granted to

the Corporation generally by said laws of the State of Minnesota. With respect to the person who is or was serving as a Trustee, Officer, agent or employee of another corporation, partnership, joint venture, trust, or other enterprise, the indemnification provided for herein shall apply only to the extent such person is not indemnified by other corporations, partnerships, joint ventures, trusts or other enterprises.

ARTICLE XI

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section I: Contracts

The Board of Trustees may authorize any officer or officers, agent or agents of the Board of Trustees and of the Corporation, other than the officers so authorized by these bylaws to enter into contract or execute and deliver any instrument in the name of and in behalf of the Corporation.

Section II: Checks, Drafts, Etc.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall be from time to time determined by resolution of the Board of Trustees.

Section III: Gifts

The Board of Trustees may accept or reject on behalf of the Corporation any contribution, grant, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE XII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of the Board of Trustees, members, and any Committees having any of the authority of the Board of Trustees or members and shall keep at its registered or principal office a record giving names, addresses, and telephone numbers of the members, and directors.

ARTICLE XIII

FISCAL YEAR

The fiscal year of this Corporation shall end on December 31 of every year, or as otherwise determined by the Board of Trustees.

ARTICLE XIV

DISSOLUTION, TRANSFER OF ASSETS, MERGERS, ETC.

The members of this Corporation may dissolve the Corporation or sell, lease, exchange, mortgage, encumber or dispose of all, or substantially all of the assets and property of the Corporation including its good will, when authorized at any regular or special meeting of the members. Such action shall require the affirmative vote of two-thirds of all of the members at any regular or special meeting of members called for that purpose as prescribed in Article III and Article V of these bylaws.

Upon the dissolution of the Corporation, the Board of Trustees shall, after making provision for the payment of all of the just debts and obligations of the Corporation and all costs and expenses incurred by the Corporation in connection with such dissolution, dispose of all of the remaining assets of the Corporation. Such assets shall be distributed to one or more organizations determined to be exempt from federal income taxes and charitable in nature as provided in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986. The use of said assets after distribution shall be restricted to purposes consistent with the needs of environmental protection and education and the protection of endangered animal species.

ARTICLE XV

WAIVER OF NOTICE

Whenever any notice is required to be given under the provision of the Minnesota Non-Profit Corporation Act or under the provision of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice whether before or after the time of the meeting to which such notice would have pertained shall be deemed equivalent to the giving of such notice.

ARTICLE XVI

AMENDMENT

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by the affirmative vote of two-thirds of the Trustees of the Corporation then in office at any regular, annual, or special meeting called for that purpose at which a quorum of the Trustees are present and with respect to which notice of intention to alter, amend, repeal, or adopt new bylaws at such meeting has been given. The notice shall specify the type of change proposed.

Audited Financial Statements

Minnesota Zoological Garden
Foundation

June 30, 1989

Ernst & Young

Audited Financial Statements

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

June 30, 1989

Report of Independent Auditors	1
Balance Sheets	2
Statements of Support, Revenue, Expenses and Changes in Fund Balances	3
Statements of Functional Expenses.	4
Statements of Cash Flows	5
Notes to Financial Statements.	6

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Minnesota Zoological Garden Foundation

We have audited the accompanying balance sheets of Minnesota Zoological Garden Foundation as of June 30, 1989 and 1988, and the related statements of support, revenue, expenses and changes in fund balances, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnesota Zoological Garden Foundation at June 30, 1989 and 1988, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

St. Paul, Minnesota
August 28, 1989

Ernst & Young

BALANCE SHEETS

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

	June 30, 1989			June 30, 1988		
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
ASSETS						
Cash	\$ 38,182	\$ 92,774	\$130,956	\$ 34,660	\$ 84,524	\$119,184
TOTAL ASSETS	<u>\$ 38,182</u>	<u>\$ 92,774</u>	<u>\$130,956</u>	<u>\$ 34,660</u>	<u>\$ 84,524</u>	<u>\$119,184</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ 1,127	\$ 4,720	\$ 5,847	\$ 1,026	\$ 1,000	\$ 2,026
Deferred restricted contributions--Note 3		88,054	88,054		83,524	83,524
TOTAL LIABILITIES	<u>1,127</u>	<u>92,774</u>	<u>93,901</u>	<u>1,026</u>	<u>84,524</u>	<u>85,550</u>
Fund balances	<u>37,055</u>		<u>37,055</u>	<u>33,634</u>		<u>33,634</u>
	<u>\$ 38,182</u>	<u>\$ 92,774</u>	<u>\$130,956</u>	<u>\$ 34,660</u>	<u>\$ 84,524</u>	<u>\$119,184</u>

See notes to financial statements.

