

Council of Michigan  
Foundations  
and  
Supporting  
Organizations



Years Ended  
March 31,  
2018 and 2017

Consolidated  
Financial Statements  
and  
Supplementary  
Consolidating  
Information

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

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## INDEPENDENT AUDITORS' REPORT

June 1, 2018

Board of Trustees  
Council of Michigan Foundations  
Grand Haven, Michigan

We have audited the accompanying consolidated financial statements of the **Council of Michigan Foundations and Supporting Organizations** (the "Organization"), which comprise the consolidated statements of financial position as of March 31, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Independent Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on auditor judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated statements of financial position of the Council of Michigan Foundations and Supporting Organizations as of March 31, 2018 and 2017, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	ASSETS	
	March 31	
	2018	2017
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,190,896	\$ 3,616,484
Certificates of deposit	2,000,000	1,500,000
Current portion of grants and contributions receivable	3,565,263	2,096,683
Prepaid expenses and other assets	113,914	117,608
<b>Total current assets</b>	<b>8,870,073</b>	<b>7,330,775</b>
Assets held in endowment funds:		
Cash and cash equivalents	927,747	446,050
Investments	23,428,537	22,569,951
Grants and contributions receivable, net of current portion	2,458,902	836,237
Net property and equipment	303,651	301,363
<b>Total assets</b>	<b>\$ 35,988,910</b>	<b>\$ 31,484,376</b>
	<b>LIABILITIES AND NET ASSETS</b>	
<b>Liabilities</b>		
Accounts payable	\$ 230,720	\$ 230,462
Grants payable	42,500	7,250
Deferred revenue	1,047,745	966,075
Other liabilities	75,483	51,925
<b>Total liabilities (all current)</b>	<b>1,396,448</b>	<b>1,255,712</b>
Commitments and contingency (Notes 3, 8 and 10)		
<b>Net assets</b>		
Unrestricted:		
Undesignated	2,151,910	1,845,340
Board designated		
Community Foundation Fund	10,896,128	10,026,878
Community Foundation Technology Fund	742,773	683,686
CMF Core Services Fund	950,463	894,714
CMF Family Foundation Fund	13,661	12,612
<b>Total unrestricted</b>	<b>14,754,935</b>	<b>13,463,230</b>
Temporarily restricted	11,739,374	8,668,281
Permanently restricted	8,098,153	8,097,153
<b>Total net assets</b>	<b>34,592,462</b>	<b>30,228,664</b>
<b>Total liabilities and net assets</b>	<b>\$ 35,988,910</b>	<b>\$ 31,484,376</b>

The accompanying notes are an integral part of these consolidated financial statements.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED MARCH 31, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Support, revenue, and gains</b>				
Membership dues	\$ 1,315,200	\$ -	\$ -	\$ 1,315,200
Grant support	316,988	5,121,501	1,000	5,439,489
Conferences	172,371	98,860	-	271,231
Other revenue	100,836	-	-	100,836
Investment income, net of fees	14,483	907	-	15,390
Net unrealized and realized gains on investments	1,410,796	1,372,076	-	2,782,872
Net assets released from restriction:				
Endowment net assets appropriated for expenditure and spent	449,039	(449,039)	-	-
Non-endowed assets	3,073,212	(3,073,212)	-	-
<b>Total support, revenue, and gains</b>	<b>6,852,925</b>	<b>3,071,093</b>	<b>1,000</b>	<b>9,925,018</b>
<b>Expenses</b>				
Programs:				
Grants	805,734	-	-	805,734
Conferences	269,481	-	-	269,481
Communications	71,375	-	-	71,375
Professional fees	1,110,982	-	-	1,110,982
Depreciation	164,594	-	-	164,594
General programming	2,063,733	-	-	2,063,733
<b>Total programs</b>	<b>4,485,899</b>	<b>-</b>	<b>-</b>	<b>4,485,899</b>
Fundraising	114,296	-	-	114,296
Management and general	961,025	-	-	961,025
<b>Total expenses</b>	<b>5,561,220</b>	<b>-</b>	<b>-</b>	<b>5,561,220</b>
<b>Change in net assets</b>	<b>1,291,705</b>	<b>3,071,093</b>	<b>1,000</b>	<b>4,363,798</b>
Net assets, beginning of year	13,463,230	8,668,281	8,097,153	30,228,664
<b>Net assets, end of year</b>	<b>\$ 14,754,935</b>	<b>\$ 11,739,374</b>	<b>\$ 8,098,153</b>	<b>\$ 34,592,462</b>

