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Return of Organization Exempt From Income Tax

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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.

| | |
|--|--|
| A For the 2013 calendar year, or tax year beginning April 1, 2013, and ending March 31, 2014 | |
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization Community Foundation of Monroe County Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 28 S. Macomb St. City or town, state or province, country, and ZIP or foreign postal code Monroe, MI 48161 D Employer identification number 38-2236628 E Telephone number 734-242-1976 G Gross receipts \$ 1,608,391 H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number |
| 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 J Website: www.cfmmonroe.org K Form of organization <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input checked="" type="checkbox"/> Other non-profit L Year of formation 1976 M State of legal domicile MI | |

| Part I Summary | | Prior Year | Current Year |
|--|---|---|--------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities. Enhance the quality of life of the citizens in Monroe County, through permanent endowments by: identifying and addressing current and anticipated community needs and raising, managing and distributing the funds for charitable purposes. | | |
| | 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 | 16 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 16 |
| Revenue | 5 Total number of individuals employed in calendar year 2013 (Part V, line 2a) | 5 | 2 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 15 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| | 7b Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0 |
| | 8 Contributions and grants (Part VIII, line 1b) | 767,295 | 267,875 |
| | 9 Program service revenue (Part VIII, line 2g) | | |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | -65566 | 497,948 |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 25105 | 121,513 |
| | 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 726834 | 887,336 |
| | Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 116,827 |
| 14 Benefits paid to or for members (Part IX, column (A), line 4) | | | |
| 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | | 108,430 | 100,051 |
| 16a Professional fundraising fees (Part IX, column (A), line 11e) | | | |
| b Total fundraising expenses (Part IX, column (D), line 25) 998 | | | |
| 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | | 481,096 | 496,043 |
| 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) | | 706,353 | 822,035 |
| 19 Revenue less expenses. Subtract line 18 from line 12 | | 20,481 | 65,301 |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | 5,952,555 | 6,172,305 |
| | 21 Total liabilities (Part X, line 26) | 751,522 | 392,317 |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 5,201,033 | 5,779,988 |

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 | | | |
| | KATHLEEN RUSSEAU, EXECUTIVE DIRECTOR | 8/8/14 | | | |
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | Firm's name | | | | |
| | Firm's address | | | | |
| | | | | | |

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2013)

SCANNED AUG 27 2014

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

- 1**
- Briefly describe the organization's mission:

Enhance the quality of life of the citizens of Monroe County through permanent endowments by: identifying and addressing current and anticipated community needs and raising, managing and distributing the funds for charitable purposes.

- 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
- ☒
- 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
- ☒
- 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 \$
- 259,857**
- including grants of \$
- 71,867**
-) (Revenue \$
- 54,279**
-)

Provide scholarship opportunities for individuals to further their education.

- 4b**
- (Code:) (Expenses \$
- 457,900**
- including grants of \$
- 147,299**
-) (Revenue \$
- 408,927**
-)

Arts, education, youth programs, environment, culture - public activities in Monroe County, MI

- 4c**
- (Code:) (Expenses \$
- 19,180**
- including grants of \$
- 0**
-) (Revenue \$
- 30,500**
-)

MCAN - Michigan College Access Network - Increase college enrollment by 2025.

- 4d**
- Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

- 4e**
- Total program service expenses
- 736,937**

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)? If "Yes," complete Schedule A | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule C, Part II | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule C, Part III | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part I | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part IV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part VI | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part VII | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part VIII | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule D, Part IX | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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)? If "Yes," complete Schedule D, Part X | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule F, Parts I and IV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule F, Parts II and IV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule F, Parts III and IV | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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? If "Yes," complete Schedule G, Part I (see instructions) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 25b 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

| | | Yes | No |
|-----|--|-----|----|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 2 |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | 1c | ✓ |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 3 |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) | 2b | ✓ |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | ✓ |
| b | If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O | 3b | |
| 4a | 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)? | 4a | ✓ |
| b | If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5a | ✓ |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5b | ✓ |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | 5c | |
| 6a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | 6a | ✓ |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 6b | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | |
| a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7a | |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7b | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7c | |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7e | |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7f | |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 7g | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 7h | |
| 8 | Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | 8 | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| a | Did the organization make any taxable distributions under section 4966? | 9a | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | 9b | |
| 10 | Section 501(c)(7) organizations. Enter: | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | |
| 11 | Section 501(c)(12) organizations. Enter: | | |
| a | Gross income from members or shareholders | 11a | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) | 11b | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12a | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O. | 13a | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | |
| c | Enter the amount of reserves on hand | 13c | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | 14a | |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | 14b | |

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

Section A. Governing Body and Management

| | | Yes | No |
|---|---------------------|-------------------------------------|-------------------------------------|
| 1a Enter the number of voting members of the governing body at the end of the tax year | 1a 16 | | |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. | | | |
| b Enter the number of voting members included in line 1a, above, who are independent | 1b 16 | | |
| 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? | 2 | | <input checked="" type="checkbox"/> |
| 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? | 3 | | <input checked="" type="checkbox"/> |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | 4 | | <input checked="" type="checkbox"/> |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets? | 5 | | <input checked="" type="checkbox"/> |
| 6 Did the organization have members or stockholders? | 6 | | <input checked="" type="checkbox"/> |
| 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? | 7a | | <input checked="" type="checkbox"/> |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | 7b | | <input checked="" type="checkbox"/> |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | |
| a The governing body? | 8a | <input checked="" type="checkbox"/> | |
| b Each committee with authority to act on behalf of the governing body? | 8b | <input checked="" type="checkbox"/> | |
| 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 | 9 | | <input checked="" type="checkbox"/> |

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **MI**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Kathleen Russeau 28 S. Macomb St, Monroe, MI 48161 734-242-1976**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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 dotted 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) Stephen McNew President | 2 | | | ✓ | | | | 0 | 0 | 0 |
| (2) Merel Keck, Jr. Past President | 2 | | | ✓ | | | | 0 | 0 | 0 |
| (3) Molly Luempert-Coy Vice President | 2 | | | ✓ | | | | 0 | 0 | 0 |
| (4) Tom Schilling Treasurer | 2 | | | ✓ | | | | 0 | 0 | 0 |
| (5) Kathleen Rousseau Secretary | 2 | ✓ | | ✓ | | | | 0 | 0 | 0 |
| (6) Barbara Harrington Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (7) Paul Braunlich Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (8) Bob Knabusch Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (9) Teresa Beamley Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (10) Diane Kamprath Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (11) Doug Hassett Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (12) Steve Hudkins Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (13) Mike Newman Trustee | 1 | ✓ | | | | | | 0 | 0 | 0 |
| (14) Brad Schreiber Trustee | 1 | ✓ | | | | | | 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 dotted 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 | | | | |
| (15) Eric Hulsemann Trustee | 1 | ✓ | | | | | | | 0 | 0 | 0 |
| (16) Matthew Budds Trustee | 1 | ✓ | | | | | | | 0 | 0 | 0 |
| (17) Sr. Marie Gabriel Hungerman | 1 | ✓ | | | | | | | 0 | 0 | 0 |
| (18) | | | | | | | | | | | |
| (19) | | | | | | | | | | | |
| (20) | | | | | | | | | | | |
| (21) | | | | | | | | | | | |
| (22) | | | | | | | | | | | |
| (23) | | | | | | | | | | | |
| (24) | | | | | | | | | | | |
| (25) | | | | | | | | | | | |
| 1b Sub-total | | | | | | | | | | | |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | | | | |
| d Total (add lines 1b and 1c) | | | | | | | | | | | |

