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Amended

OMB No 1545 1150

2007

Open to Public  
Inspection

Form 990-EZ

Short Form  
Return of Organization Exempt From Income TaxUnder section 501(c) 527 or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year may use this form.

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

Department of the Treasury  
Internal Revenue Service

<b>A. For the 2007 calendar year or tax year beginning September 11 2007 and ending December 31 20 07</b>	
<b>B</b> Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b> <b>The Festival Foundation</b> Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>250 East Front Street 301</b> City or town state or country and ZIP + 4 <b>Traverse City, MI 49684</b>
<b>D Employer identification number</b> <b>26 0883148</b>	<b>E Telephone number</b> <b>( 231 ) 947-4230</b>
<b>F Group Exemption Number</b> ▶	

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

**G Accounting method** ☐ Cash ☒ Accrual  
Other (specify) ▶**H Check** ☒ if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF)**I Website** ▶**J Organization type** (check only one) ☒ 501(c) ( 3 ) (insert no) ☐ 4947(a)(1) or ☐ 527**K Check** ☐ if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**L Add lines 5b, 6b, and 7b to line 9 to determine gross receipts. If \$100,000 or more, file Form 990 instead of Form 990-EZ.** ▶ \$ **0****Part III Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 55 of the instructions)

<b>Revenue</b>	1 Contributions, gifts, grants, and similar amounts received	1	0
	2 Program service revenue including government fees and contracts	2	0
	3 Membership dues and assessments	3	0
	4 Investment income	4	0
	5a Gross amount from sale of assets other than inventory	5a	0
	b Less cost or other basis and sales expenses	5b	0
	c Gain or (loss) from sale of assets other than inventory. Subtract line 5b from line 5a (attach schedule)	5c	0
	6 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ 0 of contributions reported on line 1)	6a	0
<b>Expenses</b>	b Less direct expenses other than fundraising expenses	6b	0
	c Net income or (loss) from special events and activities. Subtract line 6b from line 6a	6c	0
	7a Gross sales of inventory less returns and allowances	7a	0
	b Less cost of goods sold	7b	0
	c Gross profit or (loss) from sales of inventory. Subtract line 7b from line 7a	7c	0
	8 Other revenue (describe ▶ 0 )	8	0
	9 <b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8	9	0
	10 Grants and similar amounts paid (attach schedule)	10	0
	11 Benefits paid to or for members	11	0
<b>Net Assets</b>	12 Salaries, other compensation, and employee benefits	12	0
	13 Professional fees and other payments to independent contractors	13	0
	14 Occupancy, rent, utilities, and maintenance	14	0
	15 Printing, publications, postage, and shipping	15	0
	16 Other expenses (describe ▶ 0 )	16	0
	17 <b>Total expenses.</b> Add lines 10 through 16	17	0
	18 Excess or (deficit) for the year. Subtract line 17 from line 9	18	0
19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end of year figure reported on prior year's return)	19	0	
20 Other changes in net assets or fund balances (attach explanation)	20	0	
21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	0	

**Part III Balance Sheets**—If total assets on line 25, column (B), are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 60 of the instructions)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	0	22 0
23 Land and buildings	0	23 0
24 Other assets (describe ▶ )	0	24 0
25 <b>Total assets</b>	0	25 0
26 <b>Total liabilities</b> (describe ▶ )	0	26 0
27 <b>Net assets or fund balances</b> (line 27 of column (B) must agree with line 21)	0	27 0

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 106421

Form 990-EZ (2007)

No statute issue 0436856108 APR 18 '13

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<b>Part III Statement of Program Service Accomplishments</b> (See page 60 of the instructions )		<b>Expenses</b> (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts optional for others )
What is the organization's primary exempt purpose? <b>Statement 1</b> Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner describe the services provided, the number of persons benefited, or other relevant information for each program title.		
<b>28</b>	(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>28a</b>
<b>29</b>	(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>29a</b>
<b>30</b>	(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>30a</b>
<b>31</b> Other program services (attach schedule)	(Grants \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>31a</b>
<b>32 Total program service expenses</b> Add lines 28a through 31a		<b>32</b> <b>0</b>

<b>Part IV List of Officers, Directors, Trustees, and Key Employees</b> (List each one, even if not compensated. See page 61 of the instructions )				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid enter 0 )	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
<b>Statement 2</b>				