The accompanying notes are an integral part of these consolidated financial statements.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED MARCH 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Support, revenue, and gains</b>				
Membership dues	\$ 1,330,705	\$ -	\$ -	\$ 1,330,705
Grant support	20,810	6,174,669	-	6,195,479
Conferences	344,725	122,200	-	466,925
Publications	214	-	-	214
Other revenue	121,891	20,000	-	141,891
Investment income, net of fees	5,576	-	-	5,576
Net unrealized and realized gains on investments	977,458	1,007,182	-	1,984,640
Net assets released from restriction:				
Endowment net assets appropriated for expenditure and spent	528,174	(528,174)	-	-
Non-endowed assets	2,548,977	(2,548,977)	-	-
<b>Total support, revenue, and gains</b>	<b>5,878,530</b>	<b>4,246,900</b>	<b>-</b>	<b>10,125,430</b>
<b>Expenses</b>				
Programs:				
Grants	515,990	-	-	515,990
Conferences	664,428	-	-	664,428
Communications	95,701	-	-	95,701
Professional fees	783,953	-	-	783,953
Depreciation	165,809	-	-	165,809
General programming	2,041,757	-	-	2,041,757
<b>Total programs</b>	<b>4,267,638</b>	<b>-</b>	<b>-</b>	<b>4,267,638</b>
Fundraising	109,086	-	-	109,086
Management and general	905,027	-	-	905,027
<b>Total expenses</b>	<b>5,281,751</b>	<b>-</b>	<b>-</b>	<b>5,281,751</b>
<b>Change in net assets</b>	<b>596,779</b>	<b>4,246,900</b>	<b>-</b>	<b>4,843,679</b>
Net assets, beginning of year	12,866,451	4,421,381	8,097,153	25,384,985
<b>Net assets, end of year</b>	<b>\$ 13,463,230</b>	<b>\$ 8,668,281</b>	<b>\$ 8,097,153</b>	<b>\$ 30,228,664</b>

The accompanying notes are an integral part of these consolidated financial statements.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended March 31	
	2018	2017
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 4,363,798	\$ 4,843,679
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Net realized and unrealized gains on investments	(2,782,872)	(1,984,640)
Loss (gain) on sale/disposal of property and equipment	261	(4,281)
Depreciation	164,594	165,809
Changes in operating assets and liabilities which provided (used) cash:		
Grants and contributions receivable	(3,091,245)	(2,633,466)
Prepaid expenses and other assets	3,694	12,856
Accounts payable	258	(31,155)
Grants payable	35,250	(59,750)
Deferred revenue	81,670	17,580
Other liabilities	23,558	(65,523)
<b>Net cash (used in) provided by operating activities</b>	<b>(1,201,034)</b>	<b>261,109</b>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(167,143)	(39,028)
Proceeds from sale of property and equipment	-	10,000
Purchases of investments	(549,811)	(1,543,522)
Proceeds from sale of investments	2,474,097	1,180,966
Purchases of certificates of deposit	(1,500,000)	(500,000)
Maturities of certificates of deposit	1,000,000	500,000
<b>Net cash provided by (used in) investing activities</b>	<b>1,257,143</b>	<b>(391,584)</b>
<b>Cash flows used in financing activities</b>		
Repayments of long-term debt	-	(8,237)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>56,109</b>	<b>(138,712)</b>
Cash and cash equivalents, beginning of year	4,062,534	4,201,246
<b>Cash and cash equivalents, end of year</b>	<b>\$ 4,118,643</b>	<b>\$ 4,062,534</b>
<b>Classification on consolidated statements of financial position</b>		
Cash and cash equivalents	\$ 3,190,896	\$ 3,616,484
Assets held in endowment funds		
Cash and cash equivalents	927,747	446,050
<b>Total cash and cash equivalents</b>	<b>\$ 4,118,643</b>	<b>\$ 4,062,534</b>

The accompanying notes are an integral part of these consolidated financial statements.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Organization and Consolidation*

The *Council of Michigan Foundations* (“CMF”), an association of foundations and corporations making grants for charitable purposes, was incorporated in 1975 to grow the impact of Michigan philanthropy.

