

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

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization THE MORTON ARBORETUM		D Employer identification number **-***5770
	Doing Business As		E Telephone number (630) 968-0074
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	4100 ILLINOIS ROUTE #53		G Gross receipts \$ 63,523,393.
	City or town, state or province, country, and ZIP or foreign postal code LISLE, IL 60532-1293		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
F Name and address of principal officer: James S. Fawley (2/6/14) same as C above		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
I 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			H(c) Group exemption number
J Website: www.mortonarb.org			
K Form of organization: <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation: 1922	M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Collect, study, display and grow trees; encourage the planting and conservation of trees.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	21
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	21
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	423
	6 Total number of volunteers (estimate if necessary)	6	1244
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	6,899,051.	11,015,089.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,588,262.	3,645,655.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	15,792,013.	13,000,444.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,187,661.	4,448,790.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	29,466,987.	32,109,978.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	266,580.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	14,128,152.	12,864,491.
	b Total fundraising expenses (Part IX, column (D), line 25)	75,221.	70,064.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,469,827.	
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	13,248,008.	13,985,708.
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	27,451,381.	27,186,843.
	20 Total assets (Part X, line 16)	2,015,606.	4,923,135.
	21 Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
22 Net assets or fund balances. Subtract line 21 from line 20	279,168,007.	290,663,050.	
	46,828,967.	46,228,038.	
	232,339,040.	244,435,012.	

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.

Sign Here	Signature of officer	Date			
	James S. Fawley (2/6/14), Chief Financial Officer				
Paid Preparer Use Only	Print/Type preparer's name JOHN C. DeLAND	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN *****
	Firm's name WOLF & COMPANY LLP	Firm's EIN **-***5665	Firm's address 1901 S. MEYERS RD, SUITE 500 OAKBROOK TERRACE, IL 60181-5209	Phone no. (630) 545-4500	

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: To collect and study trees, shrubs, and other plants from around the world, to display them across naturally beautiful landscapes for people to study and enjoy, and to learn how to grow them in ways that enhance our environment; to encourage the planting and conservation of

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 If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No If "Yes," describe these changes on Schedule O.

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 \$ 9,088,243. including grants of \$) (Revenue \$) Plant Collections: Curated collection of 190,000 trees and other woody plants encompassing taxonomic and geographic groups suitable for climate of northern Illinois. Maintained 1,700 acres of landscapes, specialty gardens, and natural areas throughout woodlands, wetlands, and prairie. Managed grounds including 16 miles of trails and 9 miles of roads. Conducted operations involving living plant collections, plant production, natural areas, horticulture, and landscape architecture. Maintained outdoor and indoor facilities and equipment to support Arboretum overall; upgraded where necessary to improve visitor experience and sustainability.

4b (Code:) (Expenses \$ 2,319,626. including grants of \$ 0.) (Revenue \$ 842,776.) Education and Information: Fostered public appreciation for trees by motivating tree conservation practice, improving natural science literacy, and enabling access to relevant, expert information. Offered classes and workshops on horticulture and gardening, woodland stewardship, natural history, nature art, nature photography, and ornithology. Enrolled 36,000 participants in education programs, including 31,000 youth from 575 schools in field trips, summer science camps, and scouting programs. Provided outreach resources to schools and teachers. Children's Garden, Plant Clinic, library collection of botanical literature and art, and interpretive displays enhanced audience knowledge and engagement. Held exhibition titled Illumination: Tree Lights at The Morton Arboretum showing trees in a

4c (Code:) (Expenses \$ 2,276,172. including grants of \$ 266,580.) (Revenue \$ 0.) Science and Conservation: Collaborated with regional, national, and international partners on initiatives to advance planting and care of trees, health of urban forests, and protection of endangered trees. Furthered scientific research studies in plant health care, plant conservation biology, urban soil science, and plant systematics. Developed strategies through Regional Trees Initiative for tree and urban forest improvement in greater Chicago area. Served as an advocate for trees in 275 communities in seven counties of metropolitan Chicago. Facilitated ArbNet interactive community of arboreta and related accreditation program, supporting goals of tree-focused public gardens. Authored papers for professional publications, hosted major conferences, and delivered presentations to share knowledge with

4d Other program services (Describe in Schedule O.) (Expenses \$ 8,405,021. including grants of \$) (Revenue \$ 9,405,572.)

4e Total program service expenses 22,089,062.

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)? <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 Section 501(c)(3) organizations. 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
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?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or 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 individuals in the United States 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 Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <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? If so, complete Schedule L, Part II		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>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		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	

Form 990 (2013)

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, description, and Yes/No boxes. Includes questions 1a-14b regarding Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, annual gross receipts, and various organizational requirements.

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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 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?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b 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 filing the form?; 11b 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; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," 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 IL
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. [X] Own website [] Another's website [X] 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, physical address, and telephone number of the person who possesses the books and records of the organization: James S. Fawley - (630) 719-2405 4100 Illinois Rte. 53, Lisle, IL 60532-1293

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) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) W. Robert Reum Trustee: Chairman	8.00	X						0.	0.	0.
(2) Catherine Slark Trustee: Vice Chairman	8.00	X						0.	0.	0.
(3) Anna Caroline Ball Trustee: Secretary	8.00	X						0.	0.	0.
(4) John W. Oleniczak Trustee: Treasurer	8.00	X						0.	0.	0.
(5) Walter W. Becky II Trustee	8.00	X						0.	0.	0.
(6) Christopher B. Burke Trustee	8.00	X						0.	0.	0.
(7) Mary L. Burke Trustee	8.00	X						0.	0.	0.
(8) James F. Dickerson Trustee	8.00	X						0.	0.	0.
(9) Robert L. Fealy Trustee	8.00	X						0.	0.	0.
(10) Stephen C. Geiser Trustee	8.00	X						0.	0.	0.
(11) Ann Grube Trustee	8.00	X						0.	0.	0.
(12) Fanee Haleas Trustee	8.00	X						0.	0.	0.
(13) Darrell B. Jackson Trustee	8.00	X						0.	0.	0.
(14) K'Lynne Johnson Trustee	8.00	X						0.	0.	0.
(15) Kenneth Koranda Trustee	8.00	X						0.	0.	0.
(16) Amy Louis Trustee	8.00	X						0.	0.	0.
(17) Timothy M. Murray Trustee	8.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Henry B. Pearsall Trustee	8.00	X						0.	0.	0.
(19) Robert J. Schillerstrom Trustee	8.00	X						0.	0.	0.
(20) Donald C. Sharp Trustee	8.00	X						0.	0.	0.
(21) Joseph L. Weidenbach Trustee	8.00	X						0.	0.	0.
(22) Gerard T. Donnelly, PhD President and CEO	40.00			X				318,125.	0.	68,578.
(23) Timothy E. Wolkober, CPA VP of Finance and CFO	40.00			X				157,798.	0.	60,374.
(24) Jill Koski VP of Development	40.00			X				188,848.	0.	32,321.
(25) Susan Wagner VP of Education & Information	40.00			X				153,488.	0.	10,250.
(26) Kris Bachtell VP of Collections & Facilities	40.00			X				138,537.	0.	45,080.
1b Sub-total								956,796.	0.	216,603.
c Total from continuation sheets to Part VII, Section A								708,590.	0.	130,950.
d Total (add lines 1b and 1c)								1,665,386.	0.	347,553.

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 **11**

	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		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	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		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) Name and business address	(B) Description of services	(C) Compensation
Intelligent Lighting Creations, Inc., 2461 East Oakton St., Arlington Heights, IL	Event Lighting Production	466,455.
Kelly, Scott & Madison, Inc. 35 East Wacker Drive, Chicago, IL 60601	Advertising	454,818.
Aramark Corporation 1101 Market St., Philadelphia, PA 19107	Food Service Management	443,454.
Universal Commercial LLC 390 Holbrook Drive, Wheeling, IL 60090	Construction	371,918.
Buck Services 256 W. Roosevelt Rd., W. Chicago, IL 60185	Janitorial	310,222.

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 **22**

See Part VII, Section A Continuation sheets

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

Table with 6 main columns: (A) Name and title, (B) Average hours per week, (C) Position (check all that apply), (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Rows include Jennifer Goodsmith, Nicole Cavender, Kelly Vantine, Richard Hootman, Gary Watson, and Sai Ravichandran.

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						
	b Membership dues	1b	3,413,990.					
	c Fundraising events	1c	172,542.					
	d Related organizations	1d						
	e Government grants (contributions)	1e	815,729.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	6,612,828.					
	g Noncash contributions included in lines 1a-1f: \$		273,718.					
	h Total. Add lines 1a-1f			11,015,089.				
Program Service Revenue	Business Code							
	2 a Visitor Events		713990	1,710,405.	1,710,405.			
	b Admissions		713990	1,092,474.	1,092,474.			
	c Education		713990	842,776.	842,776.			
	d							
	e							
	f All other program service revenue							
g Total. Add lines 2a-2f			3,645,655.					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			5,023,858.			5,023,858.	
	4 Income from investment of tax-exempt bond proceeds							
	5 Royalties							
	6 a Gross rents	(i) Real	(ii) Personal					
		651,917.						
		b Less: rental expenses		0.				
		c Rental income or (loss)		651,917.				
	d Net rental income or (loss)			651,917.	651,917.			
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
		37,197,098.						
		b Less: cost or other basis and sales expenses		29,220,512.				
		c Gain or (loss)		7,976,586.				
	d Net gain or (loss)			7,976,586.			7,976,586.	
	8 a Gross income from fundraising events (not including \$ 172,542. of contributions reported on line 1c). See Part IV, line 18	a		39,000.				
		b Less: direct expenses	b	112,867.				
c Net income or (loss) from fundraising events				-73,867.			-73,867.	
9 a Gross income from gaming activities. See Part IV, line 19	a							
	b Less: direct expenses	b						
	c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	a		5,950,776.					
	b Less: cost of goods sold	b	2,080,036.					
	c Net income or (loss) from sales of inventory			3,870,740.	3,870,740.			
Miscellaneous Revenue			Business Code					
11 a								
b								
c								
d All other revenue								
e Total. Add lines 11a-11d								
12 Total revenue. See instructions.				32,109,978.	8,168,312.	0.	12,926,577.	

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) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	266,580.	266,580.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,420,168.	653,832.	543,962.	222,374.
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	9,681,651.	7,709,704.	1,007,998.	963,949.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	611,481.	486,935.	63,664.	60,882.
9 Other employee benefits	323,311.	257,460.	33,661.	32,190.
10 Payroll taxes	827,880.	659,258.	86,194.	82,428.
11 Fees for services (non-employees):				
a Management	236,991.	236,991.		
b Legal	63,129.		63,129.	
c Accounting	340,825.	113,627.	145,957.	81,241.
d Lobbying				
e Professional fundraising services. See Part IV, line 17	70,064.			70,064.
f Investment management fees	172,133.	172,133.		
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	2,152,991.	1,621,784.	245,910.	285,297.
12 Advertising and promotion	438,980.	429,250.	5,489.	4,241.
13 Office expenses	3,343,803.	2,759,362.	88,797.	495,644.
14 Information technology	127,178.		127,178.	
15 Royalties				
16 Occupancy	1,502,704.	1,489,418.	13,286.	
17 Travel	148,291.	119,598.	12,793.	15,900.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	251,863.	72,630.	62,485.	116,748.
20 Interest	281,967.	281,967.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,688,980.	2,639,208.	48,436.	1,336.
23 Insurance	404,788.	404,788.		
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 Contract Temporary Help	1,643,231.	1,643,231.		
b Staff Development	85,548.	28,617.	49,382.	7,549.
c Membership Dues	42,772.	13,471.	21,821.	7,480.
d Equipment	33,519.	28,001.	518.	5,000.
e All other expenses	26,015.	1,217.	7,294.	17,504.
25 Total functional expenses. Add lines 1 through 24e	27,186,843.	22,089,062.	2,627,954.	2,469,827.
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) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	240,980.	1	330,533.
	2 Savings and temporary cash investments	3,100,326.	2	3,745,062.
	3 Pledges and grants receivable, net	643,072.	3	561,548.
	4 Accounts receivable, net	396,919.	4	380,219.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	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		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	327,694.	8	337,383.
	9 Prepaid expenses and deferred charges	61,929.	9	67,213.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 73,738,602.		
	b Less: accumulated depreciation	10b 34,849,403.	40,875,213.	10c 38,889,199.
	11 Investments - publicly traded securities	196,129,894.	11	201,565,574.
	12 Investments - other securities. See Part IV, line 11	37,109,205.	12	44,514,440.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	282,775.	15	271,879.
16 Total assets. Add lines 1 through 15 (must equal line 34)	279,168,007.	16	290,663,050.	
Liabilities	17 Accounts payable and accrued expenses	4,101,478.	17	3,344,848.
	18 Grants payable		18	
	19 Deferred revenue	727,489.	19	883,190.
	20 Tax-exempt bond liabilities	42,000,000.	20	42,000,000.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	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		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	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		25	
	26 Total liabilities. Add lines 17 through 25	46,828,967.	26	46,228,038.
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	227,459,164.	27	235,350,855.
	28 Temporarily restricted net assets	4,113,600.	28	7,817,881.
	29 Permanently restricted net assets	766,276.	29	1,266,276.
	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		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	232,339,040.	33	244,435,012.
	34 Total liabilities and net assets/fund balances	279,168,007.	34	290,663,050.