STATEMENTS OF SUPPORT, REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

	Year Ended June 30, 1989			Year Ended June 30, 1988		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
SUPPORT AND REVENUE						
Contributions	\$ 300	\$ 33,682	\$ 33,982	\$ 3,000	\$ 47,153	\$ 50,153
Interest and other income	8,792		8,792	7,019		7,019
TOTAL SUPPORT AND REVENUE	<u>9,092</u>	<u>33,682</u>	<u>42,774</u>	<u>10,019</u>	<u>47,153</u>	<u>57,172</u>
EXPENSES						
Program		33,682	33,682		47,153	47,153
Management and general	5,671		5,671	5,212		5,212
TOTAL EXPENSES	<u>5,671</u>	<u>33,682</u>	<u>39,353</u>	<u>5,212</u>	<u>47,153</u>	<u>52,365</u>
EXCESS OF SUPPORT AND REVENUE OVER EXPENSES	3,421		3,421	4,807		4,807
FUND BALANCES						
Beginning of year	<u>33,634</u>		<u>33,634</u>	<u>28,827</u>		<u>28,827</u>
End of year	<u>\$ 37,055</u>	<u>\$ -</u>	<u>\$ 37,055</u>	<u>\$ 33,634</u>	<u>\$ -</u>	<u>\$ 33,634</u>

See notes to financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

	<u>Year Ended June 30, 1989</u>			<u>Year Ended June 30, 1988</u>		
	<u>Program</u>	<u>Management and General</u>	<u>Total</u>	<u>Program</u>	<u>Management and General</u>	<u>Total</u>
Grants	\$ 33,682		\$ 33,682	\$ 47,153		\$ 47,153
Professional fees		\$ 1,525	1,525		\$ 1,100	1,100
Services of The Saint Paul Foundation--Note 2		4,146	4,146		4,112	4,112
	<u>\$ 33,682</u>	<u>\$ 5,671</u>	<u>\$ 39,353</u>	<u>\$ 47,153</u>	<u>\$ 5,212</u>	<u>\$ 52,365</u>

See notes to financial statements.

STATEMENTS OF CASH FLOWS

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

	Year Ended June 30, 1989			Year Ended June 30, 1988		
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
OPERATING ACTIVITIES						
Excess of support and revenue over expenses	\$ 3,421		\$ 3,421	\$ 4,807		\$ 4,807
Changes in accounts payable	101	\$ 3,720	3,821	(1,505)	\$ 1,000	(505)
Increase (decrease) in deferred contributions		4,530	4,530		(8,495)	(8,495)
NET CASH PROVIDED BY (USED FOR)						
OPERATING ACTIVITIES	3,522	8,250	11,772	3,302	(7,495)	(4,193)
CASH AT BEGINNING OF YEAR	<u>34,660</u>	<u>84,524</u>	<u>119,184</u>	<u>31,358</u>	<u>92,019</u>	<u>123,377</u>
CASH AT END OF YEAR	<u>\$ 38,182</u>	<u>\$ 92,774</u>	<u>\$130,956</u>	<u>\$ 34,660</u>	<u>\$ 84,524</u>	<u>\$119,184</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation: To ensure observance of the limitations and restrictions placed on the use of restricted resources, 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 that are in accordance with the objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined into two fund groups. Externally restricted funds may only be used in accordance with the purposes established by the source of such funds. Unrestricted funds are under the full control of the Board of Directors.

Pledges: Pledges are not reflected in the financial statements until the contributions have been received.

Support and Revenue: Unless specifically restricted by the donor, contributions are considered to be available for unrestricted use and are recognized as revenue when the funds are received.

Contributions restricted by the donor or grantor for a particular purpose are deemed to be earned, and therefore are reported as revenue and support, when the Foundation has incurred expenses for the purpose specified. Amounts received but not yet earned are reported as deferred restricted contributions.

Statement of Cash Flows: In November, 1987, the Financial Accounting Standards Board issued Statement No. 95, "Statement of Cash Flows". The Foundation adopted the provisions of the statement in its 1989 financial statements and restated the previously reported statements of changes in financial position for 1988.