The Michigan Community Foundations’ Ventures (“MCFV”), the Council of Michigan Foundations Supporting Organization (“CMFSO”) and Learning to Give (“LTG”) are Type I supporting organizations of CMF under the provisions of Internal Revenue Code Section 509(a)(3).

The accompanying financial statements of CMF have been prepared on a consolidated basis to include its supporting organizations (the “Organization”). CMF’s Board of Trustees exercises significant control over these organizations through the appointment of board members. References to the “Organization” refer to the consolidated group.

The significant accounting policies of the Organization are described below. All significant intercompany accounts and transactions have been eliminated in consolidation.

#### *Use of Estimates*

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. Significant estimates include but are not limited to determining the fair value of investments.

#### *Basis of Presentation*

The Organization has classified information regarding its financial position and activities according to three classes of net assets depending on the existence or absence of donor-imposed restrictions: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. See additional policy disclosures titled net asset classifications.

#### *Fair Value Measurements*

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). There were no investments classified at a Level 1, 2 or 3 hierarchy as of March 31, 2018 and 2017.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For a further discussion of Fair Value Measurements, refer to Note 3.

### *Cash and Cash Equivalents*

Cash and cash equivalents consist of demand deposits in banks, institutional money market funds and cash on hand. For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents, except that such assets held in endowment are classified as noncurrent. The Organization maintains demand deposits in several banks, which are insured by the Federal Deposit Insurance Corporation. At times throughout the year, the cash balances may exceed insured limits. Management believes the Organization is not exposed to any significant interest rate, credit or other financial risk on these deposits.

### *Certificates of Deposit*

Certificates of deposit are stated at cost which approximates fair value. Any penalties for early withdrawal would not have a material effect on the consolidated financial statements. The certificates bear interest at rates ranging from 1.15% to 2.45% with maturities primarily from 6 months to 24 months from original date of purchase.

### *Investments*

Investments held by the Organization are carried at fair value. Investments received as donations are recorded at fair value on the date of receipt. Realized gains and losses on the sale of investments are determined based on the first-in, first-out method. Investment income or loss and unrealized gains and losses are included in the consolidated statements of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law.

### *Grants and Contributions Receivable*

The Organization has received pledges from various foundations to contribute monies in the future for various purposes. Pledges receivable are recorded at the net present value of the expected future cash flows.

### *Net Property and Equipment and Depreciation*

Property and equipment is stated at cost. Donated property and equipment is recorded at fair value at the date of donation. Donations are reported as unrestricted support unless the donor has restricted the use of the donated asset to a specific purpose. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 30 years. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Grants Payable*

Grants are recognized as an expense when approved by the governing boards of CMF and its supporting organizations if unconditional, or when the related conditions are met by the recipient, if conditional. Grants payable recorded in the accompanying consolidated statements of financial position are generally expected to be paid within one year.

As of March 31, 2018, CMF had \$2,900,000 in grant awards, for which related conditions have not been met by the intended recipients. As of March 31, 2017, CMF had \$30,000 in grant awards, for which related conditions have not been met by the intended recipients.

### *Net Asset Classifications*

The net asset groups used for reporting purposes in the accompanying consolidated financial statements are as follows:

*Unrestricted Net Assets* – Consist of contributed assets that have not been restricted as to use by donors. Certain of these assets have been designated by the governing boards of CMF and its supporting organizations to be used for a specific purpose. These board-designated funds include investment income earned on MCFV Challenge grant assets that will be used to fund community foundation programming and technical assistance.

*Temporarily Restricted Net Assets* – Consist of contributed assets for which the use by CMF and its supporting organizations has been limited by donors for a specific time period or purpose.

*Permanently Restricted Net Assets* – Consist of contributions with donor-imposed restrictions that do not expire and that allow spending based on the CMF Board approved spending policy. Income earned is recorded as a temporarily restricted net asset until appropriated by the Board and spent for the intended restricted purpose. At that time, those net assets are reclassified to the unrestricted net asset class.

### *Membership Dues Revenue*

Membership dues revenue is recognized ratably over the period to which the dues relate.

### *Grant Support and Other Income*

Grant support includes contributions from public and private sources. Grant support revenue is recognized when the donor makes a promise to give that is, in substance, unconditional. Donor-restricted revenue is reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction has been satisfied (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.