<b>Part V Other Information</b> (Note the statement requirement in General Instruction V )		Yes	No
<b>33</b> Did the organization make a change in its activities or methods of conducting activities? If Yes attach a detailed statement of each change	<b>33</b>		✓
<b>34</b> Were any changes made to the organizing or governing documents but not reported to the IRS? If Yes attach a conformed copy of the changes	<b>34</b>		✓
<b>35</b> If the organization had income from business activities such as those reported on lines 2, 6, and 7 (among others) but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T			
<b>a</b> Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice reporting and proxy tax requirements?	<b>35a</b>		✓
<b>b</b> If Yes, has it filed a tax return on Form 990-T for this year?	<b>35b</b>		
<b>36</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If Yes attach a statement	<b>36</b>		✓
<b>37a</b> Enter amount of political expenditures, direct or indirect, as described in the instructions	<b>37a</b> <b>0</b>		
<b>b</b> Did the organization file Form 1120-POL for this year?	<b>37b</b>		
<b>38a</b> Did the organization borrow from or make any loans to any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	<b>38a</b>		✓
<b>b</b> If Yes, attach the schedule specified in the line 38 instructions and enter the amount involved	<b>38b</b>		
<b>39</b> 501(c)(7) organizations Enter			
<b>a</b> Initiation fees and capital contributions included on line 9	<b>39a</b>		
<b>b</b> Gross receipts included on line 9 for public use of club facilities	<b>39b</b>		

**Part IV Other Information** (Note the statement requirement in General Instruction V) (Continued)

**40a** 501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911 ▶ 0 section 4912 ▶ 0 section 4955 ▶ 0

**b** 501(c)(3) and (4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If Yes attach an explanation

**c** Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912 4955 and 4958 ▶                     

**d** Enter amount of tax on line 40c reimbursed by the organization ▶                     

**e** All organizations At any time during the tax year was the organization a party to a prohibited tax shelter transaction? ▶                     

	Yes	No
<b>40b</b>		✓
<b>40c</b>		
<b>40d</b>		
<b>40e</b>		✓

**41** List the states with which a copy of this return is filed ▶ Michigan

**42a** The books are in care of ▶ Trevor Tkach

Telephone no ▶ ( 231 ) 947-4230

Located at ▶ 250 East Front St Ste 301, Traverse City, MI

ZIP + 4 ▶ 49684

**b** At any time during the calendar year did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account securities account or other financial account)?

If Yes enter the name of the foreign country ▶                     

See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**

**c** At any time during the calendar year did the organization maintain an office outside of the U S ?

If Yes enter the name of the foreign country ▶                     

	Yes	No
<b>42b</b>		✓
<b>42c</b>		✓

**43** Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here and enter the amount of tax exempt interest received or accrued during the tax year ▶ 43 ☐

Please  
Sign  
Here

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

Signature of officer ▶ Trevor Tkach

Date ▶ 4/3/14

Type or print name and title ▶ Trevor Tkach Executive Director

Paid  
Preparer's  
Use Only

Preparer's  
signature ▶ Karen S Siekas

Date ▶ 4/1/13

Check if  
self  
employed ▶ ☒

Preparer's SSN or PTIN (See Gen. Inst. X)

**P01634153**

Firm's name (or yours  
if self employed)  
address and ZIP + 4 ▶ Karen S Siekas

4414 Maplewood Lane, Traverse City MI 49686

EIN ▶ 45 4775935

Phone no ▶ ( 231 ) 735 3071

**SCHEDULE A**  
**(Form 990 or 990 EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e) 501(f) 501(k) 501(n)  
or 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information—(See separate instructions)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990 EZ**

OMB No 1545-0047

**2007**

Name of the organization:

**The Festival Foundation**

Employer identification number

**26 0883148**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<b>Not Applicable</b>				
Total number of other employees paid over \$50,000 ▶		<b>0</b>		

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>Not Applicable</b>		
Total number of others receiving over \$50,000 for professional services ▶		<b>0</b>

**Part III Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<b>Not Applicable</b>		
Total number of other contractors receiving over \$50,000 for other services ▶		<b>0</b>