NOTES TO FINANCIAL STATEMENTS--Continued

MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

NOTE 2--TRANSACTIONS WITH RELATED PARTIES

An officer of the Foundation is the President of The St. Paul Foundation, which provides administrative services to the Foundation. Transactions between the Foundation and this entity are as follows:

	June 30	
	1989	1988
Administrative and fundraising costs	\$ 4,146	\$ 4,112
Accounts payable at year-end	1,127	1,026

NOTE 3--DEFERRED RESTRICTED CONTRIBUTIONS

Changes in deferred restricted contributions were as follows:

	Year Ended June 30, 1989				Year Ended June 30, 1988			
	Minnesota Zoo Improvements	Monorail	Fundraising	Total	Minnesota Zoo Improvements	Monorail	Fundraising	Total
Balances at beginning of year	\$ 80,672	\$ 1,407	\$ 1,445	\$ 83,524	\$ 86,356	\$ 4,218	\$ 1,445	\$ 92,019
Add--contributions	38,212			38,212	38,658			38,658
Deduct--current year expenses	(33,682)			(33,682)	(44,342)	(2,811)		(47,153)
Balances at end of year	<u>\$ 85,202</u>	<u>\$ 1,407</u>	<u>\$ 1,445</u>	<u>\$ 88,054</u>	<u>\$ 80,672</u>	<u>\$ 1,407</u>	<u>\$ 1,445</u>	<u>\$ 83,524</u>

April 10, 1989

To: Donald Muetting
Assistant Attorney General

From: Richard Buske
Director of Operations

Subject: Minnesota Zoo Foundation

The Minnesota Zoo has had an ongoing relationship with the Minnesota Zoo Foundation. The relationship has been established through the foundation's bylaws, copy of which is attached.

We are currently discussing the existing relationship and considering ways in which the relationship could be strengthened. We would like your opinion on certain issues that have been raised.

Issue 1: Currently, the Minnesota Zoo Director is an ex-officio member of the foundation board. We are considering changing the relationship to have the Zoo Director also be the President/Chief Executive Officer of the foundation. By virtue of this position the Zoo Director would report to the foundation board in the capacity as CEO as well as report to the Zoo Board as Director.

Issue 2: The Minnesota Zoo Foundation is currently being administered by a private foundation. With increased activity by the foundation we envision having Zoo employees assume management of the foundation's activities and financial affairs. The Zoo employees would work solely on foundation affairs.

Issue 3: As the foundation activities would expand it would be necessary on occasion or on a permanent basis that

Donald Mueting
Page 2

clerical support personnel would be employed by the foundation to assist in performing the necessary work.

Issue 4: The Minnesota Zoo generates revenue from certain activities. The revenue generated is used to pay the expenses associated with the activities and excess revenue is used for other purposes. Examples of these activities are the Gift Store and Membership. We are considering transferring those activities to the foundation.

With each of these issues we would appreciate your answers to two questions: 1) Does the current MS Chapter 85A empower the Zoo to perform these activities or enter into these types of relationships?; 2) Is there any statutory prohibition to these proposed activities or relationships?

Should you have any questions or need more information, please call me at 431-9303.

Final

BYLAWS OF
MINNESOTA ZOOLOGICAL GARDEN FOUNDATION

ARTICLE I
Offices, Corporate Seal

Section 1.01. Registered Office. The registered office of the corporation in Minnesota shall be that set forth in the Articles of Incorporation or in the most recent amendment of the Articles of Incorporation or resolution of the directors filed with the Secretary of State of Minnesota changing the registered office.

Section 1.02. Other Offices. The corporation may have such other offices, within the State of Minnesota, as the directors shall from time to time determine.

Section 1.03. Corporate Seal. The corporation shall have no corporate seal.

ARTICLE II
Members and Meetings of Members

Section 2.01. Members. The members of this corporation shall consist solely and exclusively of the persons who constitute the directors of this corporation from time to time. When a person becomes a director of this corporation he shall concurrently with becoming such a director, automatically become and be a member of this corporation, and when a person ceases to be a director of this corporation he shall, concurrently with ceasing to be such a director, automatically cease to be a member of this corporation.

Section 2.02. Property. No member shall have any right, title or interest in or to the property of the corporation.

Section 2.03. Annual Meetings. The first annual meeting of the members shall be held in November, 1975, on a day designated by the directors. Each subsequent meeting shall be held on the same date of the same month, or if that date shall fall upon a legal holiday, on the next succeeding business day.

Section 2.04. Special Meetings. A special meeting of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called at any time by the President or by the Board of Directors or by petition of not less than five (5) members.

Section 2.05. Place of Meetings. Each meeting of the members of the corporation shall be held at any place within or without the State of Minnesota, designated by the directors, and, in the absence of such designation, shall be held at the registered office of the corporation in the State of Minnesota.

Section 2.06. Notice of Meetings. Except as otherwise provided by statute and in these Bylaws, written notice of each meeting of the members, whether annual or special, shall be given not less than five (5) nor more than thirty (30) days before the day on which the meeting is to be held, to each member by mailing such notice in a postage prepaid envelope addressed to the member at the member's post office address as shown on the books of the corporation. Notice of any meeting of members shall not be required to be given to any member who shall attend such meeting in person or by proxy. Notice of any adjourned meeting of the members shall not be required to be given, except where expressly required by law.

Section 2.07. Quorum. At each meeting of the members, one-half (1/2) of the total number of voting members present in person or by proxy shall constitute a quorum for the transaction of business, except where a greater percentage may be required by statute.

Section 2.08, Voting. At each meeting of members, each member shall be entitled to one (1) vote in person or by proxy on each matter to be voted upon at the meeting. At all meetings of the members, all matters (except in special cases where other provision may be made by statute or by the Articles of Incorporation of the corporation) shall be decided by a majority of the votes cast by the voting members present in person or by proxy, a quorum being present. Voting shall not be cumulative. Unless demanded by a voting member present in person or by proxy at any meeting, the vote on any question need not be by ballot.

ARTICLE III
Board of Directors

Section 3.01. General Powers. The property, affairs and business of the corporation shall be managed by its Board of Directors.

Section 3.02. Number, Qualifications, and Term of Office. The first Board of Directors of this corporation shall consist of the fifteen (15) persons named in the Articles of Incorporation. Following incorporation but in no event later than November 1, 1975, the members of the first Board of Directors shall, by written action or at a meeting called for the purpose: (a) expand the Board of Directors from fifteen (15) in number to twenty-six (26) in number with eleven (11) of the directors being referred to as "Appointed Directors" and fifteen (15) of the directors being referred to as "Elected Directors"; and (b) elect the twenty-six (26) individuals to fill these directorship positions, which twenty-six (26) individuals may include some or all of the members of the first Board of Directors. Each of the eleven (11) Appointed Directors shall serve until his or her successors are appointed in the following manner: In July of each year, commencing in 1976, the then Chairman of the Minnesota Zoological Board created under Chapter 85 A of the Minnesota Statutes shall appoint the successors to these eleven (11) Appointed Director positions and such successor Appointed Directors shall serve for a period of one (1) year, to be succeeded by eleven (11) successive Appointed Directors

appointed in the same manner by the then Chairman of the Minnesota Zoological Board for succeeding one-year terms. Appointed Directors may serve as many one-year terms as they are appointed to by the Minnesota Zoological Board Chairman. The remaining fifteen (15) directors referred to as "Elected Directors" elected by the first Board of Directors shall be divided into three (3) groups regarding the length of their terms, with five (5) of such Elected Directors to serve from the date of their election until the annual meeting of the members occurring in November of 1976, five (5) of such Elected Directors to serve from the date of their election until the annual meeting of the members occurring in November of 1977, and five (5) of such Elected Directors to serve from the date of their election until the annual meeting of the members in November of 1978. At each annual meeting of the members, commencing with the first annual meeting held in November of 1976, successors to the Elected Directors whose terms expire in the year of such annual meeting shall be elected for three (3) year terms and each successor shall hold office until his or her term expires and until his or her successor shall have been elected and have qualified, or until his or her death, or until he or she resigns. No Elected Directors may serve for more than two (2) consecutive full three (3) year terms, but after an absence of one (1) year from the Board, a person shall again become eligible to be an Elected Director. At such time as the first Board of Directors expands the Board of Directors of this corporation to twenty-six (26) in number and names the eleven (11) Appointed Directors and the fifteen (15) Elected Directors, the first Board of Directors shall instruct the secretary of the corporation to complete Exhibit A attached to these Bylaws and made a part hereof, thereby designating which directors are Appointed Directors and which directors are Elected Directors, as well as the term of office of each director.

Section 3.03. Organization. At each meeting of the Board of Directors, the President of the corporation or, in his or her absence, such person as is chosen by a majority of the directors present, shall preside as chairperson of such meeting.

Section 3.04. Resignation. Any director of the corporation may resign at any time by giving written notice to the President or to the Secretary of the corporation. The resignation of any director shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.05. Vacancies. Any vacancy in the Board of Directors caused by death, resignation, disqualification, or any other cause, may be filled for the unexpired term by a vote of the remaining directors (though less than a quorum), and each director so chosen shall hold office until the expiration of the unexpired term for which he or she was so chosen and until his or her successor shall have been duly elected and shall qualify.