Conference, publication and other revenue is recognized when service is provided and is unrestricted. Conference sponsorships are recognized similarly to grant support.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Donated Services and Facilities*

Donated services and facilities are recognized as grant support in connection with the Organization's support and administration of the Governor's Office of Foundation Liaison ("OFL").

Donated services, related to a "loaned" executive for the OFL, are recorded as revenue ratably throughout the year at the estimated fair value as the service is provided. Donated services of approximately \$130,000 were included in grant support for each of the years ended March 31, 2018 and 2017.

In addition, the State of Michigan donates office space for the OFL that is recorded as donated facilities monthly based on fair market rental value of the office space. Donated facilities of approximately \$31,000 and \$30,000 were included in grant support for the years ended March 31, 2018 and 2017, respectively.

These revenues were offset by expenses shown on the consolidated statements of activities according to the nature of the donation.

### *Income Taxes*

CMF and its supporting organizations, MCFV, CMFSO and LTG, are not-for-profit organizations exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and are also exempt from similar state and local taxes. Although the Organization was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." Such income, pursuant to the Internal Revenue Code and related regulations, includes investment income. The Organization has been classified as not a private foundation.

The Organization analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions, to identify potential uncertain tax positions. The Organization treats interest and penalties attributable to income taxes, and reflects any charges for such, to the extent they arise, as a component of its management and general expenses.

The Organization has evaluated its income tax filing positions for fiscal years 2015 through 2018, the years which remain subject to examination as of March 31, 2018. The Organization concluded that there are no significant uncertain tax positions requiring recognition in the Organization's consolidated financial statements. The Organization does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Organization does not have any amounts accrued for interest and penalties related to UTBs at March 31, 2018 and 2017, and is not aware of any claims for such amounts by federal or state income tax authorities.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Upcoming Accounting Pronouncement*

The Financial Accounting Standards Board has issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which will be effective for the Organization's year ending March 31, 2019. ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance and cash flows. Management will evaluate the provisions of ASU 2016-14 to determine the potential impact on the Organization's consolidated financial statements.

### *Subsequent Events*

In preparing these consolidated financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to March 31, 2018, the most recent consolidated statement of financial position presented herein, through June 1, 2018, the date these consolidated financial statements were available to be issued. No significant such events or transactions were identified.

## 2. SUPPORTING ORGANIZATIONS

### *Michigan Community Foundations' Ventures*

In November 1993, the Michigan Community Foundations' Ventures (MCFV) was incorporated under the name of the Michigan Community Foundations' Youth Project (MCFYP), as a supporting organization of the Council of Michigan Foundations. The main purpose of MCFYP through 1997 was to administer the W.K. Kellogg Foundation Youth Challenge grant program. Since then the purpose of MCFV has been to support collaborative work by community foundations in Michigan as well as collaboration with community foundations served by the regional associations in Illinois, Indiana and Ohio with a focus on national standards certification.

### *Learning to Give*

Launched in 1997 and converted to a supporting organization of the Council of Michigan Foundations on November 1, 2004, the primary purpose of Learning to Give (LTG) is to help teachers educate youth, ages 5-18, about the charitable nonprofit sector and in developing giving and volunteering skills that will result in a lifetime of civic engagement. The primary tool for accomplishing this purpose is more than 1,700 free resources and lesson plans developed by teachers for teachers and certified to state and national standards that can be accessed at [www.learningtogive.org](http://www.learningtogive.org).

### *Council of Michigan Foundations Supporting Organization*

The primary purpose of the Michigan Foundations' Supporting Organization is to support the collaborative responses by Michigan's foundation community to address charitable issues in Michigan. There was an immaterial level of activity in 2018 or 2017 related to this organization.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Each of the supporting organizations has a separate board of trustees appointed by CMF's Board of Trustees to oversee their grant-making and programming activities.

### 3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Organization utilizes fair value measurements to record fair value adjustments to its investments and to determine fair value disclosures. Investments are recorded at fair value on a recurring basis.

Following is a description of the valuation methodologies and key inputs used to measure assets recorded at fair value.