<b>Part III</b> Statements About Activities (See page 2 of the instructions)		Yes	No
<b>1</b>	During the year has the organization attempted to influence national state or local legislation including any attempt to influence public opinion on a legislative matter or referendum? If Yes enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38 Part VI A or line 1 of Part VI B)		✓
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI A. Other organizations checking Yes must complete Part VI B AND attach a statement giving a detailed description of the lobbying activities.			
<b>2</b>	During the year has the organization either directly or indirectly engaged in any of the following acts with any substantial contributors trustees directors officers creators key employees or members of their families or with any taxable organization with which any such person is affiliated as an officer director trustee majority owner or principal beneficiary? (If the answer to any question is Yes attach a detailed statement explaining the transactions.)		
<b>a</b>	Sale exchange or leasing of property?		✓
<b>b</b>	Lending of money or other extension of credit?		✓
<b>c</b>	Furnishing of goods services or facilities?		✓
<b>d</b>	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		✓
<b>e</b>	Transfer of any part of its income or assets?		✓
<b>3a</b>	Did the organization make grants for scholarships fellowships student loans etc? (If Yes attach an explanation of how the organization determines that recipients qualify to receive payments.)		✓
<b>b</b>	Did the organization have a section 403(b) annuity plan for its employees?		✓
<b>c</b>	Did the organization receive or hold an easement for conservation purposes including easements to preserve open space the environment historic land areas or historic structures? If Yes attach a detailed statement.		✓
<b>d</b>	Did the organization provide credit counseling debt management credit repair or debt negotiation services?		✓
<b>4a</b>	Did the organization maintain any donor advised funds? If Yes complete lines 4b through 4g. If No complete lines 4f and 4g.		✓
<b>b</b>	Did the organization make any taxable distributions under section 4966?		
<b>c</b>	Did the organization make a distribution to a donor donor advisor or related person?		
<b>d</b>	Enter the total number of donor advised funds owned at the end of the tax year ▶ _____		
<b>e</b>	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ _____		
<b>f</b>	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ _____		0
<b>g</b>	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ _____		0

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions)I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state:** ▶
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** ☐ 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:  
☐ Type I    ☐ Type II    ☐ Type III Functionally Integrated    ☐ Type III Other

**Provide the following information about the supported organizations** (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> ▶					

- 14** ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

**Part IVA Support Schedule.** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.****Note.** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	0	0	0	0	0
<b>16</b> Membership fees received	0	0	0	0	0
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable etc. purpose	0	0	0	0	0
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	0	0	0	0	0
<b>19</b> Net income from unrelated business activities not included in line 18	0	0	0	0	0
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.	0	0	0	0	0
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.	0	0	0	0	0
<b>23</b> Total of lines 15 through 22	0	0	0	0	0
<b>24</b> Line 23 minus line 17	0	0	0	0	0
<b>25</b> Enter 1% of line 23	0	0	0	0	0
<b>26 Organizations described on lines 10 or 11.</b> <b>a</b> Enter 2% of amount in column (e), line 24					<b>26a</b> 0
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. <b>Do not file this list with your return.</b> Enter the total of all these excess amounts					<b>26b</b> 0
<b>c</b> Total support for section 509(a)(1) test. Enter line 24, column (e)					<b>26c</b>
<b>d</b> Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					<b>26d</b>
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b>
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> %
<b>27 Organizations described on line 12.</b> <b>a</b> For amounts included in lines 15, 16, and 17 that were received from a disqualified person, prepare a list for your records to show the name of and total amounts received in each year from each disqualified person. <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____					
<b>b</b> For any amount included in line 17 that was received from each person (other than disqualified persons), prepare a list for your records to show the name of and amount received for each year that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) <b>Do not file this list with your return.</b> After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) _____ (2005) _____ (2004) _____ (2003) _____					
<b>c</b> Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					<b>27c</b>
<b>d</b> Add: Line 27a total _____ and line 27b total _____					<b>27d</b>
<b>e</b> Public support (line 27c total minus line 27d total)					<b>27e</b>
<b>f</b> Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					<b>27f</b>
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b> %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b> %
<b>28 Unusual Grants.</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show for each year the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. <b>Do not file this list with your return.</b> Do not include these grants in line 15.					

**Private School Questionnaire** (See page 9 of the instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions programs and scholarships?		
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period, if it has no solicitation program in a way that makes the policy known to all parts of the general community it serves? If Yes, please describe. If No, please explain. (If you need more space, attach a separate statement.)		
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions programs and scholarships?		
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered No to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges?		
<b>b</b> Admissions policies?		
<b>c</b> Employment of faculty or administrative staff?		
<b>d</b> Scholarships or other financial assistance?		
<b>e</b> Educational policies?		
<b>f</b> Use of facilities?		
<b>g</b> Athletic programs?		
<b>h</b> Other extracurricular activities?		
If you answered Yes to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? If you answered Yes to either 34a or b, please explain using an attached statement.		
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 CB 587 covering racial nondiscrimination? If No, attach an explanation.		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

 Check ☐ **a** if the organization belongs to an affiliated group    Check ☐ **b** if you checked **a** and limited control provisions apply

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term expenditures means amounts paid or incurred)			
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>	
<b>41</b>	Lobbying nontaxable amount. Enter the amount from the following table— If the amount on line 40 is—      The lobbying nontaxable amount is— Not over \$500,000      20% of the amount on line 40 Over \$500,000 but not over \$1,000,000      \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000      \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000      \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000      \$1,000,000	<b>41</b>	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter 0 if line 42 is more than line 36	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter 0 if line 41 is more than line 38	<b>44</b>	
<b>Caution</b> If there is an amount on either line 43 or line 44, you must file Form 4720			

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

 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
 See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					
<b>47</b> Total lobbying expenditures					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					
<b>50</b> Grassroots lobbying expenditures					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a** Volunteers  
**b** Paid staff or management (Include compensation in expenses reported on lines c through h)  
**c** Media advertisements  
**d** Mailings to members, legislators, or the public  
**e** Publications or published or broadcast statements  
**f** Grants to other organizations for lobbying purposes  
**g** Direct contact with legislators, their staffs, government officials, or a legislative body  
**h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means  
**i** Total lobbying expenditures (Add lines c through h)

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Yes	No	Amount

**Part VI** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions)

**51** Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527 relating to political organizations? \_\_\_\_\_

**a** Transfers from the reporting organization to a noncharitable exempt organization of

(i) Cash

**(ii) Other assets**

**b Other transactions**

**(i) Sales or exchanges of assets with a noncharitable exempt organization**

**(ii) Purchases of assets from a noncharitable exempt organization**

(iii) Rental of facilities equipment or other assets

**(iv) Reimbursement arrangements**

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

**c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees

**d** If the answer to any of the above is Yes, complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		✓
a(ii)		✓
b(i)		✓
b(ii)		✓
b(iii)		✓
b(iv)		✓
b(v)		✓
b(vi)		✓
c		✓

[illegible]

**52a** Is the organization directly or indirectly affiliated with or related to one or more tax exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶

☒ Yes ☐ No

**b** If Yes, complete the following schedule

[illegible]

# BYLAWS OF THE FESTIVAL FOUNDATION

a Michigan Nonprofit Corporation

## ARTICLE I

### NAME AND ORGANIZATION

1.1 Name The name of this Michigan nonprofit corporation shall be *The Festival Foundation* (the "Foundation")

1.2 Organization The Foundation is organized on a directorship basis in accordance with the provisions of the Michigan Nonprofit Corporation Act, being Act 162 of the Public Acts of 1982 as amended (the "Act")

1.3 Principal Office The principal office of the Foundation shall be at such place within the State of Michigan as the board of directors may establish

1.4 Other Offices The board of directors of the Foundation may establish other offices of the Foundation, inside or outside the State of Michigan