Section 3.06. Place of Meetings. The Board of Directors may hold its meetings at such place or places, within or without the State of Minnesota, as it may from time to time determine.

Section 3.07. Annual Meeting. As soon as practicable after each annual election of Elected Directors, and preferably on the same day, the Board of Directors shall meet, at the place where such annual election of directors is held, or at such other place within the State of Minnesota as may be designated by the Board of Directors, for the purpose of electing the officers of the corporation and for the transaction of such other business as shall come before the meeting. Notice of such meeting need not be given if it is held at the place where the annual election of directors is held, but if such annual

meeting of the directors is to be held at any other place, such other place shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the directors.

Section 3.08. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly in November (concurrently with the annual meeting), February, May, and August of each year, in each instance on such day and at such time and place within the State of Minnesota as the Board may determine by resolution adopted by a majority of the whole Board of Directors. Notice of regular meetings need not be given.

Section 3.09. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the President or by two (2) of the directors. Notice of each such special meeting shall be mailed to each director, addressed to the director's residence or usual place of business, at least two (2) days before the day on which the meeting is to be held, or be delivered personally or by telephone, not later than one (1) day before the day on which the meeting is to be held. Each such notice shall state the time and place of the meeting, but need not state the purposes thereof except as otherwise herein expressly provided. Notice of any meeting of the Board need not be given to any director who shall be present at such meeting; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the directors of the corporation then in office shall be present thereat.

Section 3.10. Quorum and Manner of Acting. Except as otherwise provided by statute or by these Bylaws, one-third (1/3) of the total number of directors (but not less than two (2)) shall be required to constitute a

quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.

Section 3.11. Compensation. No director shall receive any compensation for any service that he or she may render to the corporation in his or her capacity as such director.

Section 3.12. Minnesota Zoological Garden Director. The Director of the Minnesota Zoological Garden created under Chapter 85 A of the Minnesota Statutes shall at all times be an ex-officio member, without voting rights, of the Board of Directors of this corporation. Said Director shall be entitled to attend all meetings of the Board of Directors of this corporation and receive notice thereof. At such time as the Director of the Minnesota Zoological Garden shall change, the outgoing Director shall cease to be a member of the Board of Directors of this corporation and the new Director shall immediately become a non-voting ex-officio member of the Board of Directors of this corporation.

ARTICLE IV Officers

Section 4.01. Number. The officers of the corporation shall be a President, one or more Vice Presidents (if elected by the Board of Directors), a Secretary, a Treasurer, and, if the Board shall so elect, such other officers as may be appointed by the Board of Directors. No two (2) offices except that of Secretary and Treasurer may be held by the same person.

Section 4.02. Election, Term of Office, and Qualifications. The officers shall be elected annually by the Board of Directors, and, except in the case of officers appointed in accordance with the provisions of Section 4.10, each shall hold office until the next annual election of officers and until his or her successor shall have been duly elected and qualified, or until his or her death, or until he or she shall resign, or until he or she shall have been removed in the manner hereinafter provided.

Section 4.03. Resignations. Any officer may resign at any time by giving written notice of his or her resignation to the Board of Directors, to the President or to the Secretary of the corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.04. Removal. Any officer may be removed, either with or without cause, by a vote of the Board of Directors at a meeting called for the purpose, and such purpose shall be stated in the notice or waiver of notice of such meeting unless all the directors of the corporation shall be present thereat.

Section 4.05. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these Bylaws for election or appointment to such office.

Section 4.06. President. The President shall be the chief executive officer of the corporation and shall have general active management of the business of the corporation. The President shall, when present, preside at all meetings of the members and directors; shall see that all orders and

resolutions of the Board of Directors are carried into effect; may execute and deliver in the name of the corporation any contracts or other instruments pertaining to the business of the corporation, including, without limitation, any instruments necessary or appropriate to enable the corporation to donate income or principal of the corporation to or for the account of such organizations, causes, and projects described in the Articles of Incorporation of the corporation as the corporation was organized to support; shall have such other duties as may from time to time be prescribed by the Board of Directors; and, in general, shall perform all duties usually incident to the office of President.