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	32,109,978.
2	Total expenses (must equal Part IX, column (A), line 25)	2	27,186,843.
3	Revenue less expenses. Subtract line 2 from line 1	3	4,923,135.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	232,339,040.
5	Net unrealized gains (losses) on investments	5	7,172,837.
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	244,435,012.

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 _____ 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? _____ 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: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ 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: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	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? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	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? _____	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 _____	X	

Form **990** (2013)

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

2013

Open to Public Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number

-*5770

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 11, 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)**. (Attach Schedule E.)
- 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)**. Enter the hospital's name, city, and state: _____
- 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)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 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)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 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 - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 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). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 11g(i)		
(ii) A family member of a person described in (i) above? 11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? 11g(iii)		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

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

Schedule A (Form 990 or 990-EZ) 2013

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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6,162,739.	6,363,867.	5,746,513.	6,899,051.	11,015,089.	36,187,259.
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 Total. Add lines 1 through 3	6,162,739.	6,363,867.	5,746,513.	6,899,051.	11,015,089.	36,187,259.
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)						2,489,701.
6 Public support. Subtract line 5 from line 4.						33,697,558.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	6,162,739.	6,363,867.	5,746,513.	6,899,051.	11,015,089.	36,187,259.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	7,524,438.	8,120,792.	10,988,498.	7,018,176.	5,675,777.	39,327,681.
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 IV.)						
11 Total support. Add lines 7 through 10						75,514,940.
12 Gross receipts from related activities, etc. (see instructions)					12	41,541,256.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	44.62 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	42.55 %
16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 9 of Part I 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 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 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2013. 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 - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to 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.**

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number

-*5770

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<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" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

9 In Part 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" to Form 990, Part IV, line 8.

- 1a 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.
- b 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) Revenues included in Form 990, Part VIII, line 1
- ▶ \$ _____
- (ii) Assets included in Form 990, Part X
- ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
- a Revenues included in Form 990, Part VIII, line 1
- ▶ \$ _____
- b Assets included in Form 990, Part X
- ▶ \$ _____

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

3 Using the organization's 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 Classroom Education

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" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

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

b If "Yes," explain the arrangement in Part 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? Yes No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	11,965,668.	10,173,314.	10,212,513.	8,843,016.	6,502,087.
b Contributions	4,536,411.	745,000.	245,000.	245,000.	740,000.
c Net investment earnings, gains, and losses	1,179,395.	1,171,524.	-193,436.	1,266,407.	1,716,604.
d Grants or scholarships					
e Other expenditures for facilities and programs	495,459.	124,170.	90,763.	141,910.	115,675.
f Administrative expenses					
g End of year balance	17,186,015.	11,965,668.	10,173,314.	10,212,513.	8,843,016.

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

- a** Board designated or quasi-endowment 53.60 %
- b** Permanent endowment 7.40 %
- c** Temporarily restricted endowment 39.00 %

The percentages in 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:

- (i) unrelated organizations **3a(i)** Yes No
- (ii) related organizations **3a(ii)** Yes No