## ARTICLE II

### PURPOSE

The Festival Foundation (the "Foundation") is organized exclusively for charitable purposes within the meaning of §501(c)(3) of the Internal Revenue Code of 1986 as amended (the "Code"), or the corresponding section of any future federal tax code. In furtherance of these purposes, the Foundation's charitable activities shall include, but shall not necessarily be limited to, the following: (1) receiving and administering funds for charitable purposes, including the making of restricted grants to the National Cherry Festival Incorporated (the "Festival") (an IRC §501(c)(4) organization), to support its charitable activities (as defined in §501(c)(3)) and to other organizations exempt under §501(c)(3) whose purpose is to support the agricultural industry in the Northern Michigan area or other charitable programs and activities in the community, provided that all such distributions shall be in furtherance of the Foundation's charitable purposes, and (2) doing all other things and exercising all corporate powers necessary to carry out the Foundation's purposes, with all the powers conferred upon it by the provisions of the Michigan Nonprofit Corporation Act (the "Act"), provided that all such activities shall be in furtherance of the Foundation's charitable activities as defined by §501(c)(3) of the Code or the corresponding section of any future federal tax code, and the regulations promulgated thereunder

The Foundation, including all activities in accord to its purposes, shall at all times be conducted so as to be an organization described in §501(c)(3) of the Code or the corresponding

Bylaws of  
The Festival Foundation  
Page 018

section of any future federal tax code. Notwithstanding any other provision of these Articles, the Foundation shall not carry on any activities not permitted to be carried on by (a) a Foundation exempt from federal income tax under §501(c)(3) of the Code, (b) a Foundation contributions to which are deductible under §170(c)(2), §2055(a)(2) or §2522(a)(2) of the Code, or (c) a nonprofit corporation organized under the laws of the State of Michigan pursuant to the provisions of the Act.

## ARTICLE III

### BOARD OF DIRECTORS

3.1 General Powers The property, business and affairs of the Foundation shall be managed under the direction of its Board of Directors (the "Board").

3.2 Number and Qualification The Board shall consist of not less than five (5) natural persons who are at least eighteen (18) years of age.

3.3 Election The initial Directors shall be appointed by the Board of Governors of the National Cherry Festival, Incorporated (the "Festival"). Thereafter, Directors shall be elected or appointed by a majority of the Board at its annual meeting or whenever any vacancy occurs in the Board by reason of death, resignation, removal or an increase in the number of Directors, subject, however, to the approval of the Board of Governors of the Festival. A Resolution of the Foundation confirming the election or appointment of Directors shall be filed with the Minutes of the Annual Meeting of the Foundation and any other meeting when vacancies on the Board are to be filled.

3.4 Term The initial Directors shall serve terms of one (1) year. Thereafter, Directors shall be elected or appointed to serve staggered terms, with one (1) or more Directors elected or appointed to a class of Directors with a one (1) year term, one (1) or more Directors elected or appointed to a class of Directors with a two (2) year term and a final class of Directors elected or appointed to a class of Directors with a three (3) year term, such that the terms of not more than one-half (1/2) of the Board shall terminate in any one year. The term of a Director shall extend to the end of the applicable fiscal year of the Foundation or until a successor Director has been elected or appointed, whichever later occurs. A Resolution of the Foundation confirming the election of Directors shall be filed with the Minutes of the Annual Meeting.

3.5 Vacancies Whenever a vacancy occurs in the Board by reason of death, resignation, removal or an increase in the number of Directors, a majority of the directors of the Foundation then in office, will recommend a person to fill such vacancy for the unexpired term of his or her predecessor on the normal term, in the case of an increase in the number of Directors, subject, however, to the approval of the Board of Governors of the Festival. Directors appointed to fill unexpired terms shall stand for election at the annual meeting for which the vacated term was due to expire and service provided for the unexpired term shall not be counted as an elected term.

3.6 Resignation and Removal A Director may be removed with or without cause at any time upon the affirmative vote of the majority of the Directors then in office. A Director

may resign at any time, upon providing the Foundation with a written notice of resignation which resignation shall be effective upon receipt by the Foundation or at a subsequent time as set forth in the notice.

3.7 Number of Terms There shall be no limitation regarding individuals holding successive terms on the Board.

3.8 Annual Meeting An Annual Meeting of the Board shall be held in September of each year immediately following the annual meeting of the Board of Governors of the Festival. If the Annual Meeting is not held at that time, the Board shall cause the meeting to be held as soon thereafter as is convenient.

3.9 Regular Meetings Regular meetings of the Board may be held with or without notice at such time and place as the Board may designate.