Section 4.07. Vice President. Each Vice President shall have such powers and shall perform such duties as may be specified in the Bylaws or prescribed by the Board of Directors or by the President. In the event of absence or disability of the President, the Vice President shall succeed to the powers and duties of the President; and in the event of a vacancy in the office of the President, such vacancy shall be filled by the Vice President assuming such office. In the event of absence or disability but not a vacancy in the office of any other officer, the Vice President shall succeed to the powers and duties of such other officer.

Section 4.08. Secretary. The Secretary shall be secretary of, and, when present, shall record proceedings of meetings of the members and Board of Directors; shall, when directed to do so, give proper notice of meetings of members and directors; shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President; and, in general, shall perform all duties incident to the office of Secretary.

Section 4.09. Treasurer. The Treasurer shall keep accurate accounts of all moneys of the corporation received or disbursed; shall deposit all moneys,

drafts and checks in the name of, and to the credit of, the corporation in such banks and depositories as a majority of the whole Board of Directors shall from time to time designate; shall have power to endorse for deposit all notes, checks, and drafts received by the corporation; shall disburse the funds of the corporation as ordered by the Board of Directors, making proper vouchers therefor; shall render to the President, the directors, and the members, whenever required, an account of all his or her transactions as Treasurer and of the financial condition of the corporation and shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President; and, in general, shall perform all duties incident to the office of Treasurer.

Section 4.10. Other Officers. The corporation may have such other officers and agents as may be deemed necessary by the Board of Directors, who shall be appointed in such manner, have such duties and hold their offices for such terms as may be determined by resolution of the Board of Directors.

Section 4.11. Compensation. No officer shall receive compensation for any service that he or she may render to the corporation in his or her capacity as such officer.

ARTICLE V

Books and Records, Audit, Fiscal Year

Section 5.01. Books and Records. The Board of Directors of the corporation shall cause to be kept:

- (1) records of all proceedings of members and directors;
and
- (2) such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 5.02. Documents Kept at Registered Office. The Board of Directors shall cause to be kept at the registered office of the corporation originals or copies of:

- (1) records of all proceedings of members and directors;
and
- (2) Articles of Incorporation and Bylaws of the corporation
and all amendments thereto.

Section 5.03. Audit. The Board of Directors may, but shall not be required to, cause the records and books of account of the corporation to be audited each fiscal year and at such other times as it may deem necessary or appropriate.

Section 5.04. Fiscal Year. The fiscal year of the corporation shall end on the last day of June in each year, the first fiscal year ending on June 30, 1975.

ARTICLE VI Waiver of Notice

Whenever any notice whatsoever is required to be given by these Bylaws or the Articles of Incorporation of the corporation or any of the corporate laws of the State of Minnesota, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at or after the time stated therein or before, at or after the meeting.

ARTICLE VII Authorization Without a Meeting

Any action that may be taken at a meeting of the voting members may be taken without a meeting if authorized in writing and signed by all the voting members who are entitled to notice of the meeting for such purpose. Any action that could be taken at a meeting of the Board of Directors may be taken without a meeting when authorized in writing signed by all of the directors.

ARTICLE VIII
Committees

Section 8.01. Executive Committee. There shall be an Executive Committee of the President and not less than four (4) members of the Board of Directors who shall be designated by the Board of Directors, provided that at least two (2) members of the Executive Committee shall at all times be Appointed Directors, as that term is used in the Bylaws. The Executive Committee shall have full power and authority of the Board of Directors in the management of the property, affairs and business of the corporation, provided, however, that the Executive Committee shall act only in intervals between meetings of the Board of Directors and shall at all times be subject to the control and direction of the Board of Directors.

Section 8.02. Nominating Committee. The persons who are, on the first day of November of each year, commencing in 1975, members of the Executive Committee, together with such two (2) non-officer members of the Board of Directors as the President shall appoint, shall constitute the Nominating Committee of the corporation, provided that at least one (1) member of the Nominating Committee shall at all times be an Appointed Director, as that term is used in the Bylaws. The Nominating Committee shall, at each annual meeting of the members of the corporation, commencing in 1975, nominate one (1) candidate as a successor to each Elected Director whose term expires in the year of such meeting, and also shall have and perform such other related duties as may from time to time be prescribed by the Board of Directors.

Section 8.03. Other Committees. The corporation may have such additional committees, with such membership, authorities and duties, as may from time to time be prescribed by the Board of Directors, provided that at least one (1) member of each such committee shall at all times be an Appointed Director, as that term is used in the Bylaws.