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 **0**

- | | 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 | | ✓ |
| 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 | | ✓ |
| 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 | | ✓ |

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 |
|---|--------------------------------|---------------------|
| None | | |
| | | |
| | | |
| | | |
| | | |
| 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 | 0 | |

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 |
|---|--|---|---------------------------|----------------------|--|---|--|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a | Federated campaigns | 1a | | | | |
| | b | Membership dues | 1b | | | | |
| | c | Fundraising events | 1c | | | | |
| | d | Related organizations | 1d | | | | |
| | e | Government grants (contributions) | 1e | 24,180 | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | 235,864 | | | |
| | g | Noncash contributions included in lines 1a-1f. \$ | | 7831 | | | |
| | h | Total. Add lines 1a-1f | | 267,875 | | | |
| Program Service Revenue | Business Code | | | | | | |
| | 2a | | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | All other program service revenue . | | | | | |
| g | Total. Add lines 2a-2f | | | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | | 171,539 | 171,539 | | |
| | 4 | Income from investment of tax-exempt bond proceeds | | | | | |
| | 5 | Royalties | | | | | |
| | 6a | Gross rents | (i) Real (ii) Personal | 25,560 | | | |
| | b | Less: rental expenses | | | | | |
| | c | Rental income or (loss) | | 25,560 | | | |
| | d | Net rental income or (loss) | | 25,560 | | | 25,560 |
| | 7a | Gross amount from sales of assets other than inventory | (i) Securities (ii) Other | 2,520,810 | | | |
| | b | Less: cost or other basis and sales expenses | | 2,847,219 | | | |
| | c | Gain or (loss) | | 326,409 | | | |
| | d | Net gain or (loss) | | 326,409 | 326,409 | | |
| | 8a | Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | a | | | | |
| | b | Less: direct expenses | b | | | | |
| | c | Net income or (loss) from fundraising events . | | | | | |
| | 9a | Gross income from gaming activities. See Part IV, line 19 | a | | | | |
| | b | Less: direct expenses | b | | | | |
| | c | Net income or (loss) from gaming activities . | | | | | |
| 10a | Gross sales of inventory, less returns and allowances | a | | | | | |
| b | Less: cost of goods sold | b | | | | | |
| c | Net income or (loss) from sales of inventory . | | | | | | |
| Miscellaneous Revenue | | | Business Code | | | | |
| 11a | | | | | | | |
| b | | | | | | | |
| c | | | | | | | |
| d | All other revenue | | 95,953 | | | | |
| e | Total. Add lines 11a-11d | | 95,953 | | | | |
| 12 | Total revenue. See instructions. | | 887,336 | 497,948 | | 25,560 | |

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 | 147299 | 147299 | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | 71867 | 71867 | | |
| 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 | | | | |
| 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 | 85555 | 65244 | 20200 | 111 |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | | | | |
| 9 Other employee benefits | 14496 | 11054 | 3423 | 19 |
| 10 Payroll taxes | 6775 | 5167 | 1599 | 9 |
| 11 Fees for services (non-employees): | | | | |
| a Management | 16600 | 16600 | | |
| b Legal | | | | |
| c Accounting | 7300 | | 7300 | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | 31813 | 31813 | | |
| g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) | | | | |
| 12 Advertising and promotion | 29 | | 29 | |
| 13 Office expenses | 9352 | 79 | 8414 | 859 |
| 14 Information technology | 5652 | | 5652 | |
| 15 Royalties | | | | |
| 16 Occupancy | 27399 | | 27399 | |
| 17 Travel | 918 | 918 | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 275 | | 275 | |
| 20 Interest | 0 | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 1376 | | 1376 | |
| 23 Insurance | 2324 | | 2324 | |
| 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 Bank Service Charges | 20 | | 20 | |
| b Meals and Entertainment | 3194 | 196 | 2998 | |
| c Admin 1600, license 90, tel 1399, misc 2 | 3091 | | 3091 | |
| d Special projects | 292,300 | 292,300 | | |
| e All other expenses <u>Annuity Payments</u> | 94,400 | 94,400 | | |
| 25 Total functional expenses. Add lines 1 through 24e | 822,035 | 736,937 | 84,100 | 998 |
| 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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance SheetCheck 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 | 323,618 | 1 | 397,284 |
| | 2 Savings and temporary cash investments | | 2 | |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | | 4 | |
| | 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 instructions). Complete Part II of Schedule L | | 6 | |
| | 7 Notes and loans receivable, net | 63,822 | 7 | 58,442 |
| | 8 Inventories for sale or use | | 8 | |
| | 9 Prepaid expenses and deferred charges | 5,900 | 9 | 5,179 |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a | | |
| | b Less: accumulated depreciation | 10b | 3,482 | 10c 2,106 |
| | 11 Investments—publicly traded securities | 5,551,258 | 11 | 5,706,119 |
| | 12 Investments—other securities. See Part IV, line 11 | | 12 | |
| | 13 Investments—program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 4,475 | 15 | 3,175 |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 5,952,555 | 16 | 6,172,305 | |
| Liabilities | 17 Accounts payable and accrued expenses | 3,844 | 17 | 5,171 |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | 315 | 19 | 11635 |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 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 | 0 | 23 | 0 |
| | 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 | 747,363 | 25 | 375,511 |
| | 26 Total liabilities. Add lines 17 through 25 | 751,522 | 26 | 392,317 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | 4,940,829 | 27 | 5,500,436 |
| | 28 Temporarily restricted net assets | 260,204 | 28 | 279,552 |
| | 29 Permanently restricted net assets | | 29 | |
| | 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 | 5,210,033 | 33 | 5,779,988 |
| | 34 Total liabilities and net assets/fund balances | 5,952,555 | 34 | 6,172,305 |

Part XI Reconciliation of Net AssetsCheck 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 | 887,336 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 822,035 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 65,301 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 5,210,033 |
| 5 | Net unrealized gains (losses) on investments | 5 | 326,409 |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | 113,180 |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | 65,065 |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 5,779,988 |

Part XII Financial Statements and ReportingCheck 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 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 | | ✓ |
| 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 type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | ✓ | |
| 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. | ✓ | |
| 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? | | ✓ |
| 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. | | |

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

Employer identification number

Community Foundation of Monroe County

38-2236628

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?
- (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?

| | | |
|----------|-----|----|
| | Yes | No |
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |
- (ii) A family member of a person described in (i) above?

| | | |
|----------|-----|----|
| | Yes | No |
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

| | | |
|----------|-----|----|
| | Yes | No |
| 11g(i) | | |
| 11g(ii) | | |
| 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 | |
| (A) | | | | | | | | | |
| (B) | | | | | | | | | |
| (C) | | | | | | | | | |
| (D) | | | | | | | | | |
| (E) | | | | | | | | | |
| Total | | | | | | | | | |

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.") | 956,141 | 782,078 | 576,360 | 429,839 | 466,864 | 3,211,282 |
| 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 | 956,141 | 782,078 | 576,360 | 429,839 | 466,864 | 3,211,282 |
| 4 Total. Add lines 1 through 3. | | | | | | |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). | | | | | | |
| 6 Public support. Subtract line 5 from line 4. | | | | | | 3,211,282 |

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 | 956,141 | 782,078 | 576,360 | 429,839 | 466,864 | 3,211,282 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | -154,019 | 633,833 | 166,011 | 207,177 | 171,539 | 1,024,541 |
| 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 | | | | | | 4,235,823 |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | 12 | | |
| 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 | 75.8 % |
| 15 Public support percentage from 2012 Schedule A, Part II, line 14 | 15 | 78.2 % |
| 16a 33¹/₃% 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 33¹/₃% 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 ► <input type="checkbox"/> | | | | | | |

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 ► <input type="checkbox"/> | | |
| 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 ► <input type="checkbox"/> | | |
| 20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/> | | |

Part IV **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Area for supplemental information with horizontal dashed lines.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

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

Community Foundation of Monroe County

Employer identification number

38-2236628

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). <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure <input type="checkbox"/> 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? | <input type="checkbox"/> Yes <input type="checkbox"/> 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)? | <input type="checkbox"/> Yes <input type="checkbox"/> 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

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 | 5,169,185 | 4,866,752 | 4,944,821 | 4,101,723 | 2,605,014 |
| b Contributions | 182,021 | 168,498 | 138,730 | 190,397 | 620,584 |
| c Net investment earnings, gains, and losses | 324,685 | 335,627 | | 860,469 | 1,026,156 |
| d Grants or scholarships | 219,166 | -129,712 | | 111,058 | 68,495 |
| e Other expenditures for facilities and programs | | -71,980 | | | |
| f Administrative expenses | 95,953 | | 94,006 | 96,721 | 81,536 |
| g End of year balance | 5,360,772 | 5,169,185 | 4,866,752 | 4,944,821 | 4,101,723 |

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

a Board designated or quasi-endowment ▶ %

b Permanent endowment ▶ 94.8%

c Temporarily restricted endowment ▶ 5.2%

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

(ii) related organizations

| | Yes | No |
|---------------|-----|----|
| 3a(i) | | ✓ |
| 3a(ii) | | ✓ |
| 3b | | |

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

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 | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | 28,956 | | 26,850 | 2,106 |
| e Other | | | | |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 2,106 |

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) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ► | | |

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. (Column (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) Annuity Obligations | 121,181 |
| (3) Contributions Held for Others | 254,330 |
| (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 | 243,695 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | |
| a | Net unrealized gains on investments | 2a | 326,409 | |
| b | Donated services and use of facilities | 2b | | |
| c | Recoveries of prior year grants | 2c | | |
| d | Other (Describe in Part XIII.) | 2d | | |
| e | Add lines 2a through 2d | | 2e | 326,409 |
| 3 | Subtract line 2e from line 1 | | 3 | 560,927 |
| 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 | 113,180 | |
| b | Other (Describe in Part XIII.) | 4b | | |
| c | Add lines 4a and 4b | | 4c | 326,409 |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.) | | 5 | 887,336 |

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 | 308,506 |
| 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 | | |
| e | Add lines 2a through 2d | | 2e | 0 |
| 3 | Subtract line 2e from line 1 | | 3 | 308,506 |
| 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 | 513,529 | |
| c | Add lines 4a and 4b | | 4c | 513,529 |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.) | | 5 | 822,035 |

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.

Form 990, Part XII, Line 4b: Annuity Obligation

Part XIII **Supplemental Information** *(continued)*

Area for supplemental information with horizontal dashed lines.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

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

Employer identification number

Community Foundation of Monroe County

38-2236628

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 |
|--|---------|-------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| (1) County of Monroe | | | 9,540.00 | | | | Navarre-Anderson Trading |
| (2) Monroe County Historical Societ | | | 9,640.00 | | | | RRNBP Brick pavers |
| (3) Bedford Community Foundation | | | 23,144.00 | | | | 2 years of Youth funding |
| (4) Aid In Milan, Inc. | | | 5,000.00 | | | | Roof |
| (5) United Way of Monroe County | | | 13,000.00 | | | | Romney Volunteerism Fun |
| (6) Christ Lutheran Church | | | 8,164.07 | | | | Youth camping |
| (7) | | | | | | | |
| (8) | | | | | | | |
| (9) | | | | | | | |
| (10) | | | | | | | |
| (11) | | | | | | | |
| (12) | | | | | | | |

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 6
- 3 Enter total number of other organizations listed in the line 1 table 6

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

Cat. No. 50055P

Schedule I (Form 990) (2013)

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 |
|---|--------------------------|--------------------------|-----------------------------------|---|--|
| 1 Student Scholarships | 115 | 71,867.27 | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information. | | | | | |

Scholarships are approved by scholarship committee after review of applications.

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

Community Foundation of Monroe County

Employer identification number

38-2236628

Form 990, Part I, Item K, Other Organization Type: Community Foundation

Form 990, Part VI, Section B, Line 11: The Board of Directors review the 990 prior to filing.

Form 990, Part VI Section B, Line 12C: Requires Conflict of Interest Policy reviewed annually.

Form 990, Part VI Section B, Line 15: Executive Director compensation is based on comparable data from Michigan Council of Foundations.

Form 990, Part VI, Section B, Line 19: Upon request.

Form 990, Part XI, Line 9: Annuity obligation

**COMMUNITY FOUNDATION OF
MONROE COUNTY**

ANNUAL FINANCIAL REPORT

March 31, 2014 and 2013

COMMUNITY FOUNDATION OF MONROE COUNTY

ANNUAL FINANCIAL REPORT TABLE OF CONTENTS

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**COOLEY HEHL
WOHLGAMUTH & CARLTON**
P. L. L. C. Certified Public Accountants

James R. Cooley, CPA
David K. Hehl, CPA
Robert W. Wohlgamuth, CPA
Peter H. Carlton, CPA
Matthew D. Hehl, CPA
Deborah A. Sabo, CPA
Nicklaus W. Calkins, CPA

One South Monroe Street • Monroe, Michigan 48161-2230
Telephone (734) 241-7200 • Fax (734) 241-2637
www.chwccpa.com

Members
American Institute of Certified Public Accountants
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Independent Auditor's Report

Board of Trustees
Community Foundation of Monroe County
Monroe, Michigan

Report on the Financial Statements

We have audited the accompanying statement of financial position of the Community Foundation of Monroe County (a non-profit organization) as of March 31, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

Management's responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Foundation of Monroe County as of March 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Cooley Hehl
Wolfgangmuth & Carlton

June 30, 2014

COMMUNITY FOUNDATION OF MONROE COUNTY

STATEMENT OF FINANCIAL POSITION

March 31, 2014 and 2013

| | <u>2014</u> | <u>2013</u> |
|-----------------------------------|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents | \$ 397,284 | \$ 323,618 |
| Investments | 5,706,119 | 5,551,258 |
| Contributions receivable - net | 3,175 | 4,475 |
| Prepaid expenses | 5,179 | 5,900 |
| Notes receivable - net | 58,442 | 63,822 |
| Office equipment - net | 2,106 | 3,482 |
| Total Assets | <u>\$ 6,172,305</u> | <u>\$ 5,952,555</u> |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accounts payable | \$ 2,594 | \$ 1,664 |
| Payroll taxes payable | 2,577 | 2,180 |
| Deferred revenue | 11,635 | 315 |
| Annuity obligation | 121,181 | 438,238 |
| Contributions held for others | 254,330 | 309,125 |
| Total Liabilities | 392,317 | 751,522 |
| Net Assets | | |
| Unrestricted net assets | 5,500,436 | 4,940,829 |
| Temporarily restricted net assets | 279,552 | 260,204 |
| Total Net Assets | <u>5,779,988</u> | <u>5,201,033</u> |
| Total Liabilities and Net Assets | <u>\$ 6,172,305</u> | <u>\$ 5,952,555</u> |

(See accompanying notes to financial statements)

COMMUNITY FOUNDATION OF MONROE COUNTY

STATEMENT OF ACTIVITIES

For the Years Ended March 31, 2014 and 2013

| | 2014 | | |
|---|--------------------|------------------------|--------------------|
| | Unrestricted | Temporarily Restricted | Total |
| Revenues and Other Support | | | |
| Contributions and other support | \$243,695 | \$223,169 | \$466,864 |
| Less: Amounts held for others | 0 | 223,169 | 223,169 |
| Total contributions and other support | 243,695 | 0 | 243,695 |
| Administrative fees | 95,953 | 0 | 95,953 |
| Interest and dividend income | 163,653 | 7,886 | 171,539 |
| Net realized and unrealized gains (losses) | 311,087 | 15,322 | 326,409 |
| Grant income | 24,180 | 0 | 24,180 |
| Rental income | 25,685 | 0 | 25,685 |
| Total Revenues and Other Support | 864,253 | 23,208 | 887,461 |
| Expenses | | | |
| Grants and program services | 332,760 | 277,964 | 610,724 |
| Less: Amounts paid from amounts held for others | 0 | 277,964 | 277,964 |
| Total grants and program services | 332,760 | 0 | 332,760 |
| Annuity (income) expense | (222,657) | 0 | (222,657) |
| Investment and administrative fees | 109,320 | 3,860 | 113,180 |
| Management and general | 84,225 | 0 | 84,225 |
| Fund raising | 998 | 0 | 998 |
| Total Expenses | 304,646 | 3,860 | 308,506 |
| Change in Net Assets | 559,607 | 19,348 | 578,955 |
| Net Assets at Beginning of Year | 4,940,829 | 260,204 | 5,201,033 |
| Net Assets at End of Year | <u>\$5,500,436</u> | <u>\$279,552</u> | <u>\$5,779,988</u> |

(See accompanying notes to financial statements)

| 2013 | | |
|--------------|---------------------------|-------------|
| Unrestricted | Temporarily Restricted | Total |
| \$216,981 | \$212,858 | \$429,839 |
| 0 | 212,858 | 212,858 |
| 216,981 | 0 | 216,981 |
| 90,101 | 0 | 90,101 |
| 197,541 | 9,636 | 207,177 |
| 230,133 | 11,437 | 241,570 |
| 7,685 | 0 | 7,685 |
| 25,105 | 0 | 25,105 |
| 767,546 | 21,073 | 788,619 |
| 194,007 | 282,798 | 476,805 |
| 0 | 282,798 | 282,798 |
| 194,007 | 0 | 194,007 |
| 71,980 | 0 | 71,980 |
| 107,205 | 3,823 | 111,028 |
| 91,905 | 0 | 91,905 |
| 17,265 | 0 | 17,265 |
| 482,362 | 3,823 | 486,185 |
| 285,184 | 17,250 | 302,434 |
| 4,655,645 | 242,954 | 4,898,599 |
| \$4,940,829 | \$260,204 | \$5,201,033 |

COMMUNITY FOUNDATION OF MONROE COUNTY

STATEMENT OF FUNCTIONAL EXPENSES Year Ended March 31, 2014

| | Grants and Program Services | | | Support Services | | |
|--|-----------------------------|-------------------------|-----------------------|------------------------|------------------------|------------------------|
| | MCAN Grant | Grants and Scholarships | Special Project Funds | Total Program Services | Management and General | Total Support Services |
| Salaries | \$1,372 | \$26,585 | \$37,287 | \$65,244 | \$20,200 | \$20,311 |
| Payroll taxes | 15 | 2,199 | 2,953 | 5,167 | 1,599 | 1,608 |
| Benefits | 0 | 4,737 | 6,317 | 11,054 | 3,423 | 3,442 |
| Total Payroll Expenses | 1,387 | 33,521 | 46,557 | 81,465 | 25,222 | 25,361 |
| Advertising | 0 | 0 | 0 | 0 | 29 | 29 |
| Bank service charges | 0 | 0 | 0 | 0 | 20 | 20 |
| Depreciation | 0 | 0 | 0 | 0 | 1,376 | 1,376 |
| Meals and entertainment | 196 | 0 | 0 | 196 | 2,998 | 2,998 |
| Administrative dues | 0 | 0 | 0 | 0 | 1,600 | 1,600 |
| Insurance | 0 | 0 | 0 | 0 | 2,324 | 2,324 |
| Interest expense | 0 | 0 | 0 | 0 | 0 | 0 |
| Licenses and fees | 0 | 0 | 0 | 0 | 90 | 90 |
| Seminar/meeting expense | 0 | 0 | 0 | 0 | 275 | 275 |
| Office expense | 79 | 0 | 0 | 79 | 8,119 | 8,640 |
| Postage | 0 | 0 | 0 | 0 | 295 | 633 |
| Professional fees | 16,600 | 0 | 0 | 16,600 | 7,300 | 23,900 |
| Rent | 0 | 0 | 0 | 0 | 19,800 | 19,800 |
| Repairs and maintenance | 0 | 0 | 0 | 0 | 5,652 | 5,652 |
| Grants, special activities, and projects | 0 | 219,166 | 292,300 | 511,466 | 0 | 511,466 |
| Telephone | 0 | 0 | 0 | 0 | 1,399 | 1,399 |
| Travel | 918 | 0 | 0 | 918 | 0 | 918 |
| Utilities | 0 | 0 | 0 | 0 | 7,724 | 7,724 |
| Miscellaneous | 0 | 0 | 0 | 0 | 2 | 2 |
| Total Operating Expenses | \$19,180 | \$252,687 | \$338,857 | \$610,724 | \$84,225 | \$85,223 |
| | | | | | \$998 | \$695,947 |

(See accompanying notes to financial statements)

COMMUNITY FOUNDATION OF MONROE COUNTY

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended March 31, 2013

| | Grants and Program Services | | | Support Services | | Total Expenses |
|--|-----------------------------|-------------------------|-----------------------|------------------------|-------------|----------------|
| | MCAN Grant | Grants and Scholarships | Special Project Funds | Management and General | Fundraising | |
| Salaries | \$4,658 | \$16,947 | \$39,121 | \$24,223 | \$3,770 | \$88,719 |
| Payroll taxes | 356 | 1,296 | 2,991 | 1,852 | 288 | 6,783 |
| Benefits | 70 | 2,592 | 5,985 | 3,705 | 576 | 12,928 |
| Total Payroll Expenses | 5,084 | 20,835 | 48,097 | 29,780 | 4,634 | 108,430 |
| Advertising | 0 | 0 | 0 | 565 | 735 | 1,300 |
| Bank service charges | 0 | 0 | 0 | 53 | 90 | 143 |
| Depreciation | 0 | 0 | 0 | 7,322 | 0 | 7,322 |
| Meals and entertainment | 0 | 0 | 0 | 1,516 | 7,641 | 9,157 |
| Administrative dues | 0 | 0 | 0 | 1,500 | 0 | 1,500 |
| Insurance | 0 | 0 | 0 | 2,384 | 325 | 2,709 |
| Interest expense | 0 | 0 | 0 | 66 | 0 | 66 |
| Licenses and fees | 0 | 0 | 0 | 40 | 117 | 157 |
| Seminar/meeting expense | 0 | 0 | 0 | 285 | 0 | 285 |
| Office expense | 0 | 0 | 0 | 7,521 | 1,108 | 8,629 |
| Postage | 0 | 0 | 0 | 308 | 833 | 1,141 |
| Professional fees | 0 | 0 | 0 | 6,000 | 0 | 6,000 |
| Rent | 0 | 0 | 0 | 18,600 | 0 | 18,600 |
| Repairs and maintenance | 0 | 0 | 0 | 6,324 | 0 | 6,324 |
| Grants, special activities, and projects | 3,164 | 116,827 | 282,798 | 0 | 0 | 402,789 |
| Telephone | 0 | 0 | 0 | 1,526 | 0 | 1,526 |
| Travel | 0 | 0 | 0 | (11) | 0 | (11) |
| Utilities | 0 | 0 | 0 | 7,728 | 0 | 7,728 |
| Miscellaneous | 0 | 0 | 0 | 398 | 1,782 | 2,180 |
| Total Operating Expenses | \$8,248 | \$137,662 | \$330,895 | \$91,905 | \$17,265 | \$585,975 |
| | | | | | \$109,170 | |

(See accompanying notes to financial statements)

STATEMENT OF CASH FLOWS
For the Years Ended March 31, 2014 and 2013

| | 2014 | 2013 |
|--|-------------------|-------------------|
| Cash Flows From Operating Activities | | |
| Change in net assets | \$ 578,955 | \$ 302,434 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities: | | |
| Depreciation | 1,376 | 7,322 |
| Change in value of annuity obligation | (317,057) | (22,420) |
| (Increase) decrease in contributions receivable | 1,300 | 4,100 |
| (Increase) decrease in prepaid expenses | 721 | (234) |
| (Increase) decrease in promissory notes | 5,380 | 2,507 |
| Increase (decrease) in accounts payable | 930 | 1,072 |
| Increase (decrease) in payroll taxes payable | 397 | 319 |
| Increase (decrease) in deferred revenue | 11,635 | 315 |
| Increase (decrease) in contributions held for others | (54,795) | (56,828) |
| Net realized and unrealized losses (gains) on long-term investments | (326,409) | (241,570) |
| Non-cash contributions - marketable securities | (7,831) | (6,734) |
| Net Cash Provided by Operating Activities | (105,398) | (9,717) |
| Cash Flows From Capital and Related Financing Activities | | |
| Purchase of assets | 0 | (1,750) |
| Loan principal paid | 0 | (4,709) |
| Net Cash (Used) by Capital and Related Financing Activities | 0 | (6,459) |
| Cash Flows From Investing Activities | | |
| Proceeds from the sale of investments | 1,757,108 | 1,129,149 |
| Purchase of investments | (1,578,044) | (1,291,683) |
| Certificate of deposit maturities | 0 | 21,133 |
| Net Cash Provided (Used) by Investing Activities | 179,064 | (141,401) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 73,666 | (157,577) |
| Cash at Beginning of Year | 323,618 | 481,195 |
| Cash at End of Year | <u>\$ 397,284</u> | <u>\$ 323,618</u> |
| Supplemental Data: | | |
| Noncash investing activities: | | |
| Contribution of securities | <u>\$ 7,831</u> | <u>\$ 6,734</u> |
| Interest paid | <u>\$ -</u> | <u>\$ 66</u> |

(See accompanying notes to financial statements)

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 1 Nature of Activities and Significant Accounting Policies

Nature Activities

The Community Foundation of Monroe County attracts, receives, holds and administers gifts, bequests, and devises of property whether on express trusts or otherwise, and the income and proceeds thereof, for the general welfare of the residents of Monroe County, Michigan. The Foundation strives to operate without discrimination as to race, color, creed, sex or age, and, to that end, to support and encourage religious, charitable, scientific, literary and educational programs of all kinds, that will foster improvement of the physical environment, improvement of living, working and social conditions, improvement of public health, prevention of crime or vice, and the amelioration of conditions resulting from crime, vice, or disaster.

Basis of Accounting

The financial statements of the Community Foundation of Monroe County have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: Unrestricted Net Assets, Temporarily Restricted Net Assets, and Permanently Restricted Net Assets. The bylaws of the Foundation include a variance provision that allows the Board of Trustees of the Foundation to modify the use of substantially all contributions received. The Board of Trustees strives to honor the donor's charitable intent, unless in their sole judgment that intent becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served. Based on this variance provision, all assets of the Foundation have been classified as unrestricted with the exception of some assets that are restricted due to donor imposed restrictions that are to be satisfied by the actions of the Foundation. The following is a summary of the Foundation's internal classification of total unrestricted net assets:

| | <u>2014</u> | <u>2013</u> |
|---|--------------------|--------------------|
| Agency funds | \$465,221 | \$444,030 |
| Field of interest | 2,003,069 | 1,947,913 |
| Scholarships | 1,560,852 | 1,440,679 |
| Affiliate - Milan endowment funds | 1,515,133 | 1,377,743 |
| Charitable gift annuities | <u>(82,152)</u> | <u>(301,384)</u> |
| Total unrestricted endowment net assets | 5,462,123 | 4,908,981 |
| Undesignated | 36,207 | 28,366 |
| Fixed assets | <u>2,106</u> | <u>3,482</u> |
| Total unrestricted net assets | <u>\$5,500,436</u> | <u>\$4,940,829</u> |

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 1 Nature of Activities and Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents also includes cash and cash equivalents in investment accounts.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the accompanying statement of activities. Investment income and gains and losses are reported as increases or decreases in unrestricted net assets and temporarily restricted net assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributed Services

During the years ended March 31, 2014 and 2013, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Office Equipment

Office equipment is capitalized at cost. It is the Foundation's policy to capitalize expenditures for these items in excess of \$500. Lesser amounts are expensed. Office equipment is being depreciated over estimated useful lives of three to seven years using a straight line method, with a half year's depreciation recognized in the years of acquisition and disposal.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose would be subject to taxation as unrelated business income. However, the organization did not have unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The Community Foundation's forms 990, *Returns of Organizations Exempt from Income Tax*, for the years ending 2011, 2012, and 2013 are subject to examination by the IRS, generally for three years after they are filed.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 1 Nature of Activities and Significant Accounting Policies (Continued)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Generally, contributions are recorded at fair market value when received.

Notes Receivable

Scholarship notes receivable are recorded net of allowances for uncollectible notes.

Contributions Receivable

Unconditional promises to give are recognized as contribution revenue and contributions receivable in the period in which the promise is received. Conditional promises are recognized as contribution revenue and receivables when the conditions on which they depend are substantially met.

Raising and Holding Contributions for Others

Contributions held for others are recorded as a liability and are included with the total amounts raised in the statement of activities.

Endowments

In August 2008, the Financial Accounting Standards Board (FASB) issued topic 958, *Endowments of Not-for-Profit Organizations: Net Asset Classifications of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*. ASC Topic 958 provides guidance in the net asset classification of donor-restricted endowment funds for not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA").

The State of Michigan adopted UPMIFA effective September 10, 2009 ("SPMIFA"). The Community Foundation has adopted ASC Topic 958 for the year ended March 31, 2010. The Board of Trustees has determined that a majority of the Community Foundation's net assets do not meet the definition of endowment funds under SPMIFA. The Community Foundation is governed by its Articles of Incorporation and most contributions are subject to the terms of these Articles of Incorporation. Certain contributions received are subject to gift instruments, agreements, or donor imposed restrictions that are to be satisfied by the actions of the Community Foundation.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 1 Nature of Activities and Significant Accounting Policies (Concluded)

Under the terms of the Articles of Incorporation and many of the gift instruments, the Board of Trustees has the ability to distribute so much of the corpus of any trust or separate gift, device, bequest, or fund as the Board in its sole judgment will determine. As a result of the ability to distribute corpus, all contributions not classified as temporarily restricted are classified as unrestricted for financial reporting purposes.

Subsequent Events

The Organization's management evaluated subsequent events from March 31, 2014 through June 30, 2014. The date the financial statements were available to be issued.

Note 2 Deposits

At year end, the carrying amounts of the Community Foundation of Monroe County's deposits were as follows:

| | <u>2014</u> | | <u>2013</u> | |
|------------------|------------------------|---------------------|------------------------|---------------------|
| | <u>Carrying Amount</u> | <u>Bank Balance</u> | <u>Carrying Amount</u> | <u>Bank Balance</u> |
| Insured: | | | | |
| FDIC | \$397,284 | \$440,002 | \$278,675 | \$278,675 |
| Uninsured: | | | | |
| Uncollateralized | <u>0</u> | <u>9,154</u> | <u>44,943</u> | <u>45,098</u> |
| Total Deposits | <u>\$397,284</u> | <u>\$449,156</u> | <u>\$323,618</u> | <u>\$323,773</u> |

Note 3 Investments and Fair Value Measurements

The Community Foundation of Monroe County determines fair values by applying the following guidelines. If available, the Community Foundation uses market prices in active markets for identical assets and classifies these assets as Level 1. When the market prices for similar financial instruments in an active market are not available, the Community Foundation estimates fair value based on pricing models using matrix pricing and classifies these assets as Level 2. In situations where there is little or no market activity for same or similar financial instruments, the Community Foundation estimates fair value using its own assumptions about future cash flows and appropriate risk-adjusted discount rates and classifies these assets as Level 3. As of March 31, 2014 and 2013, the Community Foundation's investment holdings were all Level 1 assets. The Community Foundation did not have any level 2 or Level 3 assets during the reported years.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 3 Investments (Continued)

The Community Foundation's Level 1 financial assets are measured on a recurring basis and are reported on March 31, 2014 and 2013 as follows:

| | 2014 | | 2013 | |
|-------------------|--------------------|--------------------|--------------------|--------------------|
| | Cost | Fair Value | Cost | Fair Value |
| Mutual Funds: | | | | |
| Income Funds | \$1,293,512 | \$1,466,180 | \$1,067,847 | \$1,122,519 |
| Bond Funds | 314,860 | 356,890 | 787,985 | 809,718 |
| Growth Funds | 1,936,946 | 2,195,505 | 1,628,921 | 1,743,096 |
| Value Funds | 969,544 | 1,098,967 | 755,385 | 871,483 |
| Other Funds | 519,262 | 588,577 | 941,990 | 1,004,442 |
| Total Investments | <u>\$5,034,124</u> | <u>\$5,706,119</u> | <u>\$5,182,128</u> | <u>\$5,551,258</u> |

Mutual Funds are pools of assets commingled together to benefit from professional management and through economies of scale. Investors own shares of the fund and are provided a net asset value (NAV) per share on a regular basis. Mutual Funds are registered with the U. S. Securities and Exchange Commission.

Exchange traded funds are baskets of securities designed to replicate various indices and whose market value is determined through daily market action in the shares of the exchange traded fund. Fair market value is determined by obtaining prices from quoted market sources.

Investment classifications as of March 31, 2014 and 2013 are as follows:

| | 2014 | | 2013 | |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| | Cost | Fair Value | Cost | Fair Value |
| Annuity obligations | \$88,102 | \$99,863 | \$179,371 | \$182,688 |
| Unrestricted | 4,699,392 | 5,326,704 | 4,770,154 | 5,108,366 |
| Temporarily restricted | 246,630 | 279,552 | 232,603 | 260,204 |
| | <u>\$5,034,124</u> | <u>\$5,706,119</u> | <u>\$5,182,128</u> | <u>\$5,551,258</u> |

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 3 Investments (Concluded)

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended March 31, 2014 and 2013:

| | <u>2014</u> | <u>2013</u> |
|---|------------------|------------------|
| Interest and Dividends | \$171,539 | \$207,177 |
| Net Realized and Unrealized Gains (Losses) | <u>326,409</u> | <u>241,570</u> |
| Total Investment Return | <u>\$497,948</u> | <u>\$448,747</u> |

Note 4 Contributions Receivable

Contributions receivable are reported as of March 31, 2014 and 2013 in the amounts of \$3,950 and \$12,050, respectively. Receivables are to be collected as follows:

| <u>March 31,</u> | <u>2014</u> | <u>2013</u> |
|------------------|-----------------|-----------------|
| 2014 | \$0 | \$9,600 |
| 2015 | 3,700 | 2,450 |
| 2016 | <u>250</u> | <u>0</u> |
| | <u>\$ 3,950</u> | <u>\$12,050</u> |

As of March 31, 2014, management has decided to adjust the allowance for uncollectible contributions to \$775. As of March 31, 2013, there was an allowance for uncollectible contributions of \$7,575.

Note 5 Notes Receivable

The Community Foundation entered into endowment agreements in which it received the assets of three trusts. As a part of these agreements, scholarship promissory notes were received. As of March 31, 2014 and 2013, the Community Foundation reported notes receivable in the amount of \$85,894 and \$91,274, respectively. As of March 31, 2014 and 2013, the Community Foundation had allowances for uncollectible notes of \$27,452 and \$27,452, respectively.

Note 6 Office Equipment and Depreciation

Capitalized equipment is reported as of March 31, 2014 and 2013 as follows:

| | <u>2014</u> | <u>2013</u> |
|--------------------------|-----------------|-----------------|
| Office equipment | \$28,956 | \$28,956 |
| Accumulated depreciation | <u>(26,850)</u> | <u>(25,474)</u> |
| | <u>\$ 2,106</u> | <u>\$ 3,482</u> |

Depreciation expense for the years ended March 31, 2014 and 2013 was \$1,376 and \$7,322, respectively.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 7 Operating Lease Commitment

The Community Foundation's office lease was renewed for one additional three year term, commencing on December 1, 2012, at a monthly rate of \$1,650. The Community Foundations lease expense for the years ended March 31, 2014 and 2013 was \$19,800 and \$18,600, respectively.

The annual rent requirements under the lease agreement were as follows:

| Year Ended <u>March 31,</u> | <u>2014</u> | <u>2013</u> |
|--------------------------------|-------------|-------------|
| 2014 | \$0 | \$19,800 |
| 2015 | 19,800 | 19,800 |
| 2016 | 13,200 | 13,200 |

Note 9 Temporarily Restricted Net Assets

Temporarily restricted net assets consist of funds which are established to provide disaster relief and funds which are held as pledges for an endowment fund. These funds will be released from restrictions in the future as funds are used according to donor intent.

This account consists of the following:

| | <u>2014</u> | <u>2013</u> |
|---|------------------|------------------|
| Holcim Disaster Relief (Non-permanent endowment) | \$217,186 | \$217,186 |
| St. Michael the Archangel Parish Fund | 10,600 | 10,600 |
| World Wars Monument (Non-permanent endowment) | 904 | 866 |
| Undistributed earnings, (losses) on Non-permanent Spendable reserves | | |
| - Holcim Disaster Relief | 48,601 | 30,167 |
| - St. Michael the Archangel Parish Fund | 2,154 | 1,308 |
| - World Wars Monument | <u>107</u> | <u>77</u> |
| | <u>\$279,552</u> | <u>\$260,204</u> |

Note 10 Charitable Gift Annuities and Annuity Obligations

The Community Foundation utilizes charitable gift annuities in its fund raising activities. The Community Foundation of Monroe County has two contracts with donors to provide gift annuities. In return for contributions which totaled \$1,400,000, the Foundation agreed to pay a fixed annual annuity (payable quarterly) for the lifetime of the donors. The present value of the future expected payments related to the annuity has been recorded on the statement of financial position as an annuity obligation of \$121,181 as of March 31, 2014 and \$438,238 as of March 31, 2013. The interest rates used to calculate the present value of this liability range from 7.4%, for an annuity which began October 26, 2000, and 4.8% for an annuity which began December 31, 2001.

The present value of one annuity has been adjusted to \$5,000 to recognize the forgiveness of future payments under an amendment to the charitable gift annuity agreement. In accordance with the amendment, an endowment has been established in the donor's name.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 10 Charitable Gift Annuities and Annuity Obligations(Concluded)

Contributions received in the form of marketable securities are recognized as investments and related unrestricted revenues and other support to the extent that the fair value of the securities received exceed the estimated present value of the future payments to the individuals named in the contracts. Changes in the fair value of such annuity obligations are included in the statement of activities as annuity expense. Investment income as well as realized and unrealized gains related to the securities received for the charitable gift annuity are also included in the Statement of Activities as unrestricted revenues and other support. Upon the death of the donors and beneficiaries, the residual net assets will be recorded as an endowment specified by the donor.

Note 11 Contingent Liabilities

The Foundation has entered into two gift annuity agreements, which have become severely underfunded.

The first gift annuity was established in October, 2000, and was required to pay the annuitant \$15,000 per quarter for life. This is a two life last-to-die annuity. The present value of this annuity has been adjusted as of March 31, 2014 to recognize the forgiveness of future annuity obligations.

| Year ended March 31, | <u>2014</u> | <u>2013</u> |
|-------------------------------------|-------------|-------------|
| Present value of annuity obligation | \$5,000 | \$314,904 |
| Investment balance | \$6,494 | \$71,747 |

The second gift annuity was established in November, 2001, and is currently required to pay the annuitant \$8,600 per quarter for life. This is a single life annuity.

| Year ended March 31, | <u>2014</u> | <u>2013</u> |
|-------------------------------------|-------------|-------------|
| Present value of annuity obligation | \$116,181 | \$123,334 |
| Investment balance | \$78,369 | \$110,941 |

The Foundation has consulted with legal counsel and has been advised that these annuities are contractual obligations of the Foundation.

Note 12 Contributions Held for Others

Effective for the fiscal year ended March 31, 2001, the Organization began recording transfers of assets from other Not-For-Profit organizations to be used for special projects as contributions held for others. The Organization had \$254,330 as of March 31, 2014 and \$309,125 as of March 31, 2013 which consisted of donor established agency funds for special projects.

Note 13 Endowment Funds

The Foundation's endowment funds consist of 95 individual funds established for a variety of purposes. The endowment funds include both donor-restricted term endowment funds and funds designated by the Board of Trustees to function as endowments. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions as well as variance power.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 13 Endowment Funds (Continued)

Interpretation of Relevant Law

The Board of Trustees of the Foundation follows the State of Michigan's version of the Uniform Prudent Management of Institutional Funds Act effective September 10, 2009 (SPMIFA"). The Board of Trustees has interpreted the law as requiring the preservation of the fair value of the original gift as of the gift date of the Board designated or donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument, if any, at the time the accumulation is added to the fund. The Foundation does not have any donor restricted endowment funds to report as permanently restricted. The remaining portion of the donor restricted endowment fund related to earnings is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

The Foundation classifies as unrestricted net assets (a) the original value of endowment gifts donated to the Foundation, (b) the original value of subsequent gifts to the endowment, and (c) any earnings related to the endowment. See note 1 for further discussion related to net asset classification.

The accounting standards require that investment earnings on restricted net assets subject to UPMIFA to be classified as temporarily restricted until they are appropriated for expenditure by the Community Foundation. In addition, due to the variance power in the Community Foundations Articles of Incorporation and the powers of modification available in the individual endowment agreements, the Community Foundation has decided to designate those funds those endowment funds considered unrestricted.

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 13 Endowment Funds (Continued)

The following is a summary of the Community Foundation's endowments and changes therein:

| | Unrestricted | Temporarily Restricted | Total |
|--|--------------------|---------------------------|--------------------|
| Endowment Net Asset Comparison by Type of Fund as of March 31, 2014 | | | |
| Donor-restricted term endowment funds | \$0 | \$279,552 | \$279,552 |
| Board-designated endowment funds | 5,462,123 | 0 | 5,462,123 |
| | <u>\$5,462,123</u> | <u>\$279,552</u> | <u>\$5,741,675</u> |

**Changes in Endowment Net Assets for the
Year Ended March 31, 2014**

Investment return:

| | | | |
|--|-----------|---------|-----------|
| Investment income | \$161,884 | \$4,026 | \$165,910 |
| Net appreciation (realized and unrealized) | 311,087 | 15,322 | 326,409 |
| Net investment return | 472,971 | 19,348 | 492,319 |
| Contributions and other revenue | 173,970 | 0 | 173,970 |
| Annuity expense | (222,657) | 0 | (222,657) |

Appropriation of endowment assets
for expenditure

| | | | |
|---------------------------------|--------------------|------------------|--------------------|
| | 316,456 | 0 | 316,456 |
| Changes to endowment net assets | 553,142 | 19,348 | 572,490 |
| Endowment Net Assets | | | |
| Beginning of year | 4,908,981 | 260,204 | 5,169,185 |
| End of year | <u>\$5,462,123</u> | <u>\$279,552</u> | <u>\$5,741,675</u> |

**Endowment Net Asset Comparison by
Type of Fund as of March 31, 2013**

| | | | |
|---------------------------------------|--------------------|------------------|--------------------|
| Donor-restricted term endowment funds | \$0 | \$260,204 | \$260,204 |
| Board-designated endowment funds | 4,908,981 | 0 | 4,908,981 |
| | <u>\$4,908,981</u> | <u>\$260,204</u> | <u>\$5,169,185</u> |

**Changes in Endowment Net Assets for the
Year Ended March 31, 2013**

Investment return:

| | | | |
|--|----------|---------|----------|
| Investment income | \$88,244 | \$5,813 | \$94,057 |
| Net appreciation (realized and unrealized) | 230,133 | 11,437 | 241,570 |
| Net investment return | 318,377 | 17,250 | 335,627 |
| Contributions and other revenue | 168,498 | 0 | 168,498 |
| Annuity (income) | 71,980 | 0 | 71,980 |

Appropriation of endowment assets
for expenditure

| | | | |
|---------------------------------|--------------------|------------------|--------------------|
| | 129,712 | 0 | 129,712 |
| Changes to endowment net assets | 285,183 | 17,250 | 302,433 |
| Endowment Net Assets | | | |
| Beginning of year | 4,623,798 | 242,954 | 4,866,752 |
| End of year | <u>\$4,908,981</u> | <u>\$260,204</u> | <u>\$5,169,185</u> |

COMMUNITY FOUNDATION OF MONROE COUNTY

NOTES TO FINANCIAL STATEMENTS

March 31, 2014 and 2013

Note 13 Endowment Funds (Concluded)

Endowment Spending Policies

For the years ended March 31, 2014 and 2013, the Community Foundation had spending policy allowing for spending up to 3/4ths of spendable reserves of funds which had positive spendable reserve balances. Income available for spending is determined by market performance. The amount to be spent in the coming year is calculated each December 31 and is reviewed and approved by the Finance Committee annually.

Investment Policy Objectives

The overall, long-term investment goal of the Community Foundation is to achieve an annualized total return (net of fees and expenses), through appreciation and income, greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus 5%, thus protecting the assets against inflation. The assets are to be managed in a manner that will maximize the benefits intended by the donor. The objective is to pursue capital appreciation assuming a moderate amount of risk together with a reasonable amount of income. The investments will achieve this objective through a diversified portfolio of common stocks, mutual funds, fixed income securities, and money market funds.

Strategy

The Board and Finance Committee agree that investing in securities with higher return expectations outweighs their short-term volatility risks. As a result, the majority of assets will be invested in equity-like securities. Fixed income securities will be used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Cash is not a strategic asset of the portfolio, but is a residual to the investment process and used to meet short-term liquidity needs.