3.10 Special Meetings Special meetings of the Board may be held at any time or place upon the call of the President, or by the President at the direction of not less than fifty percent (50%) of the other Directors. Oral, electronic or written notice of the time and place of all special meetings of the Board shall be given to each Director not less than two (2) days before the meeting, but no notice of adjourned meetings need be given. Meetings may be held at any time without notice if all the Directors are present or if those not present submit a signed waiver of notice of the time and place of such meeting, either before or after the holding thereof.

3.11 Statement of Purpose Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice for that meeting.

3.12 Waiver of Notice The attendance of a Director at a Board meeting shall constitute a waiver of notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. In addition, the Director may submit a signed waiver of notice that shall constitute a waiver of notice of the meeting.

3.13 Meeting by Telephone or Similar Equipment A Director may participate in a meeting by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

3.14 Quorum A majority of the Directors then in office constitutes a quorum for the transaction of any business at any meeting of the Board. Excepted as otherwise provided in these Bylaws, actions voted on by a majority of Directors present at a meeting where a quorum is present shall constitute authorized actions of the Board.

3.15 Action by Unanimous Written Consent Any action required or permitted to be taken at a meeting of the Board may be taken without assembling all either before or after the action is taken, if all of the Directors consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board.

3.16 Compensation The Directors may receive reasonable compensation for services performed on behalf of the Foundation and may be reimbursed for expenses incurred in relation to such services, provided such services are determined by the Board to be reasonably necessary to carry out the purposes of the Foundation.

## ARTICLE IV

### OFFICERS

4.1 Officers The officers of the Foundation shall be the President, Vice-President, Secretary, and Treasurer.

4.2 Election All officers shall be elected by a majority vote of the Board at the annual meeting of the Board. The same person may hold any two offices, but an officer shall not execute, acknowledge or verify any instrument in more than one capacity if required by law to be executed, acknowledged or verified by two or more officers.

4.3 Terms of Office The term of office of all officers shall commence at the beginning of the Fiscal Year and shall continue until the end of the Fiscal Year, and thereafter until their respective successors are elected, or until their resignation or removal. An officer may resign by written notice to the Foundation. The resignation shall be effective upon its receipt by the Foundation or at a subsequent time specified in the notice of resignation. The Directors shall have the power to fill any vacancy in any office occurring for whatever reason.

4.4 Removal Any officer may be removed from office at any meeting of the Directors, with or without cause, by the affirmative vote of a majority of the Directors then in office, whenever in the judgment of the Directors, such removal will be in the best interests of the Foundation.

4.5 Additional Officers The Board may elect or appoint from time to time such additional officers as in its opinion are desirable for the conduct of the business of the Foundation. Such officers shall have duties as specified by the Board.

4.6 Vacancies If any office becomes vacant for any reason, the Board shall fill such vacancy.

4.7 President The President shall be the chief executive officer of the Foundation, shall supervise the operations of the Foundation, shall preside at all meetings of the Directors, shall have general management and control of the business and affairs of the Foundation subject to the control of the Board, and shall see that all orders and resolutions of the Board are carried into effect. The President shall be a Director of the Foundation.

4.8 Vice-President The Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall generally assist the President and perform such other duties as the Board shall prescribe. The Vice-President shall be a Director of the Foundation.

4.9 Secretary The Secretary shall attend all meetings of the Board of Directors and shall cause to be reported all votes and minutes of all proceedings in a book to be kept for that purpose. The Secretary shall further cause to be performed like duties for the standing committees when required. The Secretary shall give or cause to be given notice of all meetings of the Board. The Secretary shall be a Director of the Foundation.

4.10 Treasurer The Treasurer shall oversee the care and custody of the funds of the Foundation and other valuable effects, including inventory. The Treasurer shall ensure that full and accurate accounts of receipts and disbursements, in books belonging to the Foundation are kept. The Treasurer shall render to the President and Board at the Annual Meeting of the Board, or whenever it may request, an account of all financial transactions of the Foundation and of the financial condition of the Foundation. Any and all funds received by the Foundation shall immediately be deposited in the name and to the credit of the Foundation in such accounts as may be designated by the Board. The Treasurer shall perform such other duties as may be prescribed by the Board or the President under whose supervision the Treasurer shall act. The Treasurer shall be a Director of the Foundation.

