

Return of Organization Exempt From Income Tax

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

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the **2005** calendar year, or tax year beginning **July 1**, 2005, and ending **June 30**, 20 **06**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Concordia University, St. Paul	D Employer identification number 41 0696906
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 275 Syndicate St. N	E Telephone number (651) 641-8278
		City or town, state or country, and ZIP + 4 St. Paul, MN 55104	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶

H and **I** are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Website: ▶ www.csp.edu

J Organization type (check only one) ▶ 501(c) (**3**) ◀ (insert no.) 4947(a)(1) or 527

K Check here ▶ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **37,933,488**

I Group Exemption Number ▶
M Check ▶ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a		3,342,116	
	b Indirect public support	1b		159,900	
	c Government contributions (grants)	1c		1,504,475	
	d Total (add lines 1a through 1c) (cash \$ 5,006,491 noncash \$ _____)				1d 5,006,491
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				2 31,809,516
	3 Membership dues and assessments				3
	4 Interest on savings and temporary cash investments				4 34,265
	5 Dividends and interest from securities				5 538,088
	6a Gross rents	6a			
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)				6c
7 Other investment income (describe ▶)				7	
	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
		247,991	8a		
	b Less: cost or other basis and sales expenses	248,670	8b		
	c Gain or (loss) (attach schedule)	(679)	8c		
d Net gain or (loss) (combine line 8c, columns (A) and (B))				8d (679)	
	9 Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>				
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
	b Less: direct expenses other than fundraising expenses	9b			
c Net income or (loss) from special events (subtract line 9b from line 9a)				9c	
	10a Gross sales of inventory, less returns and allowances	10a			
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)				10c
11 Other revenue (from Part VII, line 103)				11 297,816	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				12 37,685,497	
Expenses	13 Program services (from line 44, column (B))				13 28,153,689
	14 Management and general (from line 44, column (C))				14 8,135,009
	15 Fundraising (from line 44, column (D))				15 1,210,912
	16 Payments to affiliates (attach schedule)				16
	17 Total expenses (add lines 16 and 44, column (A))				17 37,499,610
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)				18 185,887
	19 Net assets or fund balances at beginning of year (from line 73, column (A))				19 40,905,824
	20 Other changes in net assets or fund balances (attach explanation)				20 434,492
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)				21 41,526,203

Part II Statement of Functional Expenses

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

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 6,677,005 noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22	6,677,581	6,677,581	
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25	739,387	338,767	244,630
26	Other salaries and wages	26	14,873,192	11,521,997	2,898,935
27	Pension plan contributions	27	611,896	428,327	128,498
28	Other employee benefits	28	1,628,470	1,154,113	430,828
29	Payroll taxes	29	899,377	693,926	162,646
30	Professional fundraising fees	30	42,239		42,239
31	Accounting fees	31	37,627	800	36,827
32	Legal fees	32	49,343		49,343
33	Supplies	33	245,327	178,226	60,750
34	Telephone	34	162,440	130,803	25,409
35	Postage and shipping	35	193,278	150,698	18,377
36	Occupancy	36	1,846,621	1,328,448	464,937
37	Equipment rental and maintenance	37	104,425	66,166	38,259
38	Printing and publications	38	151,433	34,717	39,935
39	Travel	39	651,944	556,877	49,806
40	Conferences, conventions, and meetings	40	31,692	24,248	4,538
41	Interest	41	544,163	8,330	535,833
42	Depreciation, depletion, etc. (attach schedule)	42	1,338,951	802,291	529,764
43	Other expenses not covered above (itemize):				
a	.....	43a			
b	STATEMENT 4	43b	6,670,224	4,057,373	2,415,695
c	.....	43c			
d	.....	43d			
e	.....	43e			
f	.....	43f			
g	.....	43g			
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	37,499,610	28,153,689	8,135,009

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? . Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► <u>post-secondary higher education</u>	Program Service Expenses
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a Educational and instructional divisions including support programs devoted to liberal arts and/or religious education, encouragement and understanding for 2000 FTE students (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	14,657,575
b Financial aid to assist individuals unable to pay for the liberal arts or religious education and support programs (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	6,677,581
c Auxiliary enterprises such as student housing, food service, athletic teams and performance groups (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	6,818,533
d (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ►	28,153,689

Part IV Balance Sheets (See the instructions.)

				(A)		(B)
				Beginning of year		End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.						
Assets	45	Cash—non-interest-bearing		929,296	45	536,422
	46	Savings and temporary cash investments		469,519	46	139,357
	47a	Accounts receivable	2,209,609	1,617,722	47c	1,456,216
	b	Less: allowance for doubtful accounts	753,393			
	48a	Pledges receivable	2,499,930	2,322,945	48c	2,429,565
	b	Less: allowance for doubtful accounts	70,365			
	49	Grants receivable		784,159	49	518,234
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a	Other notes and loans receivable (attach schedule)	2,202,514	2,555,381	51c	2,202,514
	b	Less: allowance for doubtful accounts				
	52	Inventories for sale or use		260,396	52	271,851
	53	Prepaid expenses and deferred charges		609,385	53	644,383
	54	Investments—securities (attach schedule)		3,156,674	54	3,194,985
55a	Investments—land, buildings, and equipment: basis					
b	Less: accumulated depreciation (attach schedule)			55c		
56	Investments—other (attach schedule)		14,356,516	56	15,433,862	
57a	Land, buildings, and equipment: basis	47,630,971	29,216,614	57c	29,295,498	
b	Less: accumulated depreciation (attach schedule)	18,335,473				
58	Other assets (describe ► STATEMENT 8)		3,655,598	58	3,893,555	
59	Total assets (must equal line 74). Add lines 45 through 58.		59,934,205	59	60,016,444	
Liabilities	60	Accounts payable and accrued expenses		3,560,943	60	2,604,018
	61	Grants payable			61	
	62	Deferred revenue		2,025,685	62	2,025,738
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a	Tax-exempt bond liabilities (attach schedule)		2,580,000	64a	2,480,000
	b	Mortgages and other notes payable (attach schedule)		6,724,790	64b	7,319,325
	65	Other liabilities (describe ► STATEMENT 10)		4,136,963	65	4,061,160
66	Total liabilities. Add lines 60 through 65		19,028,381	66	18,490,241	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
	67	Unrestricted		19,677,597	67	19,030,125
	68	Temporarily restricted		3,309,121	68	3,938,203
	69	Permanently restricted		17,919,106	69	18,557,875
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		40,905,824	73	41,526,203
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73.		59,934,205	74	60,016,444

Part V-A Current Officers, Directors, Trustees, and Key Employees <i>(continued)</i>		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) . . .	75b		✓
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations. If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.	75c		✓
d Does the organization have a written conflict of interest policy?	75d	✓	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
none				

Part VI Other Information <i>(See the instructions.)</i>		Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		✓
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		✓
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	✓	
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	✓	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		✓
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	✓	
b If "Yes," enter the name of the organization ► <u>The Lutheran Church - Missouri Synod</u> <u>Concordia University System</u> and check whether it is <input type="checkbox"/> exempt or <input checked="" type="checkbox"/> nonexempt	81a		
81a Enter direct and indirect political expenditures. (See line 81 instructions.)	81a		
b Did the organization file Form 1120-POL for this year?	81b		✓

Part VI Other Information *(continued)*

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		<input checked="" type="checkbox"/>
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		<input checked="" type="checkbox"/>
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	<input checked="" type="checkbox"/>
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	<input checked="" type="checkbox"/>
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶		
90a	List the states with which a copy of this return is filed ▶ <u>Minnesota</u>		
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b	<u>720</u>
91a	The books are in care of ▶ <u>Michael Dorner</u> Telephone no. ▶ (<u>651</u>) <u>641-8811</u> Located at ▶ <u>275 Syndicate St. N</u> ZIP + 4 ▶ <u>55104-5494</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶	91b	<input checked="" type="checkbox"/>
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c	<input checked="" type="checkbox"/>
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 —Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ <u>92</u>		<input type="checkbox"/>

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Tuition and fees					27,270,507
b Auxiliary Enterprises	7388	106,151			4,432,858
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	34,265	
96 Dividends and interest from securities			14	538,088	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-679	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____			3	297,816	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		106,151		869,490	31,703,365
105 Total (add line 104, columns (B), (D), and (E))					32,679,006

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	Tuition and fees for a liberal arts univeristy education are used to educate students and provide an adequate learning environment
94b	Income from student housing and services is used to provide an education environment for students, enhancing the purpose of the university

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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

Please Sign Here

Signature of officer: Michael Dorner, Vice President for Finance Date: _____

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN (See Gen. Inst. W)

Firm's name (or yours if self-employed), address, and ZIP + 4: _____ EIN: _____ Phone no.: _____