



SEP 11 2002

JOHN ENGLER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

DOUGLAS B. ROBERTS  
STATE TREASURER

September 9, 2002

Mr. Robert S. Collier  
President & CEO  
Council of Michigan Foundations  
One South Harbor Avenue, Suite 3  
P.O. Box 599  
Grand Haven, MI 49417-1385

Dear Mr. Collier:

The Department has reviewed your request stated in your letter dated February 22, 2002 to incorporate your proposed language into our definition of the term "endowment fund" currently being used for the community foundation certification and re-certification forms.

We agree that your suggested changes are appropriate and the Department will use the following definition of "endowment" when certifying or re-certifying the foundations:

"An endowment fund is a fund of permanent capital or principal, only the income of which is used for charitable purposes, and/or includes a fund invested on a total return basis as contemplated by MCL 451.1203 and/or pursuant to a written investment and distribution policy that is intended and expected to maintain the corpus of the fund over time."

A copy of this letter will be sent to all the certified community foundations as notification of this change.

Please know we appreciate your assistance in clarifying this issue for the foundations. We trust the above definition is a satisfactory response to your request.

Sincerely,

A handwritten signature in black ink, appearing to read "DB Roberts", with a long horizontal flourish extending to the right.

Douglas B. Roberts  
State Treasurer

c: All Certified Community Foundations