## ARTICLE V

### COMMITTEES OF THE BOARD

5.1 Committees The Board of Directors, by resolution adopted by a majority of the entire Board, may designate a committee, or committees, of the Board as it shall deem appropriate. Provided, however, that any such committee shall not have the power or authority to:

- 5.1.1 Amend the Articles of Incorporation of the Foundation
- 5.1.2 Adopt an agreement of merger or consolidation
- 5.1.3 Amend the Bylaws of the Foundation or any resolution of the Board
- 5.1.4 Fill vacancies on the Board and
- 5.1.5 Fix compensation of the Directors for serving on the Board or on any committee thereof

5.2 Executive Committee The Board may designate an Executive Committee. The Executive Committee shall have the full power and authority of the Board subject to such limitations as set forth in Section 1 above or as may be required by law or imposed by resolution of the Board to act between meetings of the Board by majority vote of all of the Directors.

5.3 Nominating Committee The Board may designate a Nominating Committee. The Nominating Committee shall consist of not less than three (3) Directors who shall be responsible for nominating qualified candidates for election or appointment to the Board. The report of the Nominating Committee shall be filed with the Board and with the Board of Governors of the Festival not less than ten (10) days prior to the date of the Annual Meeting of the Board.

5.4 Other Committees The Board may designate such other committees as it shall deem appropriate. Such committees shall have such authority as shall be delegated to them by the Board but in no case shall such committees have those powers specified in (a) through (c) of Section 1 of this Article.

5.5 Procedure All committees, and each member thereof shall serve at the pleasure of the Board. The Board shall have the power at any time to increase or decrease the number of Members of any such committee, to fill vacancies thereon, to change any member thereof, and to change the functions or terminate the existence thereof. The Board may designate one or more Directors as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee. Except as otherwise provided herein, the Board shall designate the Chairman of each committee. All such committees shall keep minutes of all meetings which shall be submitted to the succeeding meeting of the Board for approval. Regular or special meetings of any such committee may be held in like manner as provided in these Bylaws for regular or special meetings of the Board and a majority of any such committee shall constitute a quorum at any such meeting.

5.6 Committee Action Without a Meeting If and when the members of the Executive Committee or any other committee shall severally or collectively consent in writing to any action authorized to be taken by such committee, either before or after the action is taken, such action shall be as valid committee action as though it had been authorized at a meeting of the committee and the written consent shall be filed with the minutes of the proceedings of such committee.

## ARTICLE VI

### INDEMNIFICATION

6.1 Indemnification The Foundation shall to the fullest extent now or hereafter permitted by law, indemnify any Director or Officer of the Foundation (and to the extent provided in a resolution of the Board or by contract may indemnify any Director or non-Director volunteer, Officer, employee or agent of the Foundation) who was or is a party to or threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such person is or was a Director, Officer, non-Director volunteer, employee or agent of the Foundation or is or was serving at the request of the Foundation as a Director, Officer, non-Director volunteer, employee or agent of another foundation, partnership, joint venture, trust or other enterprise against expenses, including attorney fees (which expenses may be paid by the Foundation in advance of the final disposition of such action, suit or proceeding as provided by law) judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted (or refrained from acting) in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Foundation, and with respect to any criminal action or proceeding had no reasonable cause to believe such person's conduct was unlawful. The indemnification herein provided for shall continue as to a person who has ceased to be a Director or Officer of the Foundation and, to the extent provided in a resolution of the Board or in any contract between the Foundation and such person may continue as to the person who has ceased to be a non-Director volunteer, employee or agent of the Foundation. Any indemnification of a person who was entitled to indemnification after such person ceased to be a Director, Officer,

non-Director volunteer employee or agent of the Foundation shall continue to insure to the benefit of that person, and to the benefit of the heirs and personal representatives of such person

6.2 Determination The determination as to whether a Director, Officer, employee or agent is entitled to indemnification as provided for in Section 6.1 above shall be made in any of the following ways

6.2.1 By the board, by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding,

6.2.2 If the quorum described in Section 6.2.1 above is not obtainable, by majority vote of a committee designated by the Board in which Board action Directors who are parties may participate, consisting solely of two (2) or more Directors not parties to the action or proceeding, or

6.2.3 By independent legal counsel in a written opinion.

## **-ARTICLE VII**

### **FISCAL AND ADMINISTRATIVE PROVISIONS**

7.1 Fiscal Year The fiscal year of the Foundation shall be January 1 through December 31, unless otherwise authorized by the Board.

7.2 Financial Records The Foundation's financial records shall be examined annually by a certified public accountant, excepting those accounts which have been publicly audited. All audit reports shall be submitted to the Board for approval.

7.3 Contracts The Directors may authorize by resolution any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation and such authority may be general or confined to specific instances.

7.4 Loans No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

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

7.6 Deposits All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the Directors may select.

## ARTICLE VIII

### DISSOLUTION

Upon the termination, dissolution or winding up of the Foundation the Board shall, after paying or making provision for the payment of all liabilities of the Foundation, distribute all assets of the Foundation to an organization in good standing designated by the Board that is organized and operated exclusively for one or more exempt purposes within the meaning of §501(c)(3) of the Code, or the corresponding section of any future federal tax code, or to the Federal, state or local government, for a public purpose.

## ARTICLE IX

### NOTICES

Any notice or communication required or permitted to be given by mail, except as required by law, may be mailed by registered, certified or other first class mail to the person to whom it is directed at the address designated by the person for that purpose or if none is designated at the last known address of the person. Any notice or communication given to the Foundation shall be directed to the resident agent of the Foundation at the registered office of the Foundation. The notice or communication shall be deemed to have been given when deposited with postage thereon prepaid in a post office or official depository under the exclusive care and custody of the United States Postal Service.

## ARTICLE X

### AMENDMENTS

These Bylaws may be amended or repealed or new Bylaws may be adopted in lieu thereof by the affirmative vote of a majority of the Directors of the Foundation then in office, provided such amendment does not alter the tax exempt purpose of the Foundation or otherwise cause the Foundation to relinquish its status as an exempt organization under §501(c)(3) of the Code, or the corresponding section of any future federal tax code, and further provided that any such amendment shall be subject to the approval of the Board of Governors of the Festival.

These Bylaws of the Foundation were duly approved and adopted by the Board of Directors of the Foundation on the \_\_\_\_ day of January, 2008.

The Festival Foundation

By \_\_\_\_\_  
its President,

The Festival Foundation  
Form 990-EZ, AMENDED  
EIN 26 0883148  
Tax Year Beginning September 11, 2007, ending December 31, 2007

STATUTE UNIT  
RECEIVED

APR 17 2013

TPR BRANCH  
OGDEN

# AMENDED INFORMATION

## Schedule A, Part IV – Reason for Non-Private Foundation Status

The correct response as to the question that The Festival Foundation is not a private foundation is

**Box 11a** – Section 170(b)(1)(A)(vi) – The IRS in its Determination Letter dated December 18, 2007, identified The Festival Foundation as a public charity under Section 170(b)(1)(A)(vi)

## STATEMENTS ATTACHED AS PART OF THE ORIGINAL FORM 990-EZ FILED

### Statement 1 – Part III – Organization's Primary Exempt Purpose

The Foundation's charitable activities shall include, but shall not necessarily be limited to the following receiving and administering funds for charitable purposes, including the making of restricted grants to the National Cherry Festival, Inc , and to other organizations exempt under IRC Section 501c3 whose purpose is to support the agricultural industry in the Northern Michigan area, or other charitable programs and activities in the community

### Statement 2 – Part IV – List of Officers, Directors, Trustees and Key Employees

Name & Address	Title and average hours per week devoted to position	Compensation: (If not paid enter 0 )	Contributions to employee benefit plans & deferred compensation	Expense account and other allowances
Thomas F Menzel 250 E Front St Traverse City MI 49684	Executive Director 3 hrs/wk	0	0	0
Kathleen Hofmeister 250 E Front St Traverse City MI 49684	Director 1 hr/wk	0	0	0
Barb Lemcool 250 E Front St Traverse City, MI 49684	Director 1 hr/wk	0	0	0
Grace Callahan 250 E Front St Traverse City MI 49684	Director 1 hr/wk	0	0	0
Bob Reed 250 E Front St Traverse City MI 49684	Director 1 hr/wk	0	0	0
Tino Breithaupt 250 E Front St Traverse City MI 49684	Director 1 hr/wk	0	0	0