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? **3b**

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" to 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		1,266,234.		1,266,234.
b Buildings		32,120,481.	12,810,161.	19,310,320.
c Leasehold improvements				
d Equipment		8,472,098.	5,700,711.	2,771,387.
e Other		31,879,789.	16,338,531.	15,541,258.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				38,889,199.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to 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) Real Estate Guggenheim Plus	7,757,966.	End-of-Year Market Value
(B) Priv. Eq. - Madison Dearborn	4,627,855.	End-of-Year Market Value
(C) Hedge Fund - Evanston-Weatherlow	28,319,792.	End-of-Year Market Value
(D) Priv. Eq. - Adam Street Partners	3,755,623.	End-of-Year Market Value
(E) Priv. Eq. - Bear Stearns	53,204.	End-of-Year Market Value
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	44,514,440.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to 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" to 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" to 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)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

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" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	42,035,731.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	7,172,837.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	560,013.
e	Add lines 2a through 2d	2e	7,732,850.
3	Subtract line 2e from line 1	3	34,302,881.
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	-2,192,903.
c	Add lines 4a and 4b	4c	-2,192,903.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	32,109,978.

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

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

1	Total expenses and losses per audited financial statements	1	29,939,759.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	2,925,049.
e	Add lines 2a through 2d	2e	2,925,049.
3	Subtract line 2e from line 1	3	27,014,710.
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	172,133.
c	Add lines 4a and 4b	4c	172,133.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	27,186,843.

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 III, line 1a:

Explanation: Capitalization Policy: Arboretum Collections - The

Arboretum's rare books and print collections are not capitalized in the

accompanying audited financial statements. Living woody plants are also

not capitalized unless they are a major part of a capital project.

Purchases of collection items that are not capitalized are recorded as

decreases in unrestricted net assets.

Part III, line 4:

Explanation: Description of Collections and Furtherance of Exempt Purpose:

Living Collection - Woody plants in categories of taxonomic, geographic,

special habitat, horticultural, rare/endangered. 190,000 specimens

Part XIII Supplemental Information *(continued)*

represent 4,200 different kinds of trees, shrubs and other plants from 40 countries in the northern temperate zone. Displayed across 1,700 acres of natural landscapes. Provided for botanical, horticultural, and artistic study (education and research purpose) and enjoyment of plant species (specific research purpose).

Library Collection - 27,000 volumes on botany, horticulture, landscape design, natural history, ecology; corresponding rare documents, and other printed materials; 12,000 botanical artworks and 3,400 landscape drawings. Available for botanical, horticultural, and artistic study of plants (educational, research, and cultural purposes).

Part V, line 4:

Explanation: Intended Use of Endowment Funds:

The term endowments are spent per the donor's directions. The permanent endowment is maintained in perpetuity to support the mission and operations of the Arboretum. The board designated endowments are applied to purposes defined by the board in support of the mission and operations of the Arboretum.

Part X, Line 2:

Explanation: The Arboretum is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code ("Code"). In June 1999, the Arboretum was granted public charity status under Code Section 509. The status is effective as of January 1, 1994. The Arboretum recognizes the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Arboretum is no longer subject to U.S. federal, state, and local income tax

Part XIII Supplemental Information *(continued)*

examinations by tax authorities for the years before the 2010 tax year.

Part XI, Line 2d - Other Adjustments:

Investment management fees of \$172,133 are netted against -172,133.

investment income on the audited financial statements.

Pension related adjustment of \$732,146 included in revenue 732,146.

on the audited financial statements.

Total to Schedule D, Part XI, Line 2d 560,013.

Part XI, Line 4b - Other Adjustments:

Cost of Sales of \$2,080,036 are included in expenses on the -2,080,036.

audited financial statements.

Fundraising expenses of \$112,867 are included in expenses -112,867.

on the audited financial statements.

Total to Schedule D, Part XI, Line 4b -2,192,903.

Part XII, Line 2d - Other Adjustments:

Cost of Sales of \$2,080,036 are included in expenses on the 2,080,036.

audited financial statements.

Fundraising expenses of \$112,867 are included in expenses 112,867.

on the audited financial statements.

Pension related adjustment of \$732,146 included in revenue 732,146.

on the audited financial statements.

Total to Schedule D, Part XII, Line 2d 2,925,049.

Part XII, Line 4b - Other Adjustments:

Investment management fees of \$172,133 are netted against 172,133.

investment income on the audited financial statements.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities
Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2013

Open To Public Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number

-*5770

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
ComNet Marketing Group Inc. - 1214 Stowe Ave, Medford, OR	Telefundraising		X	209,164.	70,064.	139,100.
Total				209,164.	70,064.	139,100.