The Investment Fund for Foundations ("TIFF") multi-asset fund: Shares held in the multi-asset funds are valued at the net asset value ("NAV") of shares held by the fund at year end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities then divided by the number of shares outstanding. Management relies on advice from its investment consultant and takes into consideration audited financial information to determine overall reasonableness of the recorded value. This fund is not actively traded in the active over-the-counter markets. The fair value of this investment is \$22,265,938 and \$21,856,461 as of March 31, 2018 and 2017, respectively.

Private equity investments: Private equity investments consist of mutual funds consisting of private equity limited partnerships. Mutual funds are valued at the NAV of shares held by the fund at year end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities then divided by the number of shares outstanding. Management relies on advice from its investment consultant and takes into consideration audited financial information to determine overall reasonableness of the recorded value. The fair value of this investment is \$668,324 and \$713,490 as of March 31, 2018 and 2017, respectively.

Community Capital Management ("CCM") bond fund: Shares held in the bond fund are valued at the net asset value ("NAV") of shares held by the fund at year end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities then divided by the number of shares outstanding. Management relies on advice from its investment consultant and takes into consideration audited financial information to determine overall reasonableness of the recorded value. The fair value of this investment is \$494,275 as of March 31, 2018.

The private equity investment agreement requires periodic capital contributions over the life of the agreement. As of March 31, 2018, a total of \$914,000 of the potential \$1,000,000 in total capital commitments were made and returned \$824,163 in capital since inception of the investment. The commitment associated with these funds has a twelve year term with option for one three year extension. The agreement has an original expiration date of March 2019.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following tables set forth additional disclosures for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent as a practical expedient) as of March 31:

Investment Type	2018			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
TIFF multi-asset fund	\$ 22,265,938	\$ -	Daily	Daily
Private equity investments	668,324	86,000	Daily	Daily
CCM bond fund	<u>494,275</u>	-	Daily	Daily
	<u>\$ 23,428,537</u>			

Investment Type	2017			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
TIFF multi-asset fund	\$ 21,856,461	\$ -	Daily	Daily
Private equity investments	<u>713,490</u>	97,750	Daily	Daily
	<u>\$ 22,569,951</u>			

The following is a description of the investment strategies for investments in certain entities that calculate net asset value per share (or its equivalent as a practical expedient) at March 31, 2018 and 2017:

*TIFF multi-asset fund:* These funds include investments that pursue certain alternative investment strategies.

*Private equity investments:* These funds include investments in primarily small and mid-sized companies that seek to provide quality investment solutions in private equity, venture capital and natural resources.

*CCM bond fund:* This fund includes investments that seek to provide income by investing in intermediate and long-term bonds issued by corporations, the U.S. government and its agencies.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 4. GRANTS AND CONTRIBUTIONS RECEIVABLE

CMF's grants and contributions receivable consist of unconditional promises by donors to be received as follows as of March 31:

	2018	2017
Receivable in less than one year	\$ 3,565,263	\$ 2,096,683
Receivable in one to five years	<u>2,625,000</u>	<u>884,000</u>
	6,190,263	2,980,683
Less present value discount (at 2.85%)	<u>166,098</u>	<u>47,763</u>
<b>Total</b>	<b><u>\$ 6,024,165</u></b>	<b><u>\$ 2,932,920</u></b>

The majority of the grants and contributions receivable represent funds that will be regranted to other tax exempt not-for-profit public charities in future years.

### 5. PROPERTY AND EQUIPMENT

Net property and equipment consists of the following at March 31:

	2018	2017
<b>Property and equipment</b>		
Buildings	\$ 362,144	\$ 368,744
Equipment	698,022	585,546
Furnishings	<u>76,031</u>	<u>114,719</u>
Total	1,136,197	1,069,009
Less accumulated depreciation	<u>832,546</u>	<u>767,646</u>
<b>Net property and equipment</b>	<b><u>\$ 303,651</u></b>	<b><u>\$ 301,363</u></b>

Depreciation expense for fiscal 2018 and 2017 was \$164,594 and \$165,809, respectively.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 6. ENDOWMENT FUNDS

CMF's endowment includes eight individual funds that are donor restricted. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The principal amounts of these funds have been permanently restricted by their donors, whereas the investment income earned on the assets of these funds is temporarily restricted for the stated purpose of the fund.

#### *Russell G. Mawby Endowment Fund to Improve and Increase Philanthropy*

The Russell G. Mawby Endowment Fund to Improve and Increase Philanthropy was established during 1995 to honor Dr. Mawby's contributