

Form **8879-EO**

### IRS e-file Signature Authorization for an Exempt Organization

OMB No 1545-1878

For calendar year 2016, or fiscal year beginning \_\_\_\_\_, 2016, and ending \_\_\_\_\_, 20\_\_\_\_

# 2016

Department of the Treasury  
Internal Revenue Service

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-EO and its instructions is at [www.irs.gov/form8879eo](http://www.irs.gov/form8879eo).

Name of exempt organization

Employer identification number

**RESOURCE, INC.**

**41-0828779**

Name and title of officer

**KELLY MATTER  
PRESIDENT/CEO**

#### Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

|                             |                                       |  |    |                    |
|-----------------------------|---------------------------------------|--|----|--------------------|
| 1a Form 990 check here      | ▶ <input checked="" type="checkbox"/> | b Total revenue, if any (Form 990, Part VIII, column (A), line 12) | 1b | <u>28,016,819.</u> |
| 2a Form 990-EZ check here   | ▶ <input type="checkbox"/>            | b Total revenue, if any (Form 990-EZ, line 9)                      | 2b | _____              |
| 3a Form 1120-POL check here | ▶ <input type="checkbox"/>            | b Total tax (Form 1120-POL, line 22)                               | 3b | _____              |
| 4a Form 990-PF check here   | ▶ <input type="checkbox"/>            | b Tax based on Investment Income (Form 990-PF, Part VI, line 5)    | 4b | _____              |
| 5a Form 8868 check here     | ▶ <input type="checkbox"/>            | b Balance Due (Form 8868, line 3c)                                 | 5b | _____              |

#### Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2016 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund, if applicable. I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize CLIFTONLARSONALLEN LLP to enter my PIN 55404  
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ Kelly Matter Date ▶ 5/15/2017

#### Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

**41812413127**

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ [Signature] Date ▶ 5-15-17

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**

LHA For Paperwork Reduction Act Notice, see Instructions.

Form 8879-EO (2016)

823061 09-28-16

19320514 131839 053-00318500 2016.03040 RESOURCE, INC.

053-2461

F: 5/15/17

Form **990**

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

## 2016

Department of the Treasury  
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.  
▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Open to Public Inspection

**A** For the 2016 calendar year, or tax year beginning and ending

|  |  |   |  |
|--|--|---|--|
| <b>B</b> Check if applicable:<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return/terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C</b> Name of organization<br><b>RESOURCE, INC.</b>   |   | <b>D</b> Employer identification number<br><b>41-0828779</b>   |
|  | Doing business as  |   | <b>E</b> Telephone number<br><b>612-752-8000</b>   |
|  | Number and street (or P.O. box if mail is not delivered to street address)                               | Room/suite  | <b>G</b> Gross receipts \$ <b>28,045,237.</b>  |
|  | <b>1900 CHICAGO AVENUE SOUTH</b>   |   | <b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|  | City or town, state or province, country, and ZIP or foreign postal code<br><b>MINNEAPOLIS, MN 55404</b> |   | <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No                      |
| <b>F</b> Name and address of principal officer: <b>KELLY MATTER</b><br><b>SAME AS C ABOVE</b>  |  | <b>H(c)</b> Group exemption number ▶  |  |
| <b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527   |  |   |  |
| <b>J</b> Website: ▶ <b>WWW.RESOURCE-MN.ORG</b>   |  |   |  |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶  |  | <b>L</b> Year of formation: <b>1956</b> <b>M</b> State of legal domicile: <b>MN</b> |  |

### Part I Summary

|  |  |
|--|--|
| <b>1</b> Briefly describe the organization's mission or most significant activities: <b>RESOURCE INCREASES WELL-BEING THROUGH RECOVERY, EMPLOYMENT AND CAREER ADVANCEMENT.</b> |  |
| <b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.                               |  |
| <b>Activities &amp; Governance</b>   | <b>3</b> Number of voting members of the governing body (Part VI, line 1a) ..... <b>17</b>             |
|  | <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) ..... <b>17</b> |
|  | <b>5</b> Total number of individuals employed in calendar year 2016 (Part V, line 2a) ..... <b>648</b> |
|  | <b>6</b> Total number of volunteers (estimate if necessary) ..... <b>984</b>                           |
|  | <b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 ..... <b>0.</b>         |
|  | <b>7b</b> Net unrelated business taxable income from Form 990-T, line 34 ..... <b>0.</b>               |
|  | <b>8</b> Contributions and grants (Part VIII, line 1h) ..... <b>17,755,827.</b>                        |
| <b>9</b> Program service revenue (Part VIII, line 2g) ..... <b>10,101,266.</b>   |  |
| <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) ..... <b>3,577.</b>  |  |
| <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) ..... <b>34,068.</b>  |  |
| <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) ..... <b>27,894,738.</b>  |  |
| <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) ..... <b>3,275,367.</b>   |  |
| <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) ..... <b>0.</b>  |  |
| <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) ..... <b>17,222,969.</b>   |  |
| <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) ..... <b>0.</b>   |  |
| <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ..... <b>414,644.</b>   |  |
| <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) ..... <b>8,061,023.</b>   |  |
| <b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) ..... <b>28,559,359.</b>   |  |
| <b>19</b> Revenue less expenses. Subtract line 18 from line 12 ..... <b>-664,621.</b>  |  |
| <b>Net Assets or Fund Balances</b>   | <b>20</b> Total assets (Part X, line 16) ..... <b>10,561,755.</b>                                      |
|  | <b>21</b> Total liabilities (Part X, line 26) ..... <b>6,945,262.</b>                                  |
|  | <b>22</b> Net assets or fund balances. Subtract line 21 from line 20 ..... <b>3,616,493.</b>           |

### Part II Signature Block

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

|  |  |  |                        |   |                          |
|--|--|--|------------------------|---|--------------------------|
| <b>Sign Here</b>   | Signature of officer   | Date                                       |                        |   |                          |
|  | <b>KELLY MATTER, PRESIDENT/CEO</b><br>Type or print name and title |  |                        |   |                          |
| <b>Paid Preparer Use Only</b>  | Print/Type preparer's name<br><b>JOHN TAUER</b>                    | Preparer's signature<br><i>[Signature]</i> | Date<br><b>5-18-17</b> | Check if self-employed <input type="checkbox"/> | PTIN<br><b>P00294068</b> |
|  | Firm's name<br>▶ <b>CLIFTONLARSONALLEN LLP</b>                     | Firm's EIN ▶ <b>41-0746749</b>             |                        | Phone no. <b>612-376-4500</b>                   |                          |
| Firm's address<br>▶ <b>220 SOUTH SIXTH STREET, SUITE 300</b><br><b>MINNEAPOLIS, MN 55402</b> |  |  |                        |   |                          |

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: RESOURCE INCREASES WELL-BEING THROUGH RECOVERY, EMPLOYMENT AND CAREER ADVANCEMENT.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 14,320,262. including grants of \$ 3,412,906.) (Revenue \$ 9,081,677.) INTEGRATED CHEMICAL & MENTAL HEALTH SERVICES- RESOURCE'S CHEMICAL AND MENTAL HEALTH TEAM PROVIDES COMMUNITY BASED CHEMICAL AND MENTAL HEALTH SERVICES TO MORE THAN 6,000 PEOPLE EACH YEAR. MANY OF THOSE WE SERVE ARE HOMELESS AND/OR STRUGGLING WITH POVERTY. WE SPECIALIZE IN CLINICAL TREATMENT, RECOVERY MAINTENANCE, AND SUPPORTIVE SERVICES FOR MEN AND WOMEN, AS WELL AS FAMILY SERVICES FOR THE CHILDREN OF PARTICIPANTS. JUST A FEW OF OUR CUSTOMIZED SERVICES INCLUDE HOUSING FOR INDIVIDUALS AND FAMILIES, RE-ENTRY SERVICES FOR INDIVIDUALS RECENTLY INCARCERATED, AND PEER SUPPORT RECOVERY INCLUDING MENTORING, EDUCATION, ACTIVITIES AND EVENTS.

4b (Code: ) (Expenses \$ 7,077,630. including grants of \$ 0.) (Revenue \$ 0.) EMPLOYMENT SERVICES- RESOURCE'S EMPLOYMENT SERVICES INCLUDE A COMPREHENSIVE ARRAY OF EMPLOYMENT ASSISTANCE DESIGNED FOR THOSE WHO ARE UNEMPLOYED, AT-RISK YOUTH AGES 14-24, THOSE TRANSITIONING OFF PUBLIC ASSISTANCE OR ON WELFARE, OLDER WORKERS, INDIVIDUALS WITH DISABILITIES AND IMMIGRANT/REFUGEES. IN 2016 RESOURCE SERVED OVER 10,000 JOB SEEKERS IN THE METRO AND OUT-STATE. IN ADDITION, THE CITY OF MINNEAPOLIS NAMED OUR YOUTH FUTURES PROGRAM THEIR "YOUTH SERVICES PARTNER OF THE YEAR" FOR ACHIEVING HIGH OUTCOMES IN CONNECTING YOUNG PEOPLE TO COUNSELING AND THE SUPPORT NEEDED TO SECURE THEIR FIRST JOBS OR PLAN THEIR CAREERS.

4c (Code: ) (Expenses \$ 3,736,173. including grants of \$ 0.) (Revenue \$ 643,808.) CAREER EDUCATION SERVICES HELP INDIVIDUALS WITH BARRIERS TO EMPLOYMENT INCLUDING, IMMIGRANTS AND REFUGEES, INDIVIDUALS WITH DISABILITIES, DISLOCATED WORKERS, INDIVIDUALS IN RECOVERY AND UNEMPLOYED AND UNDEREMPLOYED MINNESOTANS DISCOVER CAPABILITIES THROUGH A BROAD RANGE OF ASSESSMENT AND SHORT-TERM, CONTEXTUALIZED, CREDENTIALLED, INDUSTRY APPROVED POST-SECONDARY CAREER-BASED TRAINING. RESOURCE IS LICENSED AS A POST-SECONDARY SCHOOL THROUGH THE MINNESOTA OFFICE OF HIGHER EDUCATION, AND IS ACCREDITED THROUGH THE COUNCIL ON OCCUPATIONAL EDUCATION. STUDENTS EARN CREDITS THAT CAN TRANSFER TO ACCREDITED 2 AND 4 YEAR COLLEGES.

4d Other program services (Describe in Schedule O.) (Expenses \$ Including grants of \$ ) (Revenue \$ )

4e Total program service expenses 25,134,065.

**Part IV Checklist of Required Schedules**

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

**Part IV Checklist of Required Schedules** (continued)

|   | Yes | No |
|---|-----|----|
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> .....  |     | X  |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? .....  |     |    |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....   | X   |    |
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....   | X   |    |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....  | X   |    |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....                           | X   |    |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....   |     | X  |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....  |     | X  |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....   |     | X  |
| 25a <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....  |     | X  |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....  |     | X  |
| 26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> .....                                 |     | X  |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> ..... |     | X  |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):  |     |    |
| a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....  |     | X  |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....   |     | X  |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....   |     | X  |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....  |     | X  |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....  |     | X  |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....  |     | X  |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....  |     | X  |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....  |     | X  |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....  | X   |    |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....   | X   |    |
| b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....  | X   |    |
| 36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....   |     | X  |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....   |     | X  |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....   | X   |    |

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, question text, and Yes/No checkboxes. Includes questions 1a through 14b regarding IRS filings and tax compliance.

**Part VI. Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

|  | 1a | 1b | 2 | 3 | 4 | 5 | 6 | 7a | 7b | 8a | 8b | 9 | Yes | No |
|--|----|----|---|---|---|---|---|----|----|----|----|---|-----|----|
| 1a Enter the number of voting members of the governing body at the end of the tax year   | 17 |    |   |   |   |   |   |    |    |    |    |   |     |    |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.      |    | 17 |   |   |   |   |   |    |    |    |    |   |     |    |
| b Enter the number of voting members included in line 1a, above, who are independent   |    | 17 |   |   |   |   |   |    |    |    |    |   |     |    |
| 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?  |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?   |    |    |   |   | X |   |   |    |    |    |    |   |     |    |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets?   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 6 Did the organization have members or stockholders?   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?  |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?  |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:  |    |    |   |   |   |   |   |    |    |    |    |   |     |    |
| a The governing body?  |    |    |   |   |   |   |   |    |    | X  |    |   |     |    |
| b Each committee with authority to act on behalf of the governing body?  |    |    |   |   |   |   |   |    |    | X  |    |   |     |    |
| 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O         |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |

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

|  | 10a | 10b | 11a | 12a | 12b | 12c | 13 | 14 | 15a | 15b | 16a | 16b | Yes | No |
|--|-----|-----|-----|-----|-----|-----|----|----|-----|-----|-----|-----|-----|----|
| 10a Did the organization have local chapters, branches, or affiliates?   |     |     |     |     |     |     |    |    |     |     |     |     |     | X  |
| b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?   |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filling the form?   |     |     | X   |     |     |     |    |    |     |     |     |     |     |    |
| b Describe in Schedule O the process, if any, used by the organization to review this Form 990.  |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| 12a Did the organization have a written conflict of interest policy? If "No," go to line 13  |     |     |     | X   |     |     |    |    |     |     |     |     |     |    |
| b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  |     |     |     | X   |     |     |    |    |     |     |     |     |     |    |
| c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done   |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 13 Did the organization have a written whistleblower policy?   |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 14 Did the organization have a written document retention and destruction policy?  |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?  |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| a The organization's CEO, Executive Director, or top management official   |     |     |     |     |     |     |    |    | X   |     |     |     |     |    |
| b Other officers or key employees of the organization  |     |     |     |     |     |     |    |    | X   |     |     |     |     |    |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).  |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  |     |     |     |     |     |     |    |    |     |     |     |     |     | X  |
| b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? |     |     |     |     |     |     |    |    |     |     |     |     |     |    |

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed **MN**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records: **KELLY MATTER - 612-752-8000**  
**1900 CHICAGO AVENUE SOUTH, MINNEAPOLIS, MN 55404**

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

Check if Schedule O contains a response or note to any line in this Part VII

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A)<br>Name and Title                     | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|---|---|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|   |   | Individual trustee or director  | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| (1) WILLIAM TELLEEN<br>BOARD CHAIR        | 2.00  | X   |                       | X       |              |                              |        | 0.   | 0.  | 0.  |
| (2) PAUL WAY<br>CO-CHAIRPERSON            | 2.00  | X   |                       | X       |              |                              |        | 0.   | 0.  | 0.  |
| (3) DAN JAEGER<br>CO-CHAIRPERSON          | 2.00  | X   |                       | X       |              |                              |        | 0.   | 0.  | 0.  |
| (4) MONICA MCCrackEN-TIETJEN<br>TREASURER | 2.00  | X   |                       | X       |              |                              |        | 0.   | 0.  | 0.  |
| (5) CHARLES ABRAHAMSON<br>DIRECTOR        | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (6) TIM BEERS<br>DIRECTOR                 | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (7) JILL BUTLER<br>DIRECTOR               | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (8) NANCY CARLSON<br>DIRECTOR             | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (9) TYRIZE COX<br>DIRECTOR                | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (10) GENE HANF<br>DIRECTOR                | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (11) TOM HANSON<br>DIRECTOR               | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (12) THOMAS KEUL<br>DIRECTOR              | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (13) TED KOZLOWSKI<br>DIRECTOR            | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (14) JOSH KRSTAK<br>DIRECTOR              | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (15) LAVELLE NEAL<br>DIRECTOR             | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (16) LAUREN OLSEN<br>DIRECTOR             | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (17) MARK SKUBIC<br>DIRECTOR              | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |



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

| (A)<br>Name and title  | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|  |   | Individual trustee or director  | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| (18) MARA RYAN<br>DIRECTOR                                     | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (19) JIM RUELLE<br>DIRECTOR                                    | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (20) RODNEY WECK<br>DIRECTOR                                   | 2.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (21) KELLY MATTER<br>PRESIDENT AND CEO                         | 39.00<br>1.00   |   |                       | X       |              |                              |        | 223,700.   | 0.  | 8,762.  |
| (22) DARCY FLINN<br>CHIEF FINANCIAL OFFICER                    | 39.00<br>1.00   |   |                       | X       |              |                              |        | 51,162.  | 0.  | 5,727.  |
| (23) BOYD BROWN<br>VP CHEMICAL AND MENTAL HEALTH               | 39.00<br>1.00   |   |                       | X       |              |                              |        | 59,011.  | 0.  | 1,403.  |
| (24) TINA PALMER<br>VICE PRESIDENT                             | 39.00<br>1.00   |   |                       | X       |              |                              |        | 25,058.  | 0.  | 610.  |
| (25) KIM FELLER<br>VP CAREER EDUCATION (ENDED)                 | 39.00<br>1.00   |   |                       |         |              | X                            |        | 107,732.   | 0.  | 4,439.  |
| (26) SCOTT BORDO<br>CHIEF FINANCIAL OFFICER (ENDED)            | 39.00<br>1.00   |   |                       |         |              | X                            |        | 115,361.   | 0.  | 5,102.  |
| <b>1b Sub-total</b>  |   |   |                       |         |              |                              |        | 582,024.   | 0.  | 26,043.   |
| <b>c Total from continuation sheets to Part VII, Section A</b> |   |   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| <b>d Total (add lines 1b and 1c)</b>                           |   |   |                       |         |              |                              |        | 582,024.   | 0.  | 26,043.   |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **6**