ARTICLE IX
Amendments

These Bylaws may be amended or altered by a vote of the majority of the whole Board of Directors at any meeting provided that notice of such proposed amendment shall have been given in the notice given to the directors of such meeting. Such authority in the Board of Directors is subject to the power of the voting members to change or repeal such Bylaws by a majority vote of the voting members present in person or by proxy at any annual or special meeting of voting members called for such purpose, and the Board of Directors shall not make or alter any Bylaws fixing their qualifications, classifications, term of office, or number, except that the Board of Directors may make or alter any Bylaw to increase their number.

ARTICLE X
Indemnification of Directors, Officers, and Employees

Section 10.01. Actions Not By Corporation. Except as otherwise provided in Section 10.04, this corporation shall indemnify each present or future director, officer, and employee of this corporation who now or hereafter is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, wherever brought, whether civil, criminal, administrative, or investigative, other than an action by or in the right of this corporation, by reason of the fact that he or she is or was a director, officer, or employee of this corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of this corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her

conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 10.02. Actions by Corporation. This corporation shall indemnify each present or future officer, director, or employee of this corporation who now or hereafter is a party or is threatened to be made a party to any threatened, pending, or completed action or suit, wherever brought, by or in the right of this corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, or employee of this corporation, against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of this corporation, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to this corporation, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 10.03. Successful Defense. To the extent that such present or future director, officer, or employee of this corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred

to in Sections 10.01 or 10.02, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection therewith.

Section 10.04. Unsuccessful Defense. Any indemnification under Section 10.01, unless ordered by a court, shall be made by this corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 10.01. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit, or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion. Any indemnification under Section 10.02 must be ordered by a court.

Section 10.05. Advance Payments. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by this corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in the manner provided in Section 10.04 upon receipt of an undertaking by or on behalf of the director, officer, or employee to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Article X.

Section 10.06. Extended Application. The indemnification provided by this Article X shall continue as to a person who has ceased to be a director, officer or employee and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 10.07. Insurance. This corporation may, by resolution of its Board of Directors, purchase and maintain insurance on behalf of any person who now or hereafter is a director, officer, or employee of this corporation, against any liability asserted against him or her and incurred by him or her in any such capacity, provided, that no indemnification shall be made under any policy of insurance for any act which could not be indemnified by this corporation under this Article X.

Section 10.08. Court Approval. Where court approval is required by this Article X, application therefor shall be made by this corporation in such manner and form as is required by Section 300.08, Subd. 8, of the Minnesota Statutes of 1973, as now enacted or as hereafter amended.

Section 10.09. Overriding Provisions. Notwithstanding anything apparently or expressly to the contrary contained in this Article X, no indemnification, advancement, or allowance shall be made under this Article X in any circumstance

(1) if or to the extent that such indemnification, advancement, or allowance would violate the provisions of Section 317.165 of the Minnesota Statutes of 1973, as now enacted or as hereafter amended;

(2) if the indemnification, advancement, or allowance would be inconsistent with any provision of the Articles of Incorporation or Bylaws, a resolution of the Board of Directors or of the members of this corporation, or an agreement or other proper corporate action, in effect at the time of the accrual of the alleged cause of action asserted in the threatened or pending action or proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(3) in the event there has been a settlement approved by the court, if the indemnification would be inconsistent with any condition with respect to indemnification expressly imposed by the court in approving the settlement.

ARTICLE XI
Appointment of Agent

The Board of Directors of this corporation may from time to time appoint an individual or a corporation as an agent to carry out the day to day affairs of this corporation, subject to review and approval of the actions of such appointed agent by the Board of Directors.

EXHIBIT A

List of directors elected by first Board of Directors, effective date
.....
....., 1975.

Appointed Directors whose terms expire in July, 1976:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____

Elected Directors whose terms expire in November, 1976:

1. _____
2. _____
3. _____

4. _____

5. _____

Elected Directors whose terms expire in November, 1977:

1. _____

2. _____

3. _____

4. _____

5. _____

Elected Directors whose terms expire in November, 1978:

1. _____

2. _____

3. _____

4. _____

5. _____

M E M O R A N D U M

TO: Joe Buchan
Mark Cherniack
Ned Dayton
Bud Hirshfield
Kathryn Roberts

DATE: 2/6/89

FROM: Bernie Klein, Chair

RE: ZOO FOUNDATION

I met with Paul Verret, Executive Director of the St. Paul Foundation, and Malcolm McDonald on January 10 for the purpose of discussing the status of the Zoo Foundation. Paul's comments follow.