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

IL

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events None	(d) Total events (add col. (a) through col. (c))
		Dinner Party (event type)	(event type)	(total number)	
Revenue	1 Gross receipts	211,542.			211,542.
	2 Less: Contributions	172,542.			172,542.
	3 Gross income (line 1 minus line 2)	39,000.			39,000.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	61,356.			61,356.
	7 Food and beverages	39,284.			39,284.
	8 Entertainment	1,415.			1,415.
	9 Other direct expenses	10,812.			10,812.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				112,867.
11 Net income summary. Subtract line 10 from line 3, column (d)				-73,867.	

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)					
8 Net gaming income summary. Subtract line 7 from line 1, column (d)					

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

13a		%
13b		%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____ .
- c If "Yes," enter name and address of the third party:

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

- Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Schedule G, Part I, Line 2b, List of Ten Highest Paid Fundraisers:

(i) Name of Fundraiser: ComNet Marketing Group Inc.

(i) Address of Fundraiser: 1214 Stowe Ave, Medford, OR 97501

Part IV Supplemental Information (continued)

Multiple horizontal lines for supplemental information.

**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" to 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.

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number
-*5770

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 Governments and Organizations in the United States. Complete if the organization answered "Yes" to 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
City of Geneva 22 South First Street Geneva, IL 60134	**_***5893		10,000.	0.			Tree Replenishment Grant
City of Joliet - Roadway Division 1203 Cedarwood Dr. Joliet, IL 60403	**_***8568		11,967.	0.			Tree Replenishment Grant
City of Prospect Heights 8 N. Elmhurst Road Prospect Heights, IL 60070	**_***3978		14,850.	0.			Tree Replenishment Grant
City of St. Charles 2 East Main Street Saint Charles, IL 60174	**_***6090		20,000.	0.			Tree Replenishment Grant
City of West Chicago 475 Main Street West Chicago, IL 60185	**_***6144		20,000.	0.			Tree Replenishment Grant
Des Plaines Park District 1300 Oakwood Street Des Plaines, IL 60016	**_***0881		10,312.	0.			Tree Replenishment Grant

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

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

20.
0.

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

Schedule I (Form 990) (2013)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)							
(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
Glen Ellyn Park District 185 Spring Ave. Glen Ellyn, IL 60137	**_***5896		9,832.	0.			Tree Replenishment Grant
Kane County Forest Preserve District - 1996 South Kirk Road - Geneva, IL 60134	**_***7396		14,505.	0.			Tree Replenishment Grant
Streamwood Park District 777 South Bartlett Road Streamwood, IL 60107	**_***6110		7,576.	0.			Tree Replenishment Grant
The Village of Green Oaks 350 N. Milwaukee Ave. Libertyville, IL 60048	**_***3635		8,640.	0.			Tree Replenishment Grant
Village of Bensenville 12 South Center Street Bensenville, IL 60106	**_***5794		10,000.	0.			Tree Replenishment Grant
Village of Bloomingdale 305 Glen Ellyn Road Bloomingdale, IL 60108	**_***7507		10,000.	0.			Tree Replenishment Grant
Village of Burr Ridge 451 Commerce Street Burr Ridge, IL 60527	**_***7422		20,000.	0.			Tree Replenishment Grant
Village of Channahon 24555 S. Navajo Drive Channahon, IL 60410	**_***7211		18,030.	0.			Tree Replenishment Grant
Village of Elk Grove 600 Landmeier Road Elk Grove, IL 60007	**_***9201		20,000.	0.			Tree Replenishment Grant

Schedule I (Form 990)

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)							
(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
Village of Huntley 1987 Main Street Huntley, IL 60142	**_***5934		10,000.	0.			Tree Replenishment Grant
Village of Lombard 255 E. Wilson Lombard, IL 60148	**_***5975		19,868.	0.			Tree Replenishment Grant
Village of Manhattan 245 S. State Street Manhattan, IL 60442	**_***6751		10,000.	0.			Tree Replenishment Grant
Village of Villa Park 20 South Ardmore Ave. Villa Park, IL 60181	**_***6132		8,000.	0.			Tree Replenishment Grant
West Chicago Park District 157 W. Washington Street West Chicago, IL 60185	**_***2236		10,000.	0.			Tree Replenishment Grant

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to 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

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:

Explanation: On a quarterly basis, grantees are asked to report on project progress using a template provided with the application process. Failure to comply may result in the cancellation of the grant. A final report is required with a final budget form and match documentation worksheet.