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

**Section B. Independent Contractors**

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

| (A)<br>Name and business address   | (B)<br>Description of services           | (C)<br>Compensation |
|--|--|---------------------|
| GREAT LAKES SCRIP CENTER<br>2111 44TH STREET SE, GRAND RAPIDS, MI 49508  | SUPPORT SERVICE FOR CLIENTS AND STORE VA | 664,039.            |
| METRO TRANSIT<br>560 6TH AVENUE N, MINNEAPOLIS, MN 55411   | SUPPORT SERVICE FOR CLIENTS              | 373,267.            |
| COBORN'S INC<br>PO BOX 1502, SAINT CLOUD, MN 56302   | FOOD SERVICE PROVIDERS                   | 184,777.            |
| DL FERRY CONSULTING LLC<br>11 SUMMIT, MINNEAPOLIS, MN 55403  | INTERIM OPERATION SERVICES               | 152,560.            |
| GRADE A SECURITY<br>POX BOX 50521, MINNEAPOLIS, MN 55405   | PROTECTION SECURITY SERVICES             | 151,876.            |
| 2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization |  | 5                   |

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

|  |   |  |                           | (A)           | (B)                                | (C)                        | (D)  |
|--|---|--|---------------------------|---------------|------------------------------------|----------------------------|--|
|  |   |  |                           | Total revenue | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512-514 |
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a   | Federated campaigns  | 1a 749,533.               |               |                                    |                            |  |
|  | b   | Membership dues  | 1b                        |               |                                    |                            |  |
|  | c   | Fundraising events   | 1c                        |               |                                    |                            |  |
|  | d   | Related organizations  | 1d                        |               |                                    |                            |  |
|  | e   | Government grants (contributions)  | 1e 16,990,079.            |               |                                    |                            |  |
|  | f   | All other contributions, gifts, grants, and similar amounts not included above                                     | 1f 556,658.               |               |                                    |                            |  |
|  | g   | Noncash contributions included in lines 1a-1f: \$  |                           |               |                                    |                            |  |
|  | h   | <b>Total. Add lines 1a-1f</b>  |                           | 18,296,270.   |                                    |                            |  |
| Program Service Revenue                                | 2 a   | PROGRAM SERVICE FEES   | Business Code 624100      | 9,725,485.    | 9,725,485.                         |                            |  |
|  | b   |  |                           |               |                                    |                            |  |
|  | c   |  |                           |               |                                    |                            |  |
|  | d   |  |                           |               |                                    |                            |  |
|  | e   |  |                           |               |                                    |                            |  |
|  | f   | All other program service revenue  |                           |               |                                    |                            |  |
|  | g   | <b>Total. Add lines 2a-2f</b>  |                           | 9,725,485.    |                                    |                            |  |
| Other Revenue  | 3   | Investment income (including dividends, interest, and other similar amounts)                                       |                           | 91.           |                                    |                            | 91.  |
|  | 4   | Income from investment of tax-exempt bond proceeds   |                           |               |                                    |                            |  |
|  | 5   | Royalties  |                           |               |                                    |                            |  |
|  | 6 a   | Gross rents  | (i) Real (ii) Personal    |               |                                    |                            |  |
|  |   | Less: rental expenses  |                           |               |                                    |                            |  |
|  |   | c Rental income or (loss)  |                           |               |                                    |                            |  |
|  | d   | Net rental income or (loss)  |                           |               |                                    |                            |  |
|  | 7 a   | Gross amount from sales of assets other than inventory   | (i) Securities (ii) Other |               |                                    |                            |  |
|  |   | Less: cost or other basis and sales expenses   |                           |               |                                    |                            |  |
|  |   | c Gain or (loss)   |                           | 28,418.       |                                    |                            |  |
|  |   | d Net gain or (loss)   |                           | -28,418.      |                                    |                            | -28,418.   |
|  | 8 a   | Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | a                         |               |                                    |                            |  |
|  |   | Less: direct expenses  | b                         |               |                                    |                            |  |
|  |   | c Net income or (loss) from fundraising events   |                           |               |                                    |                            |  |
| 9 a  | Gross income from gaming activities. See Part IV, line 19 | a  |                           |               |                                    |                            |  |
|  | Less: direct expenses                                     | b  |                           |               |                                    |                            |  |
|  | c Net income or (loss) from gaming activities             |  |                           |               |                                    |                            |  |
| 10 a   | Gross sales of inventory, less returns and allowances     | a  |                           |               |                                    |                            |  |
|  | Less: cost of goods sold                                  | b  |                           |               |                                    |                            |  |
|  | c Net income or (loss) from sales of inventory            |  |                           |               |                                    |                            |  |
| Miscellaneous Revenue                                  |   |  | Business Code             |               |                                    |                            |  |
| 11 a   | MISCELLANEOUS REVENUE                                     | 900099   |                           | 23,391.       |                                    |                            | 23,391.  |
|  | b   |  |                           |               |                                    |                            |  |
|  | c   |  |                           |               |                                    |                            |  |
|  | d All other revenue                                       |  |                           |               |                                    |                            |  |
| e  | <b>Total. Add lines 11a-11d</b>                           |  |                           | 23,391.       |                                    |                            |  |
| 12   | <b>Total revenue. See instructions.</b>                   |  |                           | 28,016,819.   | 9,725,485.                         | 0.                         | -4,936.  |

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.  | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21  | 21,890.               | 21,890.                         |  |                             |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22   | 3,391,016.            | 3,391,016.                      |  |                             |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16  |                       |                                 |  |                             |
| 4 Benefits paid to or for members   |                       |                                 |  |                             |
| 5 Compensation of current officers, directors, trustees, and key employees  | 582,399.              | 465,920.                        | 116,479.                               |                             |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)   |                       |                                 |  |                             |
| 7 Other salaries and wages  | 13,968,710.           | 12,809,186.                     | 982,672.                               | 176,852.                    |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)  | 385,428.              | 364,730.                        | 16,545.                                | 4,153.                      |
| 9 Other employee benefits   | 1,577,159.            | 1,486,317.                      | 74,302.                                | 16,540.                     |
| 10 Payroll taxes  | 1,054,941.            | 960,608.                        | 81,245.                                | 13,088.                     |
| 11 Fees for services (non-employees):   |                       |                                 |  |                             |
| a Management  |                       |                                 |  |                             |
| b Legal   | 27,696.               |                                 | 27,696.                                |                             |
| c Accounting  | 49,224.               |                                 | 49,224.                                |                             |
| d Lobbying  | 61,786.               |                                 | 61,786.                                |                             |
| e Professional fundraising services. See Part IV, line 17   |                       |                                 |  |                             |
| f Investment management fees  |                       |                                 |  |                             |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)   | 1,208,421.            | 1,039,103.                      | 1,394.                                 | 167,924.                    |
| 12 Advertising and promotion  | 15,177.               |                                 | 15,177.                                |                             |
| 13 Office expenses  | 622,690.              | 537,876.                        | 72,576.                                | 12,238.                     |
| 14 Information technology   |                       |                                 |  |                             |
| 15 Royalties  |                       |                                 |  |                             |
| 16 Occupancy  | 2,765,220.            | 2,648,656.                      | 105,162.                               | 11,402.                     |
| 17 Travel   | 251,536.              | 249,017.                        | 1,935.                                 | 584.                        |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials   |                       |                                 |  |                             |
| 19 Conferences, conventions, and meetings   | 113,263.              | 90,802.                         | 21,351.                                | 1,110.                      |
| 20 Interest   | 186,113.              | 165,418.                        | 19,907.                                | 788.                        |
| 21 Payments to affiliates   |                       |                                 |  |                             |
| 22 Depreciation, depletion, and amortization  | 518,991.              | 472,864.                        | 43,473.                                | 2,654.                      |
| 23 Insurance  | 116,652.              |                                 | 116,652.                               |                             |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) |                       |                                 |  |                             |
| a EQUIPMENT RENTAL MAINTENANCE  | 180,934.              | 170,479.                        | 9,100.                                 | 1,355.                      |
| b BAD DEBT  | 159,915.              | 159,915.                        |  |                             |
| c EQUIPMENT PURCHASES   | 75,708.               | 73,165.                         | 2,185.                                 | 358.                        |
| d MEMBERSHIPS   | 53,097.               | 15,606.                         | 36,406.                                | 1,085.                      |
| e All other expenses  | 157,582.              | 11,497.                         | 141,572.                               | 4,513.                      |
| 25 Total functional expenses. Add lines 1 through 24e   | 27,545,548.           | 25,134,065.                     | 1,996,839.                             | 414,644.                    |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.                                     |                       |                                 |  |                             |

Check here  if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

|   |   | (A)<br>Beginning of year | (B)<br>End of year |
|---|---|--------------------------|--------------------|
| Assets  | 1 Cash - non-interest-bearing   | 173,848.                 | 1,898,955.         |
|   | 2 Savings and temporary cash investments  | 148,179.                 | 52,259.            |
|   | 3 Pledges and grants receivable, net  | 4,347,501.               | 3,671,405.         |
|   | 4 Accounts receivable, net  |                          |                    |
|   | 5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L   |                          |                    |
|   | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L |                          |                    |
|   | 7 Notes and loans receivable, net   |                          |                    |
|   | 8 Inventories for sale or use   |                          |                    |
|   | 9 Prepaid expenses and deferred charges   | 799,966.                 | 612,871.           |
|   | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D   | 9,915,546.               |                    |
|   | 10b Less: accumulated depreciation  | 5,426,492.               |                    |
|   | 10c Total   | 4,823,200.               | 4,489,054.         |
|   | 11 Investments - publicly traded securities   | 1,559.                   | 2,721.             |
|   | 12 Investments - other securities. See Part IV, line 11   |                          |                    |
|   | 13 Investments - program-related. See Part IV, line 11  |                          |                    |
|   | 14 Intangible assets  |                          |                    |
| 15 Other assets. See Part IV, line 11                               | 267,502.  | 267,655.                 |                    |
| 16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) | 10,561,755.   | 10,994,920.              |                    |
| Liabilities   | 17 Accounts payable and accrued expenses  | 2,358,843.               | 2,399,494.         |
|   | 18 Grants payable   |                          |                    |
|   | 19 Deferred revenue   | 118,406.                 | 263,554.           |
|   | 20 Tax-exempt bond liabilities  | 2,431,917.               | 2,314,390.         |
|   | 21 Escrow or custodial account liability. Complete Part IV of Schedule D  |                          |                    |
|   | 22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L   |                          |                    |
|   | 23 Secured mortgages and notes payable to unrelated third parties   |                          |                    |
|   | 24 Unsecured notes and loans payable to unrelated third parties   | 1,671,058.               | 1,597,448.         |
|   | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D  | 365,038.                 | 332,270.           |
|   | 26 <b>Total liabilities.</b> Add lines 17 through 25  | 6,945,262.               | 6,907,156.         |
| Net Assets or Fund Balances   | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.   |                          |                    |
|   | 27 Unrestricted net assets  | 3,157,365.               | 3,762,490.         |
|   | 28 Temporarily restricted net assets  | 455,878.                 | 325,274.           |
|   | 29 Permanently restricted net assets  | 3,250.                   | 0.                 |
|   | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.  |                          |                    |
|   | 30 Capital stock or trust principal, or current funds   |                          |                    |
|   | 31 Paid-in or capital surplus, or land, building, or equipment fund   |                          |                    |
|   | 32 Retained earnings, endowment, accumulated income, or other funds   |                          |                    |
| 33 Total net assets or fund balances                                | 3,616,493.  | 4,087,764.               |                    |
| 34 <b>Total liabilities and net assets/fund balances</b>            | 10,561,755.   | 10,994,920.              |                    |

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

|    |  |    |             |
|----|--|----|-------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)  | 1  | 28,016,819. |
| 2  | Total expenses (must equal Part IX, column (A), line 25)   | 2  | 27,545,548. |
| 3  | Revenue less expenses. Subtract line 2 from line 1   | 3  | 471,271.    |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                      | 4  | 3,616,493.  |
| 5  | Net unrealized gains (losses) on investments   | 5  |             |
| 6  | Donated services and use of facilities   | 6  |             |
| 7  | Investment expenses  | 7  |             |
| 8  | Prior period adjustments   | 8  |             |
| 9  | Other changes in net assets or fund balances (explain in Schedule O)   | 9  | 0.          |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 4,087,764.  |

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

|  | Yes | No |
|--|-----|----|
| 1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.  |     |    |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | 2a  | X  |
| b Were the organization's financial statements audited by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                 | 2b  | X  |
| c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.  | 2c  | X  |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?  | 3a  | X  |
| b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits   | 3b  | X  |

Form 990 (2016)

SCHEDULE A  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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

Attach to Form 990 or Form 990-EZ.

Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

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

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
2 A school described in section 170(b)(1)(A)(ii).
3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii).
5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv).
6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7 X An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi).
8 A community trust described in section 170(b)(1)(A)(vi).
9 An agricultural research organization described in section 170(b)(1)(A)(ix) operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture.
10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions.
11 An organization organized and operated exclusively to test for public safety.
12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
a Type I. A supporting organization operated, supervised, or controlled by its supported organization(s).
b Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s).
c Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s).
d Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated.
e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
f Enter the number of supported organizations

Table with 6 columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization listed in your governing document?, (v) Amount of monetary support, (vi) Amount of other support.

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2012    | (b) 2013    | (c) 2014    | (d) 2015    | (e) 2016    | (f) Total   |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....  | 17,902,973. | 18,185,275. | 18,022,468. | 17,755,827. | 18,296,270. | 90,162,813. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....   |             |             |             |             |             |             |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge .....   |             |             |             |             |             |             |
| 4 <b>Total.</b> Add lines 1 through 3 .....   | 17,902,973. | 18,185,275. | 18,022,468. | 17,755,827. | 18,296,270. | 90,162,813. |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) ..... |             |             |             |             |             |             |
| 6 <b>Public support.</b> Subtract line 5 from line 4.   |             |             |             |             |             | 90,162,813. |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2012                 | (b) 2013    | (c) 2014    | (d) 2015    | (e) 2016    | (f) Total   |
|---|--------------------------|-------------|-------------|-------------|-------------|-------------|
| 7 Amounts from line 4 .....   | 17,902,973.              | 18,185,275. | 18,022,468. | 17,755,827. | 18,296,270. | 90,162,813. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....  | 32,318.                  | 21,152.     | 8,001.      | 3,577.      | 91.         | 65,139.     |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on .....  |                          |             |             |             |             |             |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....  | 58,997.                  | 50,819.     | 40,114.     | 34,068.     | 23,391.     | 207,389.    |
| 11 <b>Total support.</b> Add lines 7 through 10 .....   |                          |             |             |             |             | 90,435,341. |
| 12 Gross receipts from related activities, etc. (see instructions) .....  |                          |             |             |             | 12          | 42,767,337. |
| 13 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ..... | <input type="checkbox"/> |             |             |             |             |             |

**Section C. Computation of Public Support Percentage**

|  |                                     |         |
|--|-------------------------------------|---------|
| 14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f)) .....  | 14                                  | 99.70 % |
| 15 Public support percentage from 2015 Schedule A, Part II, line 14 .....  | 15                                  | 99.58 % |
| 16a <b>33 1/3% support test - 2016.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization .....  | <input checked="" type="checkbox"/> |         |
| b <b>33 1/3% support test - 2015.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization .....   | <input type="checkbox"/>            |         |
| 17a <b>10% -facts-and-circumstances test - 2016.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....    | <input type="checkbox"/>            |         |
| b <b>10% -facts-and-circumstances test - 2015.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... | <input type="checkbox"/>            |         |
| 18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....   | <input type="checkbox"/>            |         |

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2012 | (b) 2013 | (c) 2014 | (d) 2015 | (e) 2016 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....   |          |          |          |          |          |           |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose ..... |          |          |          |          |          |           |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 .....   |          |          |          |          |          |           |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....  |          |          |          |          |          |           |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge .....  |          |          |          |          |          |           |
| 6 <b>Total.</b> Add lines 1 through 5 .....  |          |          |          |          |          |           |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons .....  |          |          |          |          |          |           |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....           |          |          |          |          |          |           |
| c Add lines 7a and 7b .....  |          |          |          |          |          |           |
| 8 <b>Public support.</b> (Subtract line 7c from line 6.) .....   |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2012 | (b) 2013 | (c) 2014 | (d) 2015 | (e) 2016 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 .....  |          |          |          |          |          |           |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ..... |          |          |          |          |          |           |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....                          |          |          |          |          |          |           |
| c Add lines 10a and 10b .....  |          |          |          |          |          |           |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....     |          |          |          |          |          |           |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....                                 |          |          |          |          |          |           |
| 13 <b>Total support.</b> (Add lines 9, 10c, 11, and 12.) .....   |          |          |          |          |          |           |

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** .....

**Section C. Computation of Public Support Percentage**

|   |    |   |
|---|----|---|
| 15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f)) ..... | 15 | % |
| 16 Public support percentage for 2015 Schedule A, Part III, line 15 .....                       | 16 | % |

**Section D. Computation of Investment Income Percentage**

|  |    |   |
|--|----|---|
| 17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f)) ..... | 17 | % |
| 18 Investment income percentage from 2015 Schedule A, Part III, line 17 .....                        | 18 | % |

19a **33 1/3% support tests - 2016.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization .....

b **33 1/3% support tests - 2015.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization .....

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions .....



**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

|  | Yes | No |
|--|-----|----|
| 1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.  |     |    |
| 2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).   |     |    |
| 3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.   |     |    |
| b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.   |     |    |
| c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.  |     |    |
| 4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.  |     |    |
| b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.  |     |    |
| c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.   |     |    |
| 5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document). |     |    |
| b <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?   |     |    |
| c <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?  |     |    |
| 6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI.  |     |    |
| 7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).   |     |    |
| 8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).  |     |    |
| 9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI.  |     |    |
| b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI.  |     |    |
| c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI.   |     |    |
| 10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.   |     |    |
| b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)   |     |    |

**Part IV Supporting Organizations** (continued)

|  | Yes | No |
|--|-----|----|
| <b>11</b> Has the organization accepted a gift or contribution from any of the following persons?  |     |    |
| <b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? |     |    |
| <b>b</b> A family member of a person described in (a) above?   |     |    |
| <b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.   |     |    |

**Section B. Type I Supporting Organizations**

|  | Yes | No |
|--|-----|----|
| <b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year. |     |    |
| <b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.   |     |    |

**Section C. Type II Supporting Organizations**

|   | Yes | No |
|---|-----|----|
| <b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s). |     |    |

**Section D. All Type III Supporting Organizations**

|   | Yes | No |
|---|-----|----|
| <b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? |     |    |
| <b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).  |     |    |
| <b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.   |     |    |

**Section E. Type III Functionally Integrated Supporting Organizations**

|  |  |  |
|--|--|--|
| <b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).   |  |  |
| <b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.   |  |  |
| <b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.  |  |  |
| <b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).  |  |  |
| <b>2</b> Activities Test. Answer (a) and (b) below.  |  |  |
| <b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities. |  |  |
| <b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.  |  |  |
| <b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.  |  |  |
| <b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.  |  |  |
| <b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.   |  |  |

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI.) See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

| Section A - Adjusted Net Income |  | (A) Prior Year | (B) Current Year (optional) |
|---------------------------------|--|----------------|-----------------------------|
| 1                               | Net short-term capital gain  | 1              |                             |
| 2                               | Recoveries of prior-year distributions   | 2              |                             |
| 3                               | Other gross income (see instructions)  | 3              |                             |
| 4                               | Add lines 1 through 3  | 4              |                             |
| 5                               | Depreciation and depletion   | 5              |                             |
| 6                               | Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6              |                             |
| 7                               | Other expenses (see instructions)  | 7              |                             |
| 8                               | <b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)  | 8              |                             |

| Section B - Minimum Asset Amount |   | (A) Prior Year | (B) Current Year (optional) |
|----------------------------------|---|----------------|-----------------------------|
| 1                                | Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): |                |                             |
| a                                | Average monthly value of securities   | 1a             |                             |
| b                                | Average monthly cash balances   | 1b             |                             |
| c                                | Fair market value of other non-exempt-use assets  | 1c             |                             |
| d                                | <b>Total</b> (add lines 1a, 1b, and 1c)   | 1d             |                             |
| e                                | Discount claimed for blockage or other factors (explain in detail in Part VI):  |                |                             |
| 2                                | Acquisition indebtedness applicable to non-exempt-use assets  | 2              |                             |
| 3                                | Subtract line 2 from line 1d  | 3              |                             |
| 4                                | Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)                                  | 4              |                             |
| 5                                | Net value of non-exempt-use assets (subtract line 4 from line 3)  | 5              |                             |
| 6                                | Multiply line 5 by .035   | 6              |                             |
| 7                                | Recoveries of prior-year distributions  | 7              |                             |
| 8                                | <b>Minimum Asset Amount</b> (add line 7 to line 6)  | 8              |                             |

| Section C - Distributable Amount |   |   | Current Year |
|----------------------------------|---|---|--------------|
| 1                                | Adjusted net income for prior year (from Section A, line 8, Column A)   | 1 |              |
| 2                                | Enter 85% of line 1   | 2 |              |
| 3                                | Minimum asset amount for prior year (from Section B, line 8, Column A)  | 3 |              |
| 4                                | Enter greater of line 2 or line 3   | 4 |              |
| 5                                | Income tax imposed in prior year  | 5 |              |
| 6                                | <b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)  | 6 |              |
| 7                                | <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions). |   |              |

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

| Section D - Distributions   | Current Year |
|---|--------------|
| 1 Amounts paid to supported organizations to accomplish exempt purposes   |              |
| 2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity     |              |
| 3 Administrative expenses paid to accomplish exempt purposes of supported organizations   |              |
| 4 Amounts paid to acquire exempt-use assets   |              |
| 5 Qualified set-aside amounts (prior IRS approval required)   |              |
| 6 Other distributions (describe in Part VI). See instructions   |              |
| 7 <b>Total annual distributions.</b> Add lines 1 through 6  |              |
| 8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions |              |
| 9 Distributable amount for 2016 from Section C, line 6  |              |
| 10 Line 8 amount divided by Line 9 amount   |              |

| Section E - Distribution Allocations (see instructions)  | (i)<br>Excess Distributions | (ii)<br>Underdistributions<br>Pre-2016 | (iii)<br>Distributable<br>Amount for 2016 |
|--|-----------------------------|--|---|
| 1 Distributable amount for 2016 from Section C, line 6   |                             |  |   |
| 2 Underdistributions, if any, for years prior to 2016 (reasonable cause required- explain in Part VI). See instructions  |                             |  |   |
| 3 Excess distributions carryover, if any, to 2016:   |                             |  |   |
| a  |                             |  |   |
| b  |                             |  |   |
| c From 2013  |                             |  |   |
| d From 2014  |                             |  |   |
| e From 2015  |                             |  |   |
| f <b>Total of lines 3a through e</b>   |                             |  |   |
| g Applied to underdistributions of prior years   |                             |  |   |
| h Applied to 2016 distributable amount   |                             |  |   |
| i Carryover from 2011 not applied (see instructions)   |                             |  |   |
| j Remainder. Subtract lines 3g, 3h, and 3i from 3f.  |                             |  |   |
| 4 Distributions for 2016 from Section D, line 7: \$  |                             |  |   |
| a Applied to underdistributions of prior years   |                             |  |   |
| b Applied to 2016 distributable amount   |                             |  |   |
| c Remainder. Subtract lines 4a and 4b from 4   |                             |  |   |
| 5 Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions |                             |  |   |
| 6 Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions                        |                             |  |   |
| 7 <b>Excess distributions carryover to 2017.</b> Add lines 3j and 4c   |                             |  |   |
| 8 Breakdown of line 7:   |                             |  |   |
| a  |                             |  |   |
| b Excess from 2013   |                             |  |   |
| c Excess from 2014   |                             |  |   |
| d Excess from 2015   |                             |  |   |
| e Excess from 2016   |                             |  |   |

Schedule A (Form 990 or 990-EZ) 2016

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:

MISCELLANEOUS REVENUE

2012 AMOUNT: \$ 58,997.

2013 AMOUNT: \$ 50,819.

2014 AMOUNT: \$ 40,114.

2015 AMOUNT: \$ 34,068.

2016 AMOUNT: \$ 23,391.

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

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

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

|   |   |
|---|---|
| Name of organization<br><b>RESOURCE, INC.</b> | Employer identification number<br><b>41-0828779</b> |
|---|---|

**Part I Contributors** (See instructions). Use duplicate copies of Part I if additional space is needed.

| (a)<br>No. | (b)<br>Name, address, and ZIP + 4  | (c)<br>Total contributions | (d)<br>Type of contribution   |
|------------|--|----------------------------|---|
| 1          | <u>UNITED WAY</u><br><u>404 S 8TH ST</u><br><u>MINNEAPOLIS, MN 55404</u>   | \$ <u>749,533.</u>         | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 2          | <u>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</u><br><u>457 7TH ST SW</u><br><u>WASHINGTON, DC 20410</u> | \$ <u>689,524.</u>         | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 3          | <u>U.S. DEPARTMENT OF LABOR</u><br><u>200 CONSTITUTION AVE NW</u><br><u>WASHINGTON, DC 20210</u>                 | \$ <u>1,672,880.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 4          | <u>RAMSEY COUNTY</u><br><u>15 W KELLOGG BLVD</u><br><u>SAINT PAUL, MN 55102</u>                                  | \$ <u>1,044,666.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 5          | <u>DAKOTA COUNTY</u><br><u>ONE MENDOTA RD, SUITE 1</u><br><u>WEST ST. PAUL, MN 55118</u>                         | \$ <u>1,201,546.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 6          | <u>STEARNS COUNTY</u><br><u>705 COURTHOUSE SQ</u><br><u>SAINT CLOUD, MN 56303</u>                                | \$ <u>1,333,289.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |

|   |   |
|---|---|
| Name of organization<br><b>RESOURCE, INC.</b> | Employer identification number<br><b>41-0828779</b> |
|---|---|

**Part I: Contributors** (See instructions). Use duplicate copies of Part I if additional space is needed.

| (a)<br>No. | (b)<br>Name, address, and ZIP + 4   | (c)<br>Total contributions | (d)<br>Type of contribution   |
|------------|---|----------------------------|---|
| 7          | BENTON COUNTY<br>531 DEWEY ST, PO BOX 129<br>FOLEY, MN 56329                          | \$ 391,361.                | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 8          | HEARTH CONNECTION<br>2446 UNIVERSITY AVE W, SUITE 150<br>SAINT PAUL, MN 55114         | \$ 1,303,903.              | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 9          | STATE OF MINNESOTA DEPT OF HUMAN SERVICES<br>444 LAFAYETTE RD<br>SAINT PAUL, MN 55155 | \$ 1,245,939.              | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 10         | HENNEPIN COUNTY<br>300 S 6TH ST<br>MINNEAPOLIS, MN 55487                              | \$ 5,635,280.              | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
|            |   | \$                         | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
|            |   | \$                         | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |



|   |   |
|---|---|
| Name of organization<br><b>RESOURCE, INC.</b> | Employer identification number<br><b>41-0828779</b> |
|---|---|

**Part II. Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

| (a)<br>No.<br>from<br>Part I | (b)<br>Description of noncash property given | (c)<br>FMV (or estimate)<br>(See instructions) | (d)<br>Date received |
|------------------------------|--|--|----------------------|
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |
|                              |  | \$ _____                                       | _____                |

|   |   |
|---|---|
| Name of organization<br><b>RESOURCE, INC.</b> | Employer identification number<br><b>41-0828779</b> |
|---|---|

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

|   |                     |  |                                     |
|---|---------------------|--|-------------------------------------|
| (a) No.<br>from<br>Part I               | (b) Purpose of gift | (c) Use of gift                          | (d) Description of how gift is held |
|   | <hr/> <hr/> <hr/>   | <hr/> <hr/> <hr/>                        | <hr/> <hr/> <hr/>                   |
| (e) Transfer of gift                    |                     |  |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
| <hr/> <hr/> <hr/>                       |                     | <hr/> <hr/> <hr/>                        |                                     |
| (a) No.<br>from<br>Part I               | (b) Purpose of gift | (c) Use of gift                          | (d) Description of how gift is held |
|   | <hr/> <hr/> <hr/>   | <hr/> <hr/> <hr/>                        | <hr/> <hr/> <hr/>                   |
| (e) Transfer of gift                    |                     |  |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
| <hr/> <hr/> <hr/>                       |                     | <hr/> <hr/> <hr/>                        |                                     |
| (a) No.<br>from<br>Part I               | (b) Purpose of gift | (c) Use of gift                          | (d) Description of how gift is held |
|   | <hr/> <hr/> <hr/>   | <hr/> <hr/> <hr/>                        | <hr/> <hr/> <hr/>                   |
| (e) Transfer of gift                    |                     |  |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
| <hr/> <hr/> <hr/>                       |                     | <hr/> <hr/> <hr/>                        |                                     |
| (a) No.<br>from<br>Part I               | (b) Purpose of gift | (c) Use of gift                          | (d) Description of how gift is held |
|   | <hr/> <hr/> <hr/>   | <hr/> <hr/> <hr/>                        | <hr/> <hr/> <hr/>                   |
| (e) Transfer of gift                    |                     |  |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
| <hr/> <hr/> <hr/>                       |                     | <hr/> <hr/> <hr/>                        |                                     |

**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2016**

Department of the Treasury  
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527  
 ▶ **Complete if the organization is described below.** ▶ Attach to Form 990 or Form 990-EZ.  
 ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Open to Public  
Inspection

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization **RESOURCE, INC.** Employer identification number **41-0828779**

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political campaign activity expenditures ..... \$ 0.
- 3 Volunteer hours for political campaign activities ..... 0.

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ..... \$ 0.
  - 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ..... \$ 0.
  - 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?  Yes  No
  - 4a Was a correction made?  Yes  No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ..... \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ..... \$ \_\_\_\_\_
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ..... \$ \_\_\_\_\_
- 4 Did the filing organization file Form 1120-POL for this year?  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds. If none, enter -0- | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0- |
|----------|-------------|---------|--|---|
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |
|          |             |         |  |   |

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2016

**Part II-A** Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check  if the filing organization checked box A and "limited control" provisions apply.

| Limits on Lobbying Expenditures<br>(The term "expenditures" means amounts paid or incurred.)  |  | (a) Filing organization's totals                | (b) Affiliated group totals        |                    |                               |   |  |   |  |  |   |                   |              |  |  |
|---|--|---|------------------------------------|--------------------|-------------------------------|---|--|---|--|--|---|-------------------|--------------|--|--|
| 1a Total lobbying expenditures to influence public opinion (grass roots lobbying) .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| b Total lobbying expenditures to influence a legislative body (direct lobbying) .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| c Total lobbying expenditures (add lines 1a and 1b) .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| d Other exempt purpose expenditures .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| e Total exempt purpose expenditures (add lines 1c and 1d) .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| f Lobbying nontaxable amount. Enter the amount from the following table in both columns.  |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| <table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</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 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table> |  | If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | Not over \$500,000 | 20% of the amount on line 1e. | Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | Over \$17,000,000 | \$1,000,000. |  |  |
| If the amount on line 1e, column (a) or (b) is:   | The lobbying nontaxable amount is:                 |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| Not over \$500,000  | 20% of the amount on line 1e.                      |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| Over \$500,000 but not over \$1,000,000   | \$100,000 plus 15% of the excess over \$500,000.   |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| Over \$1,000,000 but not over \$1,500,000   | \$175,000 plus 10% of the excess over \$1,000,000. |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| Over \$1,500,000 but not over \$17,000,000  | \$225,000 plus 5% of the excess over \$1,500,000.  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| Over \$17,000,000   | \$1,000,000.                                       |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| g Grassroots nontaxable amount (enter 25% of line 1f) .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| h Subtract line 1g from line 1a. If zero or less, enter -0- .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| i Subtract line 1f from line 1c. If zero or less, enter -0- .....   |  |   |                                    |                    |                               |   |  |   |  |  |   |                   |              |  |  |
| j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....   |  | <input type="checkbox"/> Yes                    | <input type="checkbox"/> No        |                    |                               |   |  |   |  |  |   |                   |              |  |  |

**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 separate instructions for lines 2a through 2f.)

| Lobbying Expenditures During 4-Year Averaging Period         |          |          |          |          |           |
|--|----------|----------|----------|----------|-----------|
| Calendar year<br>(or fiscal year beginning in)               | (a) 2013 | (b) 2014 | (c) 2015 | (d) 2016 | (e) Total |
| 2a Lobbying nontaxable amount                                |          |          |          |          |           |
| b Lobbying ceiling amount<br>(150% of line 2a, column(e))    |          |          |          |          |           |
| c Total lobbying expenditures                                |          |          |          |          |           |
| d Grassroots nontaxable amount                               |          |          |          |          |           |
| e Grassroots ceiling amount<br>(150% of line 2d, column (e)) |          |          |          |          |           |
| f Grassroots lobbying expenditures                           |          |          |          |          |           |

Schedule C (Form 990 or 990-EZ) 2016

**Part II-B** Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

| For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.  | (a) |    | (b)     |
|---|-----|----|---------|
|   | Yes | No | Amount  |
| 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of: |     |    |         |
| a Volunteers?   |     | X  |         |
| b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?  |     | X  |         |
| c Media advertisements?   |     | X  |         |
| d Mailings to members, legislators, or the public?  |     | X  |         |
| e Publications, or published or broadcast statements?   |     | X  |         |
| f Grants to other organizations for lobbying purposes?  |     | X  |         |
| g Direct contact with legislators, their staffs, government officials, or a legislative body?   |     | X  |         |
| h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?   |     | X  |         |
| i Other activities?   | X   |    | 61,786. |
| j Total. Add lines 1c through 1i  |     |    | 61,786. |
| 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?  |     | X  |         |
| b If "Yes," enter the amount of any tax incurred under section 4912   |     |    |         |
| c If "Yes," enter the amount of any tax incurred by organization managers under section 4912  |     |    |         |
| d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?  |     |    |         |

**Part III-A** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

|   | Yes | No |
|---|-----|----|
| 1 Were substantially all (90% or more) dues received nondeductible by members?  | 1   |    |
| 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?                                   | 2   |    |
| 3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year? | 3   |    |

**Part III-B** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

|  |    |  |
|--|----|--|
| 1 Dues, assessments and similar amounts from members   | 1  |  |
| 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).   |    |  |
| a Current year   | 2a |  |
| b Carryover from last year   | 2b |  |
| c Total  | 2c |  |
| 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues  | 3  |  |
| 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? | 4  |  |
| 5 Taxable amount of lobbying and political expenditures (see instructions)   | 5  |  |

**Part IV** Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

**PART II-B, LINE 1, LOBBYING ACTIVITIES:**

A RETAINER WAS PAID A THIRD PARTY TO LOBBY ON THE BEHALF OF RESOURCE, INC. WITH RESPECT TO LEGISLATION THAT IMPACTS FUNDING FOR PROGRAMS THAT IMPACT THOSE SERVED BY THE ORGANIZATION.

**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

Open to Public Inspection

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

|   | (a) Donor advised funds | (b) Funds and other accounts                             |
|---|-------------------------|--|
| 1 Total number at end of year .....   |                         |  |
| 2 Aggregate value of contributions to (during year) .....   |                         |  |
| 3 Aggregate value of grants from (during year) .....  |                         |  |
| 4 Aggregate value at end of year .....  |                         |  |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....  |                         | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ..... |                         | <input type="checkbox"/> Yes <input type="checkbox"/> No |

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

- Purpose(s) of conservation easements held by the organization (check all that apply).
  - Preservation of land for public use (e.g., recreation or education)
  - Protection of natural habitat
  - Preservation of open space
  - Preservation of a historically important land area
  - Preservation of a certified historic structure
- Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
 

|  | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements .....   | 2a                              |
| b Total acreage restricted by conservation easements .....   | 2b                              |
| c Number of conservation easements on a certified historic structure included in (a) .....   | 2c                              |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register ..... | 2d                              |
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_
- Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....
- Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \_\_\_\_\_
- Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....
- In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

- If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
  - (i) Revenue included on Form 990, Part VIII, line 1 .....
  - (ii) Assets included in Form 990, Part X .....
- If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
  - a Revenue included on Form 990, Part VIII, line 1 .....
  - b Assets included in Form 990, Part X .....

LHA For Paperwork Reduction Act Notice, see the instructions for Form 990.

Schedule D (Form 990) 2016

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     | 3,250.           | 3,250.         | 3,250.             | 3,250.               | 3,250.              |
| b Contributions                                  |                  |                |                    |                      |                     |
| c Net investment earnings, gains, and losses     |                  |                |                    |                      |                     |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs | 3,250.           |                |                    |                      |                     |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            |                  | 3,250.         | 3,250.             | 3,250.               | 3,250.              |

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

- a Board designated or quasi-endowment  .00 %
- b Permanent endowment  100.00 %
- c Temporarily restricted endowment  .00 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

|                             | Yes | No |
|-----------------------------|-----|----|
| (i) unrelated organizations |     | X  |
| (ii) related organizations  |     | X  |

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?  Yes  No

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

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property   | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land   |                                      | 687,700.                        |                              | 687,700.       |
| b Buildings   |                                      | 7,029,783.                      | 3,717,707.                   | 3,312,076.     |
| c Leasehold improvements  |                                      | 426,609.                        | 401,947.                     | 24,662.        |
| d Equipment   |                                      | 1,394,617.                      | 992,905.                     | 401,712.       |
| e Other   |                                      | 376,837.                        | 313,933.                     | 62,904.        |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) |                                      |                                 |                              | 4,489,054.     |

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|--|----------------|---|
| (1) Financial derivatives  |                |   |
| (2) Closely-held equity interests                                    |                |   |
| (3) Other  |                |   |
| (A)  |                |   |
| (B)  |                |   |
| (C)  |                |   |
| (D)  |                |   |
| (E)  |                |   |
| (F)  |                |   |
| (G)  |                |   |
| (H)  |                |   |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)     |                |   |

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

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

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability                                    | (b) Book value |
|--|----------------|
| (1) Federal income taxes   |                |
| (2) CAPITAL LEASES   | 1,475.         |
| (3) REFUNDABLE ADVANCES  | 93,479.        |
| (4) ASSET RETIREMENT OBLIGATION                                    | 120,855.       |
| (5) LEADERSHIP BONUS ACCRUAL                                       | 116,461.       |
| (6)  |                |
| (7)  |                |
| (8)  |                |
| (9)  |                |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) | 332,270.       |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

|   |   |    |          |             |
|---|---|----|----------|-------------|
| 1 | Total revenue, gains, and other support per audited financial statements        |    | 1        | 28,136,921. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12:             |    |          |             |
| a | Net unrealized gains (losses) on investments                                    | 2a |          |             |
| b | Donated services and use of facilities  | 2b | 102,477. |             |
| c | Recoveries of prior year grants   | 2c |          |             |
| d | Other (Describe in Part XIII.)  | 2d | 39,515.  |             |
| e | Add lines 2a through 2d   | 2e |          | 141,992.    |
| 3 | Subtract line 2e from line 1  |    | 3        | 27,994,929. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1:            |    |          |             |
| a | Investment expenses not included on Form 990, Part VIII, line 7b                | 4a |          |             |
| b | Other (Describe in Part XIII.)  | 4b | 21,890.  |             |
| c | Add lines 4a and 4b   | 4c |          | 21,890.     |
| 5 | Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) |    | 5        | 28,016,819. |

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

|   |  |    |          |             |
|---|--|----|----------|-------------|
| 1 | Total expenses and losses per audited financial statements                       |    | 1        | 27,664,450. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25:                |    |          |             |
| a | Donated services and use of facilities   | 2a | 102,477. |             |
| b | Prior year adjustments   | 2b |          |             |
| c | Other losses   | 2c |          |             |
| d | Other (Describe in Part XIII.)   | 2d | 38,315.  |             |
| e | Add lines 2a through 2d  | 2e |          | 140,792.    |
| 3 | Subtract line 2e from line 1   |    | 3        | 27,523,658. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1:               |    |          |             |
| a | Investment expenses not included on Form 990, Part VIII, line 7b                 | 4a |          |             |
| b | Other (Describe in Part XIII.)   | 4b | 21,890.  |             |
| c | Add lines 4a and 4b  | 4c |          | 21,890.     |
| 5 | Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) |    | 5        | 27,545,548. |

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART IV, LINE 2B:**

THE ORGANIZATION MAINTAINED CUSTODIAL ACCOUNTS FOR CLIENTS.

**PART V, LINE 4:**

THE ENDOWMENT FUNDS WERE MAINTAINED TO SUPPORT GENERAL PROGRAM OPERATIONS.

**PART X, LINE 2:**

THE ORGANIZATION IS CLASSIFIED AS A TAX-EXEMPT ORGANIZATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND, ACCORDINGLY, IS NOT SUBJECT TO FEDERAL INCOME TAXES. AS SUCH, IT IS SUBJECT TO FEDERAL AND STATE INCOME TAXES ON NET UNRELATED BUSINESS INCOME. THE ORGANIZATION CURRENTLY HAS NO UNRELATED BUSINESS INCOME.

**Part XIII** Supplemental Information (continued)

THE ORGANIZATION FOLLOWS THE ACCOUNTING STANDARDS FOR CONTINGENCIES IN EVALUATING UNCERTAIN TAX POSITIONS AND FILES AS A TAX-EXEMPT ORGANIZATION. SHOULD THAT STATUS BE CHALLENGED IN THE FUTURE, ALL YEARS SINCE INCEPTION COULD BE SUBJECT TO REVIEW BY THE INTERNAL REVENUE SERVICE (IRS).

PART XI, LINE 2D - OTHER ADJUSTMENTS:

REVENUE REPORTED BY SUBSIDIARY 39,515.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

INTERCOMPANY ELIMINATIONS 21,890.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

EXPENSES REPORTED BY SUBSIDIARY 38,315.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

INTERCOMPANY ELIMINATIONS 21,890.

**SCHEDULE I**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

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

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

Open to Public  
Inspection

Name of the organization

**RESOURCE, INC.**

Employer identification number  
**41-0828779**

**Part I** General Information on Grants and Assistance

**1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

**2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II** Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

| 1 (a) Name and address of organization or government  | (b) EIN    | (c) IRC section (if applicable) | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|---|------------|---------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| HELP ENABLE ALCOHOLICS/ADDICTS<br>RECEIVE TREATMENT, INC. - 1900<br>CHICAGO AVENUE SOUTH -<br>MINNEAPOLIS, MN 55404 | 23-7259792 | 501 (C) 3                       | 21,890.                  | 0.                                |   |  | ONGOING OPERATIONS.                |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |
|   |            |                                 |                          |                                   |   |  |                                    |

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **0.**

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

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

Schedule I (Form 990) (2016)

**Part III.** Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| CLOTHING ASSISTANCE             | 585                      | 0.                       | 61,767. FMV                       |   | STORED VALUE CARD                      |
| EDUCATIONAL ASSISTANCE          | 473                      | 0.                       | 670,674. FMV                      |   | TUITION PAYMENT & TRAINING.            |
| FOOD ASSISTANCE                 | 830                      | 0.                       | 340,728. FMV                      |   | STORED VALUE CARD & MEALS PROVIDED     |
| HOUSING ASSISTANCE              | 789                      | 0.                       | 1,518,665. FMV                    |   | RENTAL EXPENSES PAID                   |
| LEGAL ASSISTANCE, DOCUMENTS     | 20                       | 0.                       | 2,218. FMV                        |   | LEGAL FEES PAID                        |

**Part IV.** Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

**PART I, LINE 2:**

ELIGIBILITY, SELECTION AND SUBSTANTIATION REQUIREMENTS ARE SPECIFIED BY THE

GRANTING ENTITIES. ALL SUCH REQUIREMENTS ARE DOCUMENTED ACCORDING TO THE

GRANTOR'S SPECIFICATIONS. ALL REQUESTS FOR GRANT AND ASSISTANCE PAYMENTS

ARE DOCUMENTED AND APPROVED PRIOR TO PAYMENT. PAYMENTS ARE GENERALLY MADE

TO APPROPRIATE SERVICE OR PRODUCT VENDORS RATHER THAN DIRECTLY TO THE

PROGRAM PARTICIPANT.

Part III Continuation of Grants and Other Assistance to Individuals in the United States (Schedule I (Form 990), Part III)

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| MEDICAL PREMIUMS, RX, ETC       | 0.                       | 0.                       | 0. N/A                            | N/A   |  |
| PERSONAL NEEDS                  | 0.                       | 0.                       | 0. N/A                            | N/A   |  |
| TRANSPORTATION                  | 0.                       | 0.                       | 0. N/A                            | N/A   |  |
| WAGE SUPPLEMENTS                | 0.                       | 0.                       | 0. N/A                            | N/A   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |
|                                 |                          |                          |                                   |   |  |

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**2016**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

**Part I Questions Regarding Compensation**

|  | Yes       | No |
|--|-----------|----|
| <b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.  |           |    |
| <input type="checkbox"/> First-class or charter travel   |           |    |
| <input type="checkbox"/> Travel for companions   |           |    |
| <input type="checkbox"/> Tax indemnification and gross-up payments   |           |    |
| <input type="checkbox"/> Discretionary spending account  |           |    |
| <input type="checkbox"/> Housing allowance or residence for personal use   |           |    |
| <input type="checkbox"/> Payments for business use of personal residence   |           |    |
| <input type="checkbox"/> Health or social club dues or initiation fees   |           |    |
| <input type="checkbox"/> Personal services (such as, maid, chauffeur, chef)  |           |    |
| <b>b</b> If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain  | <b>1b</b> |    |
| <b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?  | <b>2</b>  |    |
| <b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. |           |    |
| <input checked="" type="checkbox"/> Compensation committee   |           |    |
| <input type="checkbox"/> Independent compensation consultant   |           |    |
| <input type="checkbox"/> Form 990 of other organizations   |           |    |
| <input type="checkbox"/> Written employment contract   |           |    |
| <input checked="" type="checkbox"/> Compensation survey or study   |           |    |
| <input checked="" type="checkbox"/> Approval by the board or compensation committee  |           |    |
| <b>4</b> During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:  |           |    |
| <b>a</b> Receive a severance payment or change-of-control payment?   | <b>4a</b> | X  |
| <b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?   | <b>4b</b> | X  |
| <b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?  | <b>4c</b> | X  |
| If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.  |           |    |
| <b>Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>  |           |    |
| <b>5</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:  |           |    |
| <b>a</b> The organization?   | <b>5a</b> | X  |
| <b>b</b> Any related organization?   | <b>5b</b> | X  |
| If "Yes" on line 5a or 5b, describe in Part III.   |           |    |
| <b>6</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:  |           |    |
| <b>a</b> The organization?   | <b>6a</b> | X  |
| <b>b</b> Any related organization?   | <b>6b</b> | X  |
| If "Yes" on line 6a or 6b, describe in Part III.   |           |    |
| <b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III   | <b>7</b>  | X  |
| <b>8</b> Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III   | <b>8</b>  | X  |
| <b>9</b> If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?  | <b>9</b>  |    |

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

Schedule J (Form 990) 2016

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

Table with columns: (A) Name and Title, (B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base compensation, (ii) Bonus & incentive compensation, (iii) Other reportable compensation, (C) Retirement and other deferred compensation, (D) Nontaxable benefits, (E) Total of columns (B)(i)-(D), (F) Compensation in column (B) reported as deferred on prior Form 990. Row 1: KELLY MATTER, PRESIDENT AND CEO, 223,700, 0, 0, 6,707, 2,055, 232,462, 0.

**Part III** Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Multiple horizontal lines for supplemental information.



**Part I Bond Issues** SEE PART VI FOR COLUMN (F) CONTINUATIONS

| (a) Issuer name                            | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose      | (g) Defeated (h) On behalf of issuer |    | (i) Pooled financing |    |
|--|----------------|-------------|-----------------|-----------------|---------------------------------|--------------------------------------|----|----------------------|----|
|  |                |             |                 |                 |                                 | Yes                                  | No | Yes                  | No |
| MINNEAPOLIS COMMUNITY A DEVELOPMENT AGENCY | 41-6009115     | NONE        | 08/17/10        | 3,000,000.      | TO REFINANCE EXISTING BONDS AND |                                      | X  |                      | X  |
| B  |                |             |                 |                 |                                 |                                      |    |                      |    |
| C  |                |             |                 |                 |                                 |                                      |    |                      |    |
| D  |                |             |                 |                 |                                 |                                      |    |                      |    |

**Part II Proceeds**

|   | A   |            | B   |    | C   |    | D   |    |
|---|-----|------------|-----|----|-----|----|-----|----|
|   | Yes | No         | Yes | No | Yes | No | Yes | No |
| 1 Amount of bonds retired   |     | 685,610.   |     |    |     |    |     |    |
| 2 Amount of bonds legally defeased  |     |            |     |    |     |    |     |    |
| 3 Total proceeds of issue   |     | 3,000,000. |     |    |     |    |     |    |
| 4 Gross proceeds in reserve funds   |     |            |     |    |     |    |     |    |
| 5 Capitalized interest from proceeds  |     |            |     |    |     |    |     |    |
| 6 Proceeds in refunding escrows   |     | 60,000.    |     |    |     |    |     |    |
| 7 Issuance costs from proceeds  |     |            |     |    |     |    |     |    |
| 8 Credit enhancement from proceeds  |     |            |     |    |     |    |     |    |
| 9 Working capital expenditures from proceeds  |     |            |     |    |     |    |     |    |
| 10 Capital expenditures from proceeds   |     | 1,273,426. |     |    |     |    |     |    |
| 11 Other spent proceeds   |     | 1,666,574. |     |    |     |    |     |    |
| 12 Other unspent proceeds   |     |            |     |    |     |    |     |    |
| 13 Year of substantial completion   |     | 2010       |     |    |     |    |     |    |
| 14 Were the bonds issued as part of a current refunding issue?  | X   |            |     |    |     |    |     |    |
| 15 Were the bonds issued as part of an advance refunding issue?   | X   |            |     |    |     |    |     |    |
| 16 Has the final allocation of proceeds been made?  | X   |            |     |    |     |    |     |    |
| 17 Does the organization maintain adequate books and records to support the final allocation of proceeds? | X   |            |     |    |     |    |     |    |

**Part III Private Business Use**

|  | A   |    | B   |    | C   |    | D   |    |
|--|-----|----|-----|----|-----|----|-----|----|
|  | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? |     | X  |     |    |     |    |     |    |
| 2 Are there any lease arrangements that may result in private business use of bond-financed property?                        |     | X  |     |    |     |    |     |    |

Part III Private Business Use (Continued)

|  | A   |     | B   |    | C   |    | D   |    |
|--|-----|-----|-----|----|-----|----|-----|----|
|  | Yes | No  | Yes | No | Yes | No | Yes | No |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property?  |     | X   |     |    |     |    |     |    |
| b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?   |     | X   |     |    |     |    |     |    |
| c Are there any research agreements that may result in private business use of bond-financed property?   |     |     |     |    |     |    |     |    |
| d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?   |     |     |     |    |     |    |     |    |
| 4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government  |     | .00 | %   |    |     |    | %   |    |
| 5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government |     | .00 | %   |    |     |    | %   |    |
| 6 Total of lines 4 and 5   |     | .00 | %   |    |     |    | %   |    |
| 7 Does the bond issue meet the private security or payment test?   |     | X   |     |    |     |    |     |    |
| 8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?   |     | X   |     |    |     |    |     |    |
| b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of  |     |     | %   |    |     |    | %   |    |
| c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?  |     |     |     |    |     |    |     |    |
| 9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?                           |     | X   |     |    |     |    |     |    |

Part IV Arbitrage

|   | A   |    | B   |    | C   |    | D   |    |
|---|-----|----|-----|----|-----|----|-----|----|
|   | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?    |     | X  |     |    |     |    |     |    |
| 2 If "No" to line 1, did the following apply?   |     |    |     |    |     |    |     |    |
| a Rebate not due yet?   |     | X  |     |    |     |    |     |    |
| b Exception to rebate?  | X   |    |     |    |     |    |     |    |
| c No rebate due?  |     | X  |     |    |     |    |     |    |
| If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed                             |     |    |     |    |     |    |     |    |
| 3 Is the bond issue a variable rate issue?  |     | X  |     |    |     |    |     |    |
| 4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? |     | X  |     |    |     |    |     |    |
| b Name of provider  |     |    |     |    |     |    |     |    |
| c Term of hedge   |     |    |     |    |     |    |     |    |
| d Was the hedge superintegrated?  |     |    |     |    |     |    |     |    |
| e Was the hedge terminated?   |     |    |     |    |     |    |     |    |

Part IV Arbitrage (Continued)

|   | A   |    | B   |    | C   |    | D   |    |
|---|-----|----|-----|----|-----|----|-----|----|
|   | Yes | No | Yes | No | Yes | No | Yes | No |
| 5a Were gross proceeds invested in a guaranteed investment contract (GIC)?                        |     | X  |     |    |     |    |     |    |
| b Name of provider  |     |    |     |    |     |    |     |    |
| c Term of GIC   |     |    |     |    |     |    |     |    |
| d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?     |     | X  |     |    |     |    |     |    |
| 6 Were any gross proceeds invested beyond an available temporary period?                          |     | X  |     |    |     |    |     |    |
| 7 Has the organization established written procedures to monitor the requirements of section 148? |     | X  |     |    |     |    |     |    |

Part V Procedures To Undertake Corrective Action

|   | A   |    | B   |    | C   |    | D   |    |
|---|-----|----|-----|----|-----|----|-----|----|
|   | Yes | No | Yes | No | Yes | No | Yes | No |
| Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations? |     | X  |     |    |     |    |     |    |

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions

SCHEDULE K, PART I, BOND ISSUES:  
 (A) ISSUER NAME: MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY  
 (F) DESCRIPTION OF PURPOSE:  
 TO REFINANCE EXISTING BONDS AND MORTGAGE NOTES, AND PROPERTY IMPROVEMENTS

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

Open to Public  
Inspection

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

FORM 990, PART III, LINE 4C

RESOURCE SERVES MORE THAN 18,000 PEOPLE EACH YEAR WHO STRUGGLE WITH  
ADDICTIONS TO DRUG AND/OR ALCOHOL, MENTAL ILLNESS, UNEMPLOYMENT,  
UNDEREMPLOYMENT, AND POVERTY. ACCOMPLISHMENTS IN THE PAST YEAR INCLUDE  
HELPING NEARLY 5,000 PEOPLE WITH SIGNIFICANT BARRIERS TO EMPLOYMENT  
FIND JOBS. OUR PROGRAMS ALSO ASSISTED MORE THAN 2,300 WOMEN AND MEN  
AND THEIR FAMILIES MOVE INTO EMPLOYMENT AND OFF OF PUBLIC ASSISTANCE.  
THANKS TO OUR CAREER EDUCATION, ALMOST 400 PEOPLE EARNED INDUSTRY  
RECOGNIZED CREDENTIALS THAT WILL JUMPSTART THEIR CAREERS AND HELP THEM  
EARN A LIVING WAGE. IN ADDITION, MORE THAN 6,000 PEOPLE BEGAN THE PATH  
TO RECOVERY AND WELLNESS THROUGH OUR CHEMICAL AND MENTAL HEALTH  
SERVICES. INDIVIDUALS IN RESOURCE TREATMENT PROGRAMS EXPERIENCE A 65%  
COMPLETION RATE COMPARED TO THE NATIONAL RATE OF 40%.

FORM 990, PART VI, SECTION A, LINE 1:

THE ORGANIZATION HAS AN EXECUTIVE COMMITTEE CONSISTING OF THE OFFICERS OF  
THE BOARD AS ELECTED BY THE BOARD OF DIRECTORS. THE EXECUTIVE COMMITTEE HAS  
ONLY THE POWERS AS DELEGATED AND SET FORTH BY THE BOARD OF DIRECTORS. ANY  
ACTION TAKEN SHALL BE REPORTED TO THE BOARD AT THE NEXT BOARD MEETING.

FORM 990, PART VI, SECTION A, LINE 4:

THE ORGANIZATION CHANGED THEIR NAME TO AVIVO.

FORM 990, PART VI, SECTION B, LINE 11B:

THE PRESIDENT/CEO AND THE CHIEF FINANCIAL OFFICER WILL PERFORM A DETAILED

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

Schedule O (Form 990 or 990-EZ) (2016)

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

DRAFT REVIEW OF THE FORM 990 PRIOR TO FILING. THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS WILL REVIEW A DRAFT OF THE FORM 990 AND APPROVE IT PRIOR TO FILING. THE BOARD OF DIRECTORS WILL RECEIVE A COPY OF THE FORM 990 AND A REPORT FROM THE FINANCE COMMITTEE.

FORM 990, PART VI, SECTION B, LINE 12C:

ALL RESOURCE BOARD MEMBERS AND ALL RESOURCE EMPLOYEES ARE COVERED BY THE CONFLICT OF INTEREST POLICY. ANNUALLY BOTH BOARD MEMBERS AND EMPLOYEES ARE REQUIRED TO REVIEW THE CONFLICT OF INTEREST POLICY, IN ORDER TO DECLARE ANY, THUS FAR, UNDECLARED CONFLICTS OF INTERESTS OR POTENTIAL CONFLICTS OF INTEREST. THE BOARD CHAIRPERSON AND THE PRESIDENT/CEO REVIEW BOARD MEMBER CONFLICT OF INTEREST DISCLOSURES. THE CONFLICT OF INTEREST DISCLOSURE FORM INCLUDES INSTRUCTIONS TO THE BOARD MEMBER REGARDING THE MANNER IN WHICH THE BOARD MEMBER MUST HANDLE SITUATIONS THAT COULD OR DO PRESENT A CONFLICT OF INTEREST, SHOULD THESE SITUATIONS ARISE. THE BOARD CHAIRPERSON AND THE PRESIDENT/CEO ARE RESPONSIBLE FOR ONGOING MONITORING OF BOARD MEMBER ACTIONS THAT ARE POTENTIAL OR ACTUAL CONFLICTS.

THE EMPLOYEE'S SUPERVISOR AND THE PRESIDENT/CEO REVIEW EMPLOYEE CONFLICT OF INTEREST DISCLOSURES. THE CONFLICT OF INTEREST DISCLOSURE FORM INCLUDES INSTRUCTIONS TO THE EMPLOYEE REGARDING THE MANNER IN WHICH THE EMPLOYEE MUST HANDLE SITUATIONS THAT COULD OR DO PRESENT A CONFLICT OF INTEREST, SHOULD THESE SITUATIONS ARISE. EMPLOYEE'S SUPERVISORS ARE RESPONSIBLE FOR ONGOING MONITORING OF EMPLOYEE ACTIONS THAT ARE POTENTIAL OR ACTUAL CONFLICTS. EXAMPLES OF RESTRICTIONS INCLUDE:

1. REQUIRING A BOARD MEMBER EMPLOYED BY ANOTHER ORGANIZATION THAT COULD COMPETE FOR SIMILAR CONTRACTS NOT TO OBTAIN UNAUTHORIZED INFORMATION, OR IF

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

SHE/HE IS IN POSSESSION OF INFORMATION IN THE COURSE OF PERFORMING HER/HIS BOARD DUTIES THAT IMPROVES THE COMPETITIVENESS OF HER/HIS EMPLOYER SHE/HE MAY NOT USE THIS INFORMATION TO HER/HIS ADVANTAGE.

2. REQUIRING AN EMPLOYEE WHO VOLUNTEERS AT ANOTHER NONPROFIT ORGANIZATION SIMILAR TO RESOURCE NOT TO USE RESOURCE CURRICULA OR APPROACHES AS A VOLUNTEER INSTRUCTOR.

IF A POTENTIAL CONFLICT ARISES DURING THE YEAR, THE DIVISION VICE PRESIDENT AND THE PRESIDENT/CEO, OR THE BOARD OF DIRECTORS SHALL DETERMINE WHETHER A CONFLICT OF INTEREST EXISTS AND WHETHER THE PROPOSED TRANSACTION MAY BE APPROVED. THE CONFLICT OF INTEREST TRANSACTION MAY NOT BE APPROVED UNLESS SUCH PERSON(S) OR BODY DETERMINES, IN THE EXERCISE OF GOOD FAITH JUDGMENT, THAT THE PROPOSED TRANSACTION IS FAIR AND REASONABLE AND, IF UNDERTAKEN, DOES NOT UNDERMINE OR CONFLICT WITH THE ORGANIZATION'S MISSION. IN EVERY CASE, THE INDIVIDUAL INVOLVED IN THE CONFLICT OF INTEREST WILL BE EXCLUDED FROM THE DISCUSSION AND APPROVAL OF THE PROPOSED TRANSACTION. DISCLOSURES AND PROCEEDINGS RELATED TO CONFLICTS OF INTEREST ARE DOCUMENTED IN THE MEETING MINUTES.

FORM 990, PART VI, SECTION B, LINE 15:

ANNUALLY, THE BOARD EXECUTIVE COMMITTEE REVIEWS THE COMPENSATION OF THE PRESIDENT/CEO. THE HUMAN RESOURCE DIRECTOR PROVIDES THE BOARD EXECUTIVE COMMITTEE WITH NONPROFIT EXECUTIVE DIRECTOR COMPENSATION STUDIES. THESE STUDIES INCLUDE THE ANNUAL MINNEAPOLIS STAR TRIBUNE COMPENSATION REPORT FOR SOCIAL SERVICE EXECUTIVES AND THE MINNESOTA COUNCIL OF NONPROFIT SALARY SURVEY, WITH COMPENSATION INFORMATION PRESENTED ACCORDING TO THE BUDGET LEVEL OF THE ORGANIZATION. THE EXECUTIVE COMMITTEE DETERMINES THE

Name of the organization

RESOURCE, INC.

Employer identification number

41-0828779

COMPENSATION FOR THE PRESIDENT/CEO AND DOCUMENTS DELIBERATIONS IN MEETING MINUTES. IN 2016 A SKILLS BASED VOLUNTEER COMPLETED A COMPREHENSIVE MARKET SURVEY THAT INCLUDED UPDATED COMPENSATION INFORMATION FOR ALL POSITIONS IN THE ORGANIZATION INCLUDING THE EXECUTIVE LEADERSHIP STAFF AND THE PRESIDENT/CEO.

THE COMPENSATION OF OTHER OFFICERS IS REVIEWED IN THREE WAYS. SALARY LEVELS ARE ESTABLISHED BASED ON A REVIEW OF THE MINNESOTA COUNCIL OF NONPROFITS ANNUAL MINNESOTA NONPROFIT SALARY AND BENEFITS SURVEY. ALSO, ALL SALARY LEVELS ARE REVIEWED ANNUALLY BY THE HUMAN RESOURCE DIRECTOR, ALONG WITH THE AGENCY'S POSITION CLASSIFICATION SYSTEM. PROPOSED ADJUSTMENTS TO THE SALARY SCHEDULE ARE PRESENTED ANNUALLY TO THE BOARD EXECUTIVE COMMITTEE FOR REVIEW AND APPROVAL. INDIVIDUAL COMPENSATION REVIEWS ARE THE RESPONSIBILITY OF THE KEY EMPLOYEE'S SUPERVISOR, UTILIZING THE CLASSIFICATION SYSTEM SALARY SCHEDULE AND ADJUSTING SALARIES FOR MERIT INCREASES BASED ON PERFORMANCE AS THE ANNUAL PERFORMANCE APPRAISALS ARE CONDUCTED. A SKILLS BASED VOLUNTEER COMPLETED A COMPREHENSIVE MARKET SURVEY AND SALARY SCHEDULE FOR ALL LEVELS OF THE ORGANIZATION IN 2016.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS AVAILABLE TO THE PUBLIC. THE ORGANIZATION DOES MAKE ITS CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE ON THE ORGANIZATION'S WEBSITE AND UPON REQUEST.

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

OMB No. 1545-0047

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990.

**2016**  
Open to Public Inspection

Name of the organization

**RESOURCE, INC.**

Employer identification number  
**41-0828779**

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

| (a)<br>Name, address, and EIN (if applicable) of disregarded entity | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling entity |
|---|-------------------------|--|---------------------|---------------------------|----------------------------------|
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |
|   |                         |  |                     |                           |                                  |

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

| (a)<br>Name, address, and EIN of related organization   | (b)<br>Primary activity                                | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity | (g)<br>Section 512(b)(13) controlled entity? |    |
|---|--|--|----------------------------|---|----------------------------------|--|----|
|   |  |  |                            |   |                                  | Yes  | No |
| HELP ENABLE ALCOHOLICS/ADDICTS RECEIVE TREATMENT, INC. - 23-7259792, 1900 CHICAGO AVENUE, MINNEAPOLIS, MN 55404 | HELP PEOPLE WITH CHEMICAL DEPENDENCY RECEIVE TREATMENT | MINNESOTA  | 501(C)(3)                  | LINE 7  | RESOURCE, INC.                   |  | X  |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |
|   |  |  |                            |   |                                  |  |    |

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2016



**Part III Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

| (a)<br>Name, address, and EIN of related organization | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Direct controlling entity | (e)<br>Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f)<br>Share of total income | (g)<br>Share of end-of-year assets | (h)<br>Disproportionate allocations? |    | (i)<br>Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j)<br>General or managing partner? | (k)<br>Percentage ownership |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|--------------------------------------|----|--|-------------------------------------|-----------------------------|
|   |                         |  |                                  |  |                              |                                    | Yes                                  | No |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |
|   |                         |  |                                  |  |                              |                                    |                                      |    |  |                                     |                             |

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

| (a)<br>Name, address, and EIN of related organization | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Direct controlling entity | (e)<br>Type of entity (C corp, S corp, or trust) | (f)<br>Share of total income | (g)<br>Share of end-of-year assets | (h)<br>Percentage ownership | (i)<br>Section 512(b)(13) controlled entity? |    |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
|   |                         |  |                                  |  |                              |                                    |                             | Yes  | No |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |
|   |                         |  |                                  |  |                              |                                    |                             |  |    |

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

|  | Yes | No |
|--|-----|----|
| <b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity |     | X  |
| <b>b</b> Gift, grant, or capital contribution to related organization(s)                                 |     | X  |
| <b>c</b> Gift, grant, or capital contribution from related organization(s)                               | X   |    |
| <b>d</b> Loans or loan guarantees to or for related organization(s)                                      |     | X  |
| <b>e</b> Loans or loan guarantees by related organization(s)   |     | X  |
| <b>f</b> Dividends from related organization(s)  |     | X  |
| <b>g</b> Sale of assets to related organization(s)   |     | X  |
| <b>h</b> Purchase of assets from related organization(s)   |     | X  |
| <b>i</b> Exchange of assets with related organization(s)   |     | X  |
| <b>j</b> Lease of facilities, equipment, or other assets to related organization(s)                      |     | X  |
| <b>k</b> Lease of facilities, equipment, or other assets from related organization(s)                    |     | X  |
| <b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)  | X   |    |
| <b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)   |     | X  |
| <b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)   | X   |    |
| <b>o</b> Sharing of paid employees with related organization(s)  | X   |    |
| <b>p</b> Reimbursement paid to related organization(s) for expenses                                      |     | X  |
| <b>q</b> Reimbursement paid by related organization(s) for expenses                                      |     | X  |
| <b>r</b> Other transfer of cash or property to related organization(s)                                   |     | X  |
| <b>s</b> Other transfer of cash or property from related organization(s)                                 |     | X  |

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| (a)<br>Name of related organization                    | (b)<br>Transaction type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|--|-------------------------------|------------------------|--|
| HELP ENABLE ADDICTS/ALCOHOLICS RECEIVE TREATMENT, INC. | C                             | 21,890.00              | BOOK VALUE                                   |
| (2)  |                               |                        |  |
| (3)  |                               |                        |  |
| (4)  |                               |                        |  |
| (5)  |                               |                        |  |
| (6)  |                               |                        |  |

Part VI Unrelated Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

Table with columns (a) through (k) and sub-columns for 'Yes/No' responses. Columns include: (a) Name, address, and EIN of entity; (b) Primary activity; (c) Legal domicile; (d) Predominant income; (e) 501(c)(3) status; (f) Share of total income; (g) Share of end-of-year assets; (h) Disproportionate allocations; (i) Code V-UBI amount; (j) General or managing partner?; (k) Percentage ownership.



# TAX RETURN FILING INSTRUCTIONS

MINNESOTA ANNUAL REPORT

FOR THE YEAR ENDING

December 31, 2016

|   |  |
|---|--|
| <b>Prepared for</b>                                 | Ms. Kelly Matter<br>RESOURCE, Inc.<br>1900 Chicago Avenue South<br>Minneapolis, MN 55404   |
| <b>Prepared by</b>                                  | CliftonLarsonAllen LLP<br>220 South Sixth Street, Suite 300<br>Minneapolis, MN 55402<br>612-376-4500   |
| <b>Amount due or refund</b>                         | Balance due of \$25.00   |
| <b>Make check payable to</b>                        | State of Minnesota   |
| <b>Mail tax return and check (if applicable) to</b> | Office of the Attorney General<br>Suite 1200, Bremer Tower<br>445 Minnesota Street<br>St. Paul, MN 55101-2130                                    |
| <b>Return must be mailed on or before</b>           | July 17, 2017  |
| <b>Special Instructions</b>                         | The report should be signed and dated by two officers. Please enclose a check in the amount of \$25 payable to "State of Minnesota" with filing. |

**Mail To:**  
Minnesota Attorney General's Office  
Charities Division  
445 Minnesota Street, Suite 1200  
St. Paul, MN 55101-2130

**Website Address:**  
[www.ag.state.mn.us/charity](http://www.ag.state.mn.us/charity)

**STATE OF MINNESOTA**  
**CHARITABLE ORGANIZATION**  
**ANNUAL REPORT FORM**

C2

(Pursuant to Minn. Stat. ch. 309)

**SECTION A: Organization Information**

Legal Name of Organization RESOURCE, INC.

Federal EIN: 41-0828779 Fiscal Year-End: 12/31/2016

mm/dd/yyyy

Did the organization's fiscal year-end change?  Yes  No

|   |  |
|---|--|
| <b>Mailing Address:</b><br><u>KELLY MATTER</u><br>Contact Person<br><u>1900 CHICAGO AVENUE SOUTH</u><br>Street Address<br><u>MINNEAPOLIS, MN 55404</u><br>City, State, and ZIP Code<br><u>612-752-8000</u><br>Phone Number<br><u>KMATTER@RESOURCE-MN.ORG</u><br>Email Address | <b>Physical Address:</b><br><u>KELLY MATTER</u><br>Contact Person<br><u>1900 CHICAGO AVENUE SOUTH</u><br>Street Address<br><u>MINNEAPOLIS, MN 55404</u><br>City, State, and ZIP Code<br><u>612-752-8000</u><br>Phone Number<br><u>KMATTER@RESOURCE-MN.ORG</u><br>Email Address |
|---|--|

1. Organization's website: WWW.RESOURCE-MN.ORG

2. List all of the organization's alternate and former names (attach list if more space is needed).  
 Alternate  Former  
 Alternate  Former

3. List all names under which the organization solicits contributions (attach list if more space is needed).  
RESOURCE, INC.

4. Is the organization incorporated pursuant to Minn. Stat. ch. 317A?  Yes  No

5. Total amount of contributions the organization received from Minnesota donors: \$ 12,240,578.

6. Has the organization's tax-exempt status with the IRS changed?  
 Yes  No If yes, attach explanation.

7. Has the organization significantly changed its purpose(s) or program(s)?  
 Yes  No If yes, attach explanation.

CHARITABLE ORGANIZATION ANNUAL REPORT FORM  
(Continued)

8. Has the organization been denied the right to solicit contributions by any court or government agency?  
 Yes  No If yes, attach explanation.

9. Does the organization use the services of a professional fundraiser (outside solicitor or consultant) to solicit contributions in Minnesota?  Yes  No  
If yes, provide the following information for each (attach list if more space is needed):

| Name of Professional Fundraiser | Compensation              |
|---------------------------------|---------------------------|
| Street Address                  | City, State, and ZIP Code |

10. Is the organization a food shelf?  Yes  No  
If yes, is the organization required to file an audit?  Yes, audit attached  No

**Note:** An organization that has total revenue of more than \$750,000 is required to file an audit prepared in accordance with generally accepted accounting principles by an independent CPA or LPA. The value of donated food to a nonprofit food shelf may be excluded from the total revenue if the food is donated for subsequent distribution at no charge and is not resold.

11. Do any directors, officers, or employees of the organization or its related organization(s) receive total compensation\* of more than \$100,000?  Yes  No  
If yes, provide the following information for the five highest paid individuals:

| Name and title                                 | Compensation* | Other compensation |
|--|---------------|--------------------|
| KELLY MATTER<br>PRESIDENT AND CEO              | 223,700.      | 8,762.             |
| SCOTT BORDO<br>CHIEF FINANCIAL OFFICER (ENDED) | 115,361.      | 5,102.             |
| KIM FELLER<br>VP CAREER EDUCATION (ENDED)      | 107,732.      | 4,439.             |
|  |               |                    |
|  |               |                    |

\*Compensation is defined as the total amount reported on Form W-2 (Box 5) or Form 1099-MISC (Box 7) issued by the organization and its related organizations to the individual. See Minn. Stat. § 309.53, subd. 3(l) and Minn. Stat. § 317A.011 for definitions.

**CHARITABLE ORGANIZATION ANNUAL REPORT FORM**  
(Continued)

**SECTION B: Financial Information**

This section must be completed by organizations that file an IRS Form 990-EZ, 990-PF, or 990-N.

Organizations that file an IRS Form 990 may skip Section B and go directly to Section C.

**INCOME**

|                            |                  |
|----------------------------|------------------|
| 1. Contributions Received  | \$ 1,306,191. 1  |
| 2. Government Grants       | \$ 16,990,079. 2 |
| 3. Program Service Revenue | \$ 9,725,485. 3  |
| 4. Other Revenue           | \$ -4,936. 4     |
| 5. <b>TOTAL INCOME</b>     | \$ 28,016,819. 5 |

**EXPENSES**

|                                  |                  |
|----------------------------------|------------------|
| 6. Program Expenses              | \$ 25,134,065. 6 |
| 7. Management & General Expenses | \$ 1,996,839. 7  |
| 8. Fund-raising Expenses         | \$ 414,644. 8    |
| 9. <b>TOTAL EXPENSES</b>         | \$ 27,545,548. 9 |
| 10. <b>EXCESS or DEFICIT</b>     | \$ 471,271. 10   |
| (Line 5 minus Line 9)            |                  |

**ASSETS**

|                                 |                   |
|---------------------------------|-------------------|
| 11. Cash                        | \$ 1,898,955. 11  |
| 12. Land, Buildings & Equipment | \$ 4,489,054. 12  |
| 13. Other Assets                | \$ 4,606,911. 13  |
| 14. <b>TOTAL ASSETS</b>         | \$ 10,994,920. 14 |

**LIABILITIES**

|                              |                  |
|------------------------------|------------------|
| 15. Accounts Payable         | \$ 2,399,494. 15 |
| 16. Grants Payable           | \$ 16. 16        |
| 17. Other Liabilities        | \$ 4,507,662. 17 |
| 18. <b>TOTAL LIABILITIES</b> | \$ 6,907,156. 18 |

**FUND BALANCE/NET WORTH**

(Line 14 minus Line 18)

\$ 4,087,764.



**CHARITABLE ORGANIZATION ANNUAL REPORT FORM  
(Continued)**

**Section B (continued): Statement of Functional Expenses**

This expense statement must be prepared in accordance with generally accepted accounting principles. Each column must be completed, and Columns B, C, and D must equal Column A. The amount on Line 25, Column A must match Line 17 of IRS Form 990-EZ or Line 26 of IRS Form 990-PF.

|  | (A)<br>Total expenses | (B)<br>Program service<br>expenses | (C)<br>Management and<br>general expenses | (D)<br>Fundraising<br>expenses |
|--|-----------------------|------------------------------------|---|--------------------------------|
| 1. Grants and other assistance to governments and organizations in the U.S.  |                       |                                    |   |                                |
| 2. Grants and other assistance to individuals in the U.S.  |                       |                                    |   |                                |
| 3. Grants and other assistance to governments, organizations, and individuals outside the U.S.   |                       |                                    |   |                                |
| 4. Benefits paid to or for members   |                       |                                    |   |                                |
| 5. Compensation of current officers, directors, trustees, and key employees  |                       |                                    |   |                                |
| 6. Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))   |                       |                                    |   |                                |
| 7. Other salaries and wages  |                       |                                    |   |                                |
| 8. Pension plan contributions (include section 401(k) and section 403(b) employer contributions)   |                       |                                    |   |                                |
| 9. Other employee benefits   |                       |                                    |   |                                |
| 10. Payroll taxes  |                       |                                    |   |                                |
| 11. Fees for services (non-employees):   |                       |                                    |   |                                |
| a. Management  |                       |                                    |   |                                |
| b. Legal   |                       |                                    |   |                                |
| c. Accounting  |                       |                                    |   |                                |
| d. Lobbying  |                       |                                    |   |                                |
| e. Professional fundraising services   |                       |                                    |   |                                |
| f. Investment management fees  |                       |                                    |   |                                |
| g. Other   |                       |                                    |   |                                |
| 12. Advertising and promotion  |                       |                                    |   |                                |
| 13. Office expenses  |                       |                                    |   |                                |
| 14. Information technology   |                       |                                    |   |                                |
| 15. Royalties  |                       |                                    |   |                                |
| 16. Occupancy  |                       |                                    |   |                                |
| 17. Travel   |                       |                                    |   |                                |
| 18. Payments of travel or entertainment expenses for any federal, state, or local public officials   |                       |                                    |   |                                |
| 19. Conferences, conventions, and meetings   |                       |                                    |   |                                |
| 20. Interest   |                       |                                    |   |                                |
| 21. Payments to affiliates   |                       |                                    |   |                                |
| 22. Depreciation, depletion, and amortization  |                       |                                    |   |                                |
| 23. Insurance  |                       |                                    |   |                                |
| 24. Other expenses. Itemize expenses not covered above. Expenses labeled miscellaneous may not exceed 5% of total expenses (Line 25).  |                       |                                    |   |                                |
| a.   |                       |                                    |   |                                |
| b.   |                       |                                    |   |                                |
| c.   |                       |                                    |   |                                |
| d.   |                       |                                    |   |                                |
| 25. Total functional expenses. Add lines 1 through 24d   |                       |                                    |   |                                |
| 26. Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in Column B joint costs from a combined educational campaign and fundraising solicitation |                       |                                    |   |                                |

CHARITABLE ORGANIZATION ANNUAL REPORT FORM  
(Continued)

**Section C: Board of Directors Signatures and Acknowledgment**

The form must be executed pursuant to a resolution of the board of directors, trustees, or managing group and must be signed by two officers of the organization. See Minn. Stat. § 309.52, subd. 3.

We, the undersigned, state and acknowledge that we are duly constituted officers of this organization, being the

\_\_\_\_\_ (Title) and \_\_\_\_\_ (Title) respectively, and

that we execute this document on behalf of the organization pursuant to the resolution of the

\_\_\_\_\_ (Board of Directors, Trustees, or Managing Group) adopted on the \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_, approving the contents of the document, and do hereby certify that the

\_\_\_\_\_ (Board of Directors, Trustees, or Managing Group) has assumed, and will continue

to assume, responsibility for determining matters of policy, and have supervised, and will continue to supervise, the operations and finances of the

organization. We further state that the information supplied is true, correct and complete to the best of our knowledge.

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEARS ENDED DECEMBER 31, 2016 AND 2015**

**RESOURCE, INC. AND SUBSIDIARY  
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CliftonLarsonAllen

CliftonLarsonAllen LLP  
CLAconnect.com

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
RESOURCE, Inc. and Subsidiary  
Minneapolis, Minnesota

We have audited the accompanying consolidated financial statements of RESOURCE, Inc. and Subsidiary (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets, functional expense, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

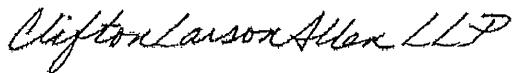
Board of Directors  
RESOURCE, Inc. and Subsidiary

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of RESOURCE, Inc. and Subsidiary as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Consolidating Information**

Our audit was conducted for the purpose of forming an opinion on the 2016 consolidated financial statements as a whole. The 2016 consolidating statement of financial position and consolidating statement of activities are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



**CliftonLarsonAllen LLP**

Minneapolis, Minnesota  
April 7, 2017

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2016 AND 2015**

| <b>ASSETS</b>  | <u>2016</u>          | <u>2015</u>          |
|--|----------------------|----------------------|
| <b>CURRENT ASSETS</b>  |                      |                      |
| Cash and Cash Equivalents  | \$ 1,899,435         | \$ 174,210           |
| Accounts Receivable (Less Allowance for Doubtful Accounts<br>of \$310,701 in 2016 and \$761,760 in 2015) | 3,671,405            | 4,347,501            |
| Pledges Receivable (Less Allowance for Doubtful Accounts<br>of \$-0- in 2016 and 2015)                   | 40,709               | 102,919              |
| Prepaid Expenses   | 590,521              | 735,467              |
| Investments  | 2,721                | 1,607                |
| Total Current Assets   | <u>6,204,791</u>     | <u>5,361,704</u>     |
| <b>OTHER ASSETS</b>  |                      |                      |
| Real Estate Assessments  | 22,350               | 64,499               |
| Charitable Remainder Unitrust  | 241,531              | 224,006              |
| Unemployment Trust   | 267,655              | 267,502              |
| Pledges Receivable Noncurrent  | 11,550               | 46,505               |
| Property and Equipment, Net  | 4,489,054            | 4,823,200            |
| Total Other Assets   | <u>5,032,140</u>     | <u>5,425,712</u>     |
| Total Assets   | <u>\$ 11,236,931</u> | <u>\$ 10,787,416</u> |
| <b>LIABILITIES AND NET ASSETS</b>  |                      |                      |
| <b>CURRENT LIABILITIES</b>   |                      |                      |
| Accounts Payable   | \$ 380,229           | \$ 412,355           |
| Accrued Expense  | 2,137,232            | 1,931,338            |
| Notes Payable - Current  | 90,484               | 196,997              |
| Capital Leases Payable - Current   | -                    | 21,169               |
| Refundable Advances  | 93,479               | 202,611              |
| Deferred Revenue   | 263,523              | 118,406              |
| Total Current Liabilities  | <u>2,964,947</u>     | <u>2,882,876</u>     |
| <b>LONG-TERM LIABILITIES</b>   |                      |                      |
| Notes Payable - Long-Term  | 3,821,354            | 3,905,978            |
| Capital Leases Payable - Long-Term   | -                    | 26,158               |
| Asset Retirement Obligation  | 120,855              | 115,100              |
| Total Long-Term Liabilities  | <u>3,942,209</u>     | <u>4,047,236</u>     |
| Total Liabilities  | 6,907,156            | 6,930,112            |
| <b>NET ASSETS</b>  |                      |                      |
| Unrestricted Net Assets  | 3,762,970            | 3,174,170            |
| Temporarily Restricted Net Assets  | 566,805              | 679,884              |
| Permanently Restricted Net Assets  | -                    | 3,250                |
| Total Net Assets   | <u>4,329,775</u>     | <u>3,857,304</u>     |
| Total Liabilities and Net Assets   | <u>\$ 11,236,931</u> | <u>\$ 10,787,416</u> |

See accompanying Notes to Consolidated Financial Statements

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED DECEMBER 31, 2016 AND 2015**

|  | 2016                |                        | 2015                   |                        | Total               | Unrestricted        | Temporarily Restricted | Permanently Restricted | Total               |
|--|---------------------|------------------------|------------------------|------------------------|---------------------|---------------------|------------------------|------------------------|---------------------|
|  | Unrestricted        | Temporarily Restricted | Temporarily Restricted | Permanently Restricted |                     |                     |                        |                        |                     |
| <b>SUPPORT AND REVENUE</b>   |                     |                        |                        |                        |                     |                     |                        |                        |                     |
| Government Contracts   | \$ 16,990,079       | \$ -                   | \$ -                   | \$ -                   | \$ 16,990,079       | \$ 16,044,262       | \$ -                   | \$ -                   | \$ 16,044,262       |
| Program Service Fees   | 9,725,485           | -                      | -                      | -                      | 9,725,485           | 10,101,266          | -                      | -                      | 10,101,266          |
| Contributions (Including In-Kinds of \$102,477 and \$222,835 in 2016 and 2015, Respectively) | 277,150             | 382,085                | -                      | -                      | 659,235             | 274,438             | 658,142                | -                      | 932,580             |
| United Way   | 749,533             | -                      | -                      | -                      | 749,533             | 851,306             | -                      | -                      | 851,306             |
| Change In Value of Trust   | -                   | 17,525                 | -                      | -                      | 17,525              | -                   | (2,103)                | -                      | (2,103)             |
| Interest Income  | 91                  | -                      | -                      | -                      | 91                  | 3,577               | -                      | -                      | 3,577               |
| Loss on Disposal of Property and Equipment   | (28,418)            | -                      | -                      | -                      | (28,418)            | -                   | -                      | -                      | -                   |
| Miscellaneous  | 23,391              | -                      | -                      | -                      | 23,391              | 34,068              | -                      | -                      | 34,068              |
| Net Assets Released from Restriction   | 515,939             | (512,689)              | -                      | (3,250)                | -                   | 695,024             | (695,024)              | -                      | -                   |
| Total Support and Revenue  | 28,253,250          | (113,079)              | -                      | (3,250)                | 28,136,921          | 28,003,941          | (38,985)               | -                      | 27,964,956          |
| <b>EXPENSE</b>   |                     |                        |                        |                        |                     |                     |                        |                        |                     |
| Program Services:  |                     |                        |                        |                        |                     |                     |                        |                        |                     |
| Career Education   | 3,736,173           | -                      | -                      | -                      | 3,736,173           | 3,995,808           | -                      | -                      | 3,995,808           |
| Employment Services  | 7,077,630           | -                      | -                      | -                      | 7,077,630           | 7,112,559           | -                      | -                      | 7,112,559           |
| Chemical and Mental Health   | 14,336,691          | -                      | -                      | -                      | 14,336,691          | 14,814,989          | -                      | -                      | 14,814,989          |
| Total Program Services   | 25,150,494          | -                      | -                      | -                      | 25,150,494          | 25,923,356          | -                      | -                      | 25,923,356          |
| Support Services:  |                     |                        |                        |                        |                     |                     |                        |                        |                     |
| Management and General   | 2,099,313           | -                      | -                      | -                      | 2,099,313           | 2,469,201           | -                      | -                      | 2,469,201           |
| Fundraising  | 414,643             | -                      | -                      | -                      | 414,643             | 389,637             | -                      | -                      | 389,637             |
| Total Support Services   | 2,513,956           | -                      | -                      | -                      | 2,513,956           | 2,858,838           | -                      | -                      | 2,858,838           |
| Total Expense  | 27,664,450          | -                      | -                      | -                      | 27,664,450          | 28,782,194          | -                      | -                      | 28,782,194          |
| <b>CHANGE IN NET ASSETS</b>  |                     |                        |                        |                        |                     |                     |                        |                        |                     |
| Net Assets - Beginning of Year   | 588,800             | (113,079)              | (3,250)                | (3,250)                | 472,471             | (778,253)           | (38,985)               | -                      | (817,238)           |
| Net Assets - End of Year   | 3,174,170           | 679,884                | 3,250                  | 3,250                  | 3,857,304           | 3,952,423           | 718,869                | 3,250                  | 4,674,542           |
| <b>NET ASSETS - END OF YEAR</b>  | <b>\$ 3,762,970</b> | <b>\$ 566,805</b>      | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 4,329,775</b> | <b>\$ 3,174,170</b> | <b>\$ 679,884</b>      | <b>\$ 3,250</b>        | <b>\$ 3,857,304</b> |

See accompanying Notes to Consolidated Financial Statements



**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE**  
**YEAR ENDED DECEMBER 31, 2016**

|                                    | 2016             |                     |                            |                        |                        |             |                        |                    |
|------------------------------------|------------------|---------------------|----------------------------|------------------------|------------------------|-------------|------------------------|--------------------|
|                                    | Program Services |                     | Support Services           |                        |                        |             |                        |                    |
|                                    | Career Education | Employment Services | Chemical and Mental Health | Total Program Services | Management and General | Fundraising | Total Support Services | Total All Services |
| Salaries                           | \$ 1,930,945     | \$ 3,904,793        | \$ 7,419,021               | \$ 13,254,759          | \$ 1,094,065           | \$ 176,852  | \$ 1,270,917           | \$ 14,525,676      |
| Payroll Taxes                      | 138,838          | 281,327             | 540,443                    | 960,608                | 81,245                 | 13,088      | 94,333                 | 1,054,941          |
| Employee Benefits                  | 265,161          | 553,707             | 1,052,526                  | 1,871,394              | 95,933                 | 20,693      | 116,626                | 1,988,020          |
| Total Personnel Costs              | 2,334,944        | 4,739,827           | 9,011,990                  | 16,086,761             | 1,271,243              | 210,633     | 1,481,876              | 17,568,637         |
| Assistance Provided to Individuals | 751,530          | 776,187             | 1,879,724                  | 3,407,441              | 151,730                | 2,987       | 154,717                | 3,562,158          |
| Professional Fees                  | 177,512          | 532,666             | 328,925                    | 1,039,103              | 257,863                | 167,924     | 425,787                | 1,464,890          |
| Occupancy                          | 216,275          | 611,854             | 1,820,527                  | 2,648,656              | 105,162                | 11,402      | 116,564                | 2,765,220          |
| Supplies                           | 80,133           | 50,759              | 190,778                    | 321,670                | 22,406                 | 6,575       | 28,981                 | 350,651            |
| Interest Expense                   | 4,182            | 22,026              | 139,210                    | 165,418                | 19,907                 | 788         | 20,695                 | 186,113            |
| Telephone                          | 20,434           | 32,577              | 105,934                    | 158,945                | 18,888                 | 877         | 19,765                 | 178,710            |
| Postage and Shipping               | 4,105            | 24,520              | 3,539                      | 32,164                 | 8,753                  | 843         | 9,596                  | 41,760             |
| Printing and Publications          | 6,093            | 10,374              | 8,630                      | 25,097                 | 22,529                 | 3,943       | 26,472                 | 51,569             |
| Local Transportation               | 33,162           | 36,579              | 179,276                    | 249,017                | 1,935                  | 584         | 2,519                  | 251,536            |
| Conferences and Meetings           | 22,268           | 23,871              | 44,663                     | 90,802                 | 21,351                 | 1,110       | 22,461                 | 113,263            |
| Equipment                          | 29,268           | 72,516              | 141,860                    | 243,644                | 11,285                 | 1,713       | 12,998                 | 256,642            |
| Insurance                          | -                | -                   | -                          | -                      | 116,662                | -           | 116,662                | 116,662            |
| Membership Dues                    | 6,217            | 755                 | 8,634                      | 15,606                 | 36,406                 | 1,085       | 37,491                 | 53,097             |
| Uncollectable Accounts             | (4,972)          | -                   | 164,887                    | 159,915                | -                      | -           | -                      | 159,915            |
| Depreciation                       | 49,225           | 134,671             | 288,968                    | 472,864                | 43,470                 | 2,654       | 46,124                 | 518,988            |
| Other Expense                      | 5,797            | 8,448               | 19,146                     | 33,391                 | (10,267)               | 1,525       | (8,742)                | 24,649             |
| Total Expense                      | \$ 3,736,173     | \$ 7,077,630        | \$ 14,336,691              | \$ 25,150,494          | \$ 2,099,313           | \$ 414,643  | \$ 2,513,956           | \$ 27,664,450      |

See accompanying Notes to Consolidated Financial Statements

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSE**  
**YEAR ENDED DECEMBER 31, 2015**

|                           | Program Services |                     |                            |                        | Support Services       |             |                        | Total All Services |
|---------------------------|------------------|---------------------|----------------------------|------------------------|------------------------|-------------|------------------------|--------------------|
|                           | Career Education | Employment Services | Chemical and Mental Health | Total Program Services | Management and General | Fundraising | Total Support Services |                    |
| Salaries                  | \$ 1,795,529     | \$ 3,635,376        | \$ 6,778,987               | \$ 12,209,892          | \$ 1,189,024           | \$ 186,968  | \$ 1,375,992           | \$ 13,585,884      |
| Payroll Taxes             | 170,142          | 348,825             | 636,852                    | 1,155,819              | 107,994                | 16,676      | 124,670                | 1,280,489          |
| Employee Benefits         | 294,090          | 670,946             | 1,115,680                  | 2,080,716              | 238,616                | 19,377      | 257,993                | 2,338,709          |
| Total Personnel Costs     | 2,259,761        | 4,655,147           | 8,531,519                  | 15,446,427             | 1,535,634              | 223,021     | 1,758,655              | 17,205,082         |
| Assistance Provided to    |                  |                     |                            |                        |                        |             |                        |                    |
| Individuals               | 903,624          | 632,155             | 1,739,588                  | 3,275,367              | 77,566                 | -           | 77,566                 | 3,352,933          |
| Professional Fees         | 335,099          | 679,710             | 584,099                    | 1,598,908              | 397,620                | 131,346     | 528,966                | 2,127,874          |
| Occupancy                 | 224,454          | 645,818             | 1,964,729                  | 2,835,001              | 83,886                 | 11,113      | 94,999                 | 2,930,000          |
| Supplies                  | 66,239           | 131,533             | 134,762                    | 332,534                | 16,227                 | 1,500       | 17,727                 | 350,261            |
| Interest Expense          | 5,935            | 22,939              | 137,497                    | 166,371                | 25,215                 | 656         | 25,871                 | 192,242            |
| Telephone                 | 23,998           | 43,520              | 123,393                    | 190,911                | 13,784                 | 1,249       | 15,033                 | 205,944            |
| Postage and Shipping      | 4,173            | 23,014              | 4,903                      | 32,090                 | 6,377                  | 542         | 6,919                  | 39,009             |
| Printing and Publications | 5,285            | 9,995               | 11,888                     | 27,168                 | 22,631                 | 7,156       | 29,787                 | 56,955             |
| Local Transportation      | 34,194           | 26,070              | 170,061                    | 230,325                | 1,335                  | 171         | 1,506                  | 231,831            |
| Conferences and Meetings  | 10,267           | 20,049              | 23,929                     | 54,245                 | 19,345                 | 1,301       | 20,646                 | 74,891             |
| Equipment                 | 27,790           | 65,982              | 96,149                     | 189,921                | 27,029                 | 8,983       | 36,012                 | 225,933            |
| Insurance                 | 995              | -                   | 1,615                      | 2,610                  | 136,196                | -           | 136,196                | 138,806            |
| Membership Dues           | 8,494            | 4,214               | 12,232                     | 24,940                 | 21,930                 | 14          | 21,944                 | 46,884             |
| Uncollectable Accounts    | 23,642           | -                   | 927,060                    | 950,702                | -                      | -           | -                      | 950,702            |
| Depreciation              | 47,731           | 111,896             | 326,805                    | 486,432                | 37,394                 | 2,439       | 39,833                 | 526,265            |
| Other Expense             | 14,127           | 40,517              | 24,760                     | 79,404                 | 47,032                 | 146         | 47,178                 | 126,582            |
| Total Expense             | \$ 3,995,808     | \$ 7,112,559        | \$ 14,814,989              | \$ 25,923,356          | \$ 2,469,201           | \$ 389,637  | \$ 2,858,838           | \$ 28,782,194      |

See accompanying Notes to Consolidated Financial Statements

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**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2016 AND 2015**

|   | 2016         | 2015         |
|---|--------------|--------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |              |              |
| Change in Net Assets  | \$ 472,471   | \$ (817,238) |
| Adjustments to Reconcile Change in Net Assets to<br>Net Cash Provided (Used) by Operating Activities: |              |              |
| Realized and Unrealized Gain on Investments   | (1,114)      | (10,692)     |
| Costs on Real Estate Assessments  | 42,149       | 4,031        |
| Change in Value of Charitable Remainder Unitrust  | (17,525)     | 2,103        |
| Change in Value of Unemployment Trust   | (153)        | 214,219      |
| Loss on Disposal of Fixed Assets  | 28,418       | -            |
| Depreciation  | 518,988      | 526,265      |
| Environmental Remediation Liabilities   | 5,755        | 5,481        |
| Uncollectible Accounts  | 159,915      | 950,702      |
| (Increase) Decrease in Current Assets:  |              |              |
| Accounts Receivable   | 516,181      | (741,730)    |
| Pledges Receivable  | 97,165       | (26,372)     |
| Prepaid Expense   | 144,946      | (367,369)    |
| Increase (Decrease) in Current Liabilities:   |              |              |
| Accounts Payable  | (32,126)     | (433,180)    |
| Accrued Expenses  | 205,894      | 227,303      |
| Refundable Advances   | (109,132)    | 79,103       |
| Deferred Revenue  | 145,117      | (33,745)     |
| Funds Held for Others   | -            | (1,398)      |
| Net Cash Provided (Used) by Operating Activities  | 2,176,949    | (422,517)    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |              |              |
| Purchase of Property and Equipment  | (240,597)    | (306,157)    |
| Purchase of Investments   | -            | (384,109)    |
| Proceeds from Sale of Investments   | -            | 868,980      |
| Net Cash Provided (Used) by Investing Activities  | (240,597)    | 178,714      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |              |              |
| Principal Payments on Capital Leases Payable  | (19,990)     | (38,194)     |
| Debt Issuance   | -            | 289,000      |
| Principal Payments on Notes Payable   | (191,137)    | (181,526)    |
| Net Cash Provided (Used) by Financing Activities  | (211,127)    | 69,280       |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>   | 1,725,225    | (174,523)    |
| Cash and Cash Equivalents - Beginning   | 174,210      | 348,733      |
| <b>CASH AND CASH EQUIVALENTS - ENDING</b>   | \$ 1,899,435 | \$ 174,210   |
| <b>SUPPLEMENTAL INFORMATION</b>   |              |              |
| Cash Paid for Interest  | \$ 186,113   | \$ 192,242   |
| In-Kind Contributions of Services   | \$ 102,477   | \$ 222,835   |
| Capital Lease Property and Equipment Purchase (Written Off)   | \$ (27,337)  | \$ 40,307    |

See accompanying Notes to Consolidated Financial Statements

**RESOURCE, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organizational Purpose**

RESOURCE, Inc. (the Organization) is a nonprofit organization whose mission is to increase well-being through recovery, employment and career advancement. Annually, the Organization serves nearly 20,000 individuals and families through:

Career Education – Provides career training programs and job placement services for people with disabilities and other barriers to employment.

Employment Services – Provides employment services, education and family- support services to low-income adults, youth, and families to ensure economic success, academic achievement, and family stability.

Chemical and Mental Health – Supports low-income men, women and families in recovery through integrated, trauma-informed care-access, treatment, recovery support and care coordination-to help them achieve wellness and life-long recovery.

The Organization merged with Help Enable Alcoholics/Addicts Receive Treatment, Inc. (HEART, Inc.), whose focus is to support people with chemical dependency struggling with financial hardships. This Organization is considered part of the RESOURCE Chemical and Mental Health.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of RESOURCE, Inc. and HEART, Inc. All significant intercompany balances and transactions have been eliminated.

**Financial Statement Presentation**

Net assets and revenues, gains, and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted – Resources over which the board of directors has discretionary control. Designated amounts represent amounts which the board has set aside for a particular purpose.

Temporarily Restricted – Those resources subject to donor imposed restrictions which will be satisfied by actions of the Organization or passage of time.

Permanently Restricted – This classification includes net assets that have been restricted by donors that stipulate the resources be maintained permanently by the Organization.

**RESOURCE, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**Accounts Receivable**

Accounts receivable are stated at net realizable value. The Organization provides an allowance for bad debts using the allowance method, which is based on management judgment considering historical information. Accounts past due are individually analyzed for collectability. An allowance is provided for accounts when a significant pattern of uncollectibility has occurred. When all collection efforts have been exhausted, the accounts are written off against the related allowance.

**Promises-to-Give (Pledges Receivable)**

Unconditional promises-to-give are recognized in the period the promises are made. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional. Pledges receivable at December 31, 2016 are expected to be received through 2020.

**Investments**

Investments are stated at fair value based on quoted market prices and consist of contributions received of shares of stock.

**Property and Equipment**

All major expenditures for property and equipment that are over \$5,000 are capitalized at cost. Contributed items are recorded at fair market value at date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives.