He is not interested in retaining the present foundation under the aegis of the Saint Paul Foundation. We may choose to do one of the following three options:

- 1) Keep as is, but not with him. He would probably transfer it to the Minnesota Foundation. (Minnesota Historical Society has a foundation under this foundation.)
- 2) Dispose of the foundation altogether and transfer assets to the Zoo.
- 3) Transfer the foundation to the Zoo. This includes assets, records and bookkeeping responsibilities.

We must answer why we need a foundation and how it would be used. Can we make a foundation work for us? If so, we should develop a clear plan for the function of the foundation. We should list the pros and cons.

Paul suggested we discuss the following in considering the pros:

- 1) A vehicle for wills and bequests. There are individuals who may be apprehensive about leaving a "will to a state agency." The Historical Society has created a foundation because they have embarked on a capital drive, and it became a natural process to "think bequests."
- 2) Special projects. (Although he did not have one in mind, the monorail may have been an example.)
- 3) Gifts by exemption -- no example given.
- 4) Protection, if legislature applies undue pressure or constraints on activities.
- 5) A vehicle for heavy hitters/major donors.
- 6) A vehicle for adding staff to the development department. The Foundation could pay for staff. Perhaps a staff person could operate

the foundation as well as other development functions and the foundation would pay the salary. We would not depend on that income from the operating budget.

Paul said he will do whatever he can to facilitate our decision. If we decide to continue with a foundation structure, he will find the funds from one of his foundations to pay for professional assistance in transferring the foundation's assets, establishing new bylaws and other legal aspects. I believe Paul's offer is generous and supportive.

Paul also said we do not need the foundation to implement a capital effort since we have an established Development Office.

Kathryn Roberts, Karen Jensen and I met on Friday, February 2 and prioritized the pros as follows:

- 1) a vehicle for wills and bequests
- 2) a vehicle for adding staff to the Development department
- 3) protection if the legislature applies undue pressure or constraints on activities,
- 4) special projects
- 5) a vehicle for major donors
- 6) capital campaign accounting outside the state system.

The only cons we came up with, which are minor ones, are:

1. Moving the foundation could bring up some "old messages."
2. Would the legislature care?

Recommendations

1. A foundation is a positive structure for the Zoo in view of our future goals.
2. The Foundation and its assets should be transferred to the Minnesota Zoo.
3. A meeting should be scheduled with Paul Verret to report our decision and begin the transition process.

Questions

Is this a policy decision for the board?

Will the foundation structure be a policy making group or an advisory group?

2.3.89

BK
KT
KMR

Foundation -

Paul's Comments - He is not interested in retaining the present Fd. under the aegis of the St Paul Fd. We may choose to do one of three options:

- ① Keep as is - but not with him / He would probably transfer it to the Minnesota Fd. (The Historical Society has a Fd under this Fd.)
- ② Dispose of the Foundation altogether + transfer assets to the zoo.
- ③ Transfer the Fd to the zoo, this includes assets, records + bookkeeping responsibilities

We must answer why we need a Fd. and how would we use it?
 Can we make a Fd. work for us?
 if so we should develop a clear plan for the function of the Fd.
 We should list the pros + cons

1,6,4,2,5

p. 2nd

Paul suggested in considering the pros we discuss the following:

- ① ① a vehicle for wills and bequests
these are individuals, ^{who} may be apprehensive about leaving a "will to a state agency". This is the reason the Historical Society has created a Fd., because they have embarked on a Capital drive & it is a natural process after such an effort and visibility to "think bequests".
- ⑤ ~~②~~ Special projects, although he did not have one in mind, the monorail may have been an example.
- ~~③ Gifts by exemption - no example given.~~
- ③ ~~④~~ Protection, if legislature applies undue pressure or constraints on activities.
- ④ ~~⑤~~ a vehicle for heavy hitters / major donors.
- ② ~~⑥~~ a vehicle for adding staff to the development department. Fd. could

P. 3[#]

pay for staff. Ed. could conduct campaign business privately without the "open meeting law".

Perhaps, a staff person could operate the Ed. as well as other development functions and the Ed. would pay the salary, we would not depend on that income from the operating budget.

Paul said he will do whatever he can to make the decision a productive one for the zoo.

If we decide to continue with a Ed. structure, he will find the funds from one of his foundations to pay for professional assistance in transferring the Ed.'s assets, establishing new bylaws and other legal aspects.

My personal opinion is the above offer is generous, supportive and could be a politically smart move for us - (leadership, funds and networking).

Paul also said we do not need the Ed. to implement a capital effort. (This was in response to my question). In as much as we have an established development office.