Payment is made only to the contracted entity for invoices paid by the grant recipients after the completed reimbursement request forms have been received along with valid invoices and/or canceled checks. Only one reimbursement payment will be made to the contracted community upon

Part IV Supplemental Information

completion of all phases of the grant project.

Multiple horizontal lines for supplemental information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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. ▶ See separate instructions.
- ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number

_*5770

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in 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 checked="" type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input checked="" 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 (e.g., maid, chauffeur, chef)		
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	X	
2 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 in line 1a?	X	
3 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 checked="" 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		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?		X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	X	
c Participate in, or receive payment from, an equity-based compensation arrangement?		X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?		X
b Any related organization?		X
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?		X
b Any related organization?		X
If "Yes" to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		X
8 Were any amounts reported in 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		X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

Schedule J (Form 990) 2013

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 in 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 are not 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.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Gerard T. Donnelly, PhD President and CEO	(i)	299,426.	0.	18,699.	48,507.	20,071.	386,703.
	(ii)	0.	0.	0.	0.	0.	0.
(2) Timothy E. Wolkober, CPA VP of Finance and CFO	(i)	157,798.	0.	46,072.	14,302.	14,302.	218,172.
	(ii)	0.	0.	0.	0.	0.	0.
(3) Jill Koski VP of Development	(i)	188,848.	0.	12,250.	20,071.	20,071.	221,169.
	(ii)	0.	0.	0.	0.	0.	0.
(4) Susan Wagner VP of Education & Information	(i)	153,488.	0.	9,250.	1,000.	1,000.	163,738.
	(ii)	0.	0.	0.	0.	0.	0.
(5) Kris Bachtell VP of Collections & Facilities	(i)	138,537.	0.	26,435.	18,645.	18,645.	183,617.
	(ii)	0.	0.	0.	0.	0.	0.
(6) Jennifer Goodsmith VP of Marketing and Communications	(i)	142,854.	0.	4,448.	18,071.	18,071.	165,373.
	(ii)	0.	0.	0.	0.	0.	0.
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
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	(i)						
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	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						

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.

Part I, Line 1a:

Explanation: Compensation of the President and CEO of the Arboretum, currently Gerard T. Donnelly, includes an educational allowance for college undergraduate tuition and fees for his children. Charges related to room and board are not covered. Reimbursement is net of any scholarship amount. The reimbursement is on a tax indemnification and gross-up basis and treated as taxable compensation. This is a benefit as provided for in the employment agreement upon hire.

An on-site residence is provided for the President and CEO of the Arboretum, currently Gerard T. Donnelly, as a condition of employment and for the convenience of the Arboretum. The value of this residence is not treated as taxable compensation.

Part I, Line 4b:

Explanation: Part 1, line 4b: The following individuals participated in a section 457(b) Supplemental Non-Qualified Retirement Plan. The individuals are listed with the respective amounts of their deferrals:

Gerard Donnelly - \$17,500

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.

Timothy Wolkober - \$17,500

Kris Bachtell - \$2,600

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2013

Open to Public
Inspection

Supplemental Information on Tax-Exempt Bonds
 Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
 Attach to Form 990. See separate instructions. Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

THE MORTON ARBORETUM

Employer identification number
-*5770

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Deceased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A The County of Dupage, Illinois	**_***6551	262668AC0	12/17/03	42,000,000.	See Part VI, Supplemental Information		X		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								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		42,155,070.						
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds		326,250.						
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds		1,482,400.						
10 Capital expenditures from proceeds		40,346,420.						
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion		2005						
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?								
c Are there any research agreements that may result in private business use of bond-financed property?		X						
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		%		%		%		%
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		%		%		%		%
6 Total of lines 4 and 5		%		%		%		%
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 you checked "No rebate due" in 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	CITIGROUP GLOBAL MA							
c Term of GIC	1.5000000							
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 is not 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. LINE A. COLUMN F
 The proceeds of the bonds were used for (i) the costs of certain capital improvements to the facilities of the borrower located in Lisle, Illinois, including (a) the construction of a Visitor Center and Tram Road; (b) visitor facilities and a Prairie Visitor Station, (c) the expansion and improvement of the main entrance to The Morton Arboretum, (d) the restoration of the riverbank, (e) the construction of parking lots and support facilities, (f) the construction of a children's garden, maze garden, Arbor Court and Meadow Lake courtyard facilities and (g) landscaping, storm water facility and related improvements, (ii) paying a portion of the interest to accrue on the bonds and (iii) paying a portion of certain expenses incurred in connection with the issuance of the bonds.

SCHEDULE K. PART IV. LINE 1

No; there was no arbitrage rebate or penalty due. The net rebate liability was negative.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

THE MORTON ARBORETUM

Employer identification number

_*5770

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	13	261,618.	Fair Market Value
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (Potting Soil)	X	1	5,800.	Fair Market Value
26 Other ▶ (Restroom Serv)	X	1	5,200.	Fair Market Value
27 Other ▶ (Event Prizes)	X	1	1,100.	Fair Market Value
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

- 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 - 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?
- b If "Yes," describe the arrangement in Part II.
- 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?
- 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?
- b If "Yes," describe in Part II.
- 33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a		X

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

Schedule M (Form 990) (2013)

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Schedule M, Part I, Column (b):

Explanation: The organization is reporting in Part I, Column (b), the number of contributions.

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

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

THE MORTON ARBORETUM

Employer identification number

_*5770

Form 990, Part III, Line 1, Description of Organization Mission:

trees for a greener, healthier and more beautiful world.

Form 990, Part III, Line 4b, Program Service Accomplishments:

new light, in the dark of winter. Coordinated tree-awareness

activities on-site and in the Chicago region in conjunction with the

signature holiday of Arbor Day.

Form 990, Part III, Line 4c, Program Service Accomplishments:

industry peers and others who benefit from information. Managed labs

dedicated to tree science and herbarium (collection of preserved plant

specimens) for botanical research.

Form 990, Part III, Line 4d, Other Program Services:

Visitor Programs: Welcomed 884,600 visitors, maintaining the

institution as one of the most visited public gardens in North America.

Served membership of 38,600 households. Hosted various special events

and seasonal activities as opportunities for new and returning visitors

and members to engage in mission. Provided patron services and

accommodations through visitor orientation center, tours, store,

restaurant, and banquet and conference facilities.

Expenses \$ 8,405,021. including grants of \$ 0. Revenue \$ 9,405,572.

Form 990, Part VI, Section B, line 11:

Explanation: Form 990 is prepared by the Arboretum's accountants, reviewed

by the Audit Committee and distributed to the Board of Trustees prior to

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

Schedule O (Form 990 or 990-EZ) (2013)

332211
09-04-13

Name of the organization THE MORTON ARBORETUM	Employer identification number **-***5770
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filing.

Form 990, Part VI, Section B, Line 12c:

Explanation: The Morton Arboretum requires that all trustees, employees, and volunteers disclose and declare any personal, familial, or business relationships, situations, or activities that have the potential to create a conflict of interest or the perception of a conflict of interest. For trustees and employees, the declaration must be renewed annually or when applicable changes in status occur. The Arboretum supplies a Conflict of Interest Declaration form to all trustees and employees for this purpose. Volunteers are informed of this policy at the onset of their service, in the published volunteer handbook, and in periodic communications. For all trustees, employees, and volunteers, relationships or situations that arise that may create or appear to create a conflict of interest must be brought to the attention of the President or the Chairman of the Board of Trustees.

Form 990, Part VI, Section B, Line 15:

Explanation: The process for determining compensation of officers and key employees includes a market analysis of comparable positions from peer gardens and other similar organizations for benchmarking purposes. This information is reviewed by internal Human Resources professionals and the compensation committee of the Board of Trustees. The full Board reviews and approves recommendations of compensation matters for the President and CEO. The compensation of other officers and key employees is reviewed by the compensation committee of the Board.

Form 990, Part VI, Section C, Line 19:

Explanation: Financial statements are available to the public on the

332212
09-04-13

Name of the organization

THE MORTON ARBORETUM

Employer identification number

_*5770

Arborrtum's website (www.mortonarb.org) and Annual Report. Governing documents and Conflict of Interest Policy are available upon request.