**Charitable Remainder Unitrust**

HEART, Inc. is party to a Trust Agreement for which they are the remainder beneficiary upon the death of the lead beneficiary. The interest in the charitable remainder unitrust is carried at fair value based on the life expectancy of lead beneficiary and the fair value of the trust assets.

**Unemployment Trust**

The Organization has an unemployment trust agreement for which they make contributions to cover future claims from former employees.

**RESOURCE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Asset Retirement Obligations**

The Organization owns buildings that contain asbestos floor tiles. At this time, the Organization has no plans to renovate or demolish these buildings. In accordance with standards relating to *Accounting for Conditional Asset Retirement Obligations*, the Organization accrued a liability for the fair value of future costs to remediate environmental hazards related to certain property. The Organization uses a future value rate assumption of 5% and discounted the estimate to present value using a risk-free rate of return of 3%. The potential environmental remediation liability is reported on the consolidated statements of financial position as an asset retirement obligation in the amount of \$120,855 and \$115,100 at December 31, 2016 and 2015, respectively.

**Government Contracts**

Government grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each contract, are made. Funds received but not yet earned are shown as Deferred Revenue. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

**Contributions**

Contributions are recorded as support in the period received. If donor-imposed restrictions accompany the contribution, the amount is recorded as temporarily or permanently restricted until the donor-imposed restrictions expire or are fulfilled. Temporarily restricted net assets are reclassified to unrestricted in the period donor-imposed restrictions expire or are fulfilled and are reported in the consolidated statements of activities and changes in net assets under the support and revenue category - Net Assets Released from Restrictions.

**In-Kind Contributions**

Contribution of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The contributions presented on the accompanying consolidated statements of activities and changes in net assets include contributed materials and services valued at \$102,477 and \$222,835 for the years ended December 31, 2016 and 2015, respectively.

**Functional Allocation of Expense**

Salaries and related expenses are allocated based on time spent and program assignments. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting services, are allocated based on time and occupancy percentages.

**RESOURCE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Risks and Uncertainties**

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

**Federal Income Taxes**

The Organization is classified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income taxes. As such, it is subject to federal and state income taxes on net unrelated business income.

The Organization follows the accounting standards for contingencies in evaluating uncertain tax positions and files as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the Internal Revenue Service (IRS).

**Fair Value Measurements**

The Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the consolidated statements of financial position are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over the-counter markets.

*Level 2* – Financial assets and liabilities are valued using inputs quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, municipal bonds, and corporate debt securities.

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes private equity, venture capital, hedge funds and real estate.

**RESOURCE, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements (Continued)**

The organization has one level 3 investment in their interest in the Charitable Remainder Unitrust that was valued at \$241,531 and \$224,006 at December 31, 2016 and 2015, respectively. There are no contributions to the unitrust and the value has changed based on the fair value calculation.

The following table provides a summary of changes in fair value of the Level 3 financial asset, the Charitable Remainder Unitrust for the years ended December 31, 2016 and 2015:

|                               | 2016              | 2015              |
|-------------------------------|-------------------|-------------------|
| Balance - Beginning of Year   | \$ 224,006        | \$ 226,109        |
| Change in Fair Value of Trust | 17,525            | (2,103)           |
| Balance - End of Year         | <u>\$ 241,531</u> | <u>\$ 224,006</u> |

**Reclassifications**

Certain amounts appearing in the 2015 consolidated financial statements have been reclassified to conform to the 2016 presentation. The reclassifications have no effect on previously reported amounts of total net assets or change in total net assets.

**Subsequent Events**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 7, 2017, the date the consolidated financial statements were available to be issued. As documented within Note 4, the organization completed the refinancing of their debt which is described therein.

**NOTE 2 CONCENTRATIONS**

**Significant Concentrations of Credit Risk**

The Organization provides services primarily within the Twin Cities and surrounding communities. The amounts due for services provided are from individuals, substantially all of which are local residents or their third-party payors. In addition, accounts and pledges receivable are primarily from local residents, governments or institutions.

**Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits**

At various times during 2016 and 2015, the Organization held funds at a local financial institution in excess of federally insured limits.



**RESOURCE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

**NOTE 3 PROPERTY AND EQUIPMENT**

The Organization owns the following as of December 31:

|   | 2016         | 2015         |
|---|--------------|--------------|
| Land  | \$ 687,700   | \$ 680,400   |
| Buildings and Leasehold Improvements        | 7,456,392    | 7,578,118    |
| Equipment and Furniture                     | 1,731,799    | 2,363,733    |
| Construction in Progress                    | 39,655       | 14,100       |
| Total                                       | 9,915,546    | 10,636,351   |
| Less: Accumulated Depreciation/Amortization | (5,426,492)  | (5,813,151)  |
| Property and Equipment, Net                 | \$ 4,489,054 | \$ 4,823,200 |

Depreciation expense was \$518,988 and \$526,265 for the years ended December 31, 2016 and 2015, respectively.

**NOTE 4 NOTES PAYABLE**

Subsequent to year ended December 31, 2016, the Organization anticipates consolidating their three notes outstanding with Bremer Bank and financed one a note for \$3,900,000. The Organization has a letter of commitment from a financial institution for the expected refinancing. The 2017 tax exempt revenue bond is expected to be issued by the City of Landfall, secured by certain land, buildings and improvements payable to Bremer Bank. The first payment will be due June 1, 2017. Consistent with the refinancing agreement, the first four monthly payments will be interest only. Beginning October 1, 2017 principal and interest will be due monthly in an amount so that the principal is paid in full by May 1, 2034. The initial seven year fixed rate will be set by taking the seven year LIBOR Swap rate plus 2.35% multiplied by 68%.

Notes payable consists of the following at December 31:

| <u>Description</u>   | 2016         | 2015         |
|--|--------------|--------------|
| 2010 tax exempt revenue bond issued by Minneapolis Community Development Agency, monthly amounts including interest of 4.55%. Last payment and all remaining principal and interest due in 2020. | \$ 2,314,390 | \$ 2,431,917 |
| 2011 note payable at rate of 4.22% fixed for five-year period with monthly payments. The unpaid principal and interest shall be due and payable July 31, 2017.                                   | 1,332,707    | 1,391,551    |
| 2015 mortgage issued with a fixed interest rate of 3.9%, monthly amounts with one final payment ofr all remaining principal and interest in 2017.  | 264,741      | 279,507      |
| Total  | 3,911,838    | 4,102,975    |
| Less: Portion Due Within One Year  | (90,484)     | (196,997)    |
| Long-Term Portion  | \$ 3,821,354 | \$ 3,905,978 |

**RESOURCE, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**NOTE 4 NOTES PAYABLE (CONTINUED)**

Each note is secured by certain land, buildings and improvements.

Future principal payment amounts include payment due for debt outstanding at December 31, 2016, and amounts due under the expected refinancing. Principal payments required are as follows:

| <u>Year Ending December 31,</u> | <u>Amount</u>       |
|---------------------------------|---------------------|
| 2017                            | \$ 90,484           |
| 2018                            | 183,924             |
| 2019                            | 189,802             |
| 2020                            | 195,868             |
| 2021                            | 208,588             |
| Thereafter                      | 3,043,172           |
| Total                           | <u>\$ 3,911,838</u> |

Effective August 15, 2016, the Organization also entered into a promissory note agreement. Available borrowings under the line of credit are \$1,000,000. Interest is payable monthly at 3% above the bank's index rate (3.5% at December 31, 2016). The note expires on July 31, 2017. At December 31, 2016, there was \$-0- of borrowings.

**NOTE 5 LEASED FACILITIES AND EQUIPMENT**

Rental commitments under noncancelable leases for building and equipment in effect at December 31, 2016 total \$2,982,836. The future annual rental commitments are as follows:

| <u>Year Ending December 31,</u> | <u>Building</u>     | <u>Equipment</u>  | <u>Total</u>        |
|---------------------------------|---------------------|-------------------|---------------------|
| 2017                            | \$ 1,010,488        | \$ 55,978         | \$ 1,066,466        |
| 2018                            | 874,631             | 29,211            | 903,842             |
| 2019                            | 317,201             | 17,375            | 334,576             |
| 2020                            | 225,406             | 1,758             | 227,164             |
| 2021                            | 147,297             | -                 | 147,297             |
| Thereafter                      | 303,491             | -                 | 303,491             |
| Total                           | <u>\$ 2,878,514</u> | <u>\$ 104,322</u> | <u>\$ 2,982,836</u> |

The rental expense for the years ended December 31, 2016 and 2015 was \$1,743,463 and \$1,922,528, respectively.

**RESOURCE, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

**NOTE 6 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of amounts for the following programs at December 31:

|                               | <u>2016</u>       | <u>2015</u>       |
|-------------------------------|-------------------|-------------------|
| Employment Services           | \$ 65,252         | \$ 17,500         |
| Career Education              | 75,010            | 219,703           |
| Chemical and Mental Health    | 50,000            | 72,500            |
| General Fundraising           | 135,013           | 146,175           |
| Charitable Remainder Unitrust | 241,530           | 224,006           |
| Total                         | <u>\$ 566,805</u> | <u>\$ 679,884</u> |

Temporarily restricted net assets released from restriction related to the following programs for the years ended December 31:

|                            | <u>2016</u>       | <u>2015</u>       |
|----------------------------|-------------------|-------------------|
| Employment Services        | \$ 38,248         | \$ 198,627        |
| Career Education           | 329,705           | 252,556           |
| Chemical and Mental Health | 117,358           | 160,262           |
| General Fundraising        | 27,378            | 83,579            |
| Total                      | <u>\$ 512,689</u> | <u>\$ 695,024</u> |

**NOTE 7 EMPLOYEE RETIREMENT PLAN**

The Organization maintains a 401(k) retirement plan for employees. Employees are allowed to make voluntary contributions immediately after six months of employment. The Organization has the ability to make discretionary matches to the 401 (k) but did not make discretionary contributions for the years ended December 31 2016, and 2015. Additionally, the Organization makes an annual 3% nondiscretionary safe harbor payment. The total expense for years ended December 31, 2016 and 2015 was \$398,964 and \$321,941, respectively.

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2016**

|  | RESOURCE,<br>Inc. | HEART,<br>Inc. | Consolidated  |
|--|-------------------|----------------|---------------|
| <b>ASSETS</b>  |                   |                |               |
| <b>CURRENT ASSETS</b>  |                   |                |               |
| Cash and Cash Equivalents  | \$ 1,898,955      | \$ 480         | \$ 1,899,435  |
| Accounts Receivable (Less Allowance for Doubtful<br>Accounts of \$310,701) | 3,671,405         | -              | 3,671,405     |
| Pledges Receivable (Less Allowance for Doubtful<br>Accounts of \$-0-)      | 40,709            | -              | 40,709        |
| Prepaid Expenses   | 590,521           | -              | 590,521       |
| Investments  | 2,721             | -              | 2,721         |
| Total Current Assets   | 6,204,311         | 480            | 6,204,791     |
| <b>OTHER ASSETS</b>  |                   |                |               |
| Real Estate Assessments  | 22,350            | -              | 22,350        |
| Charitable Remainder Unitrust  | -                 | 241,531        | 241,531       |
| Unemployment Trust   | 267,655           | -              | 267,655       |
| Pledges Receivable Noncurrent  | 11,550            | -              | 11,550        |
| Property and Equipment, Net  | 4,489,054         | -              | 4,489,054     |
| Total Other Assets   | 4,790,609         | 241,531        | 5,032,140     |
| Total Assets   | \$ 10,994,920     | \$ 242,011     | \$ 11,236,931 |
| <b>LIABILITIES AND NET ASSETS</b>  |                   |                |               |
| <b>CURRENT LIABILITIES</b>   |                   |                |               |
| Accounts Payable   | \$ 380,229        | \$ -           | \$ 380,229    |
| Accrued Expense  | 2,137,232         | -              | 2,137,232     |
| Notes Payable - Current  | 90,484            | -              | 90,484        |
| Refundable Advances  | 93,479            | -              | 93,479        |
| Deferred Revenue   | 263,523           | -              | 263,523       |
| Total Current Liabilities  | 2,964,947         | -              | 2,964,947     |
| <b>LONG-TERM LIABILITIES</b>   |                   |                |               |
| Notes Payable - Long-Term  | 3,821,354         | -              | 3,821,354     |
| Asset Retirement Obligation  | 120,855           | -              | 120,855       |
| Total Long-Term Liabilities  | 3,942,209         | -              | 3,942,209     |
| Total Liabilities  | 6,907,156         | -              | 6,907,156     |
| <b>NET ASSETS</b>  |                   |                |               |
| Unrestricted Net Assets  | 3,762,490         | 480            | 3,762,970     |
| Temporarily Restricted Net Assets  | 325,274           | 241,531        | 566,805       |
| Total Net Assets   | 4,087,764         | 242,011        | 4,329,775     |
| Total Liabilities and Net Assets   | \$ 10,994,920     | \$ 242,011     | \$ 11,236,931 |

**RESOURCE, INC. AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2016**

|  | RESOURCE, Inc.      |                        |                        | HEART, Inc.   |                        |                        | Eliminations | Consolidated        |
|--|---------------------|------------------------|------------------------|---------------|------------------------|------------------------|--------------|---------------------|
|  | Unrestricted        | Temporarily Restricted | Permanently Restricted | Unrestricted  | Temporarily Restricted | Permanently Restricted |              |                     |
| <b>SUPPORT AND REVENUE</b>   |                     |                        |                        |               |                        |                        |              |                     |
| Government Contracts   | \$ 16,990,079       | \$ -                   | \$ -                   | \$ -          | \$ -                   | \$ -                   | \$ -         | \$ 16,990,079       |
| Program Service Fees   | 9,725,485           | -                      | -                      | -             | -                      | -                      | -            | 9,725,485           |
| Contributions (Including In-Kinds of \$102,477 and \$222,835 in 2016 and 2015, Respectively) | 277,050             | 382,085                | -                      | 21,990        | -                      | -                      | (21,890)     | 659,235             |
| United Way   | 749,533             | -                      | -                      | -             | -                      | -                      | -            | 749,533             |
| Change in Value of Trust   | -                   | -                      | -                      | -             | 17,525                 | -                      | -            | 17,525              |
| Interest Income  | 91                  | -                      | -                      | -             | -                      | -                      | -            | 91                  |
| Loss on Disposal of Property and Equipment   | (28,418)            | -                      | -                      | -             | -                      | -                      | -            | (28,418)            |
| Miscellaneous  | 23,391              | -                      | -                      | -             | -                      | -                      | -            | 23,391              |
| Net Assets Released from Restriction   | 515,939             | (512,689)              | (3,250)                | -             | -                      | -                      | -            | -                   |
| Total Support and Revenue  | 28,253,150          | (130,604)              | (3,250)                | 21,990        | 17,525                 | -                      | (21,890)     | 28,136,921          |
| <b>EXPENSE</b>   |                     |                        |                        |               |                        |                        |              |                     |
| Program Services:  |                     |                        |                        |               |                        |                        |              |                     |
| Career Education   | 3,736,173           | -                      | -                      | -             | -                      | -                      | -            | 3,736,173           |
| Employment Services  | 7,077,630           | -                      | -                      | -             | -                      | -                      | -            | 7,077,630           |
| Chemical and Mental Health   | 14,336,691          | -                      | -                      | 33,917        | -                      | -                      | (33,917)     | 14,336,691          |
| Total Program Services   | 25,150,494          | -                      | -                      | 33,917        | -                      | -                      | (33,917)     | 25,150,494          |
| Support Services:  |                     |                        |                        |               |                        |                        |              |                     |
| Management and General   | 2,099,313           | -                      | -                      | -             | -                      | -                      | -            | 2,099,313           |
| Fundraising  | 398,218             | -                      | -                      | 4,398         | -                      | -                      | 12,027       | 414,643             |
| Total Support Services   | 2,497,531           | -                      | -                      | 4,398         | -                      | -                      | 12,027       | 2,513,956           |
| Total Expense  | 27,648,025          | -                      | -                      | 38,315        | -                      | -                      | (21,890)     | 27,664,450          |
| <b>CHANGE IN NET ASSETS</b>  |                     |                        |                        |               |                        |                        |              |                     |
|  | 605,125             | (130,604)              | (3,250)                | (16,325)      | 17,525                 | -                      | -            | 472,471             |
| Net Assets - Beginning of Year   | 3,157,365           | 455,878                | 3,250                  | 16,805        | 224,006                | -                      | -            | 3,857,304           |
| <b>NET ASSETS - END OF YEAR</b>  | <b>\$ 3,762,490</b> | <b>\$ 325,274</b>      | <b>\$ -</b>            | <b>\$ 480</b> | <b>\$ 241,531</b>      | <b>\$ -</b>            | <b>\$ -</b>  | <b>\$ 4,329,775</b> |

**Business Record Details »**

Minnesota Business Name  
**RESOURCE, Inc.**

Business Type  
Assumed Name

MN Statute  
333

File Number  
934775600047

Home Jurisdiction  
Minnesota

Filing Date  
2/15/2017

Status  
Active / In Good Standing

Renewal Due Date  
12/31/2018

Principal Place of Business Address  
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Mpls, MN 55404  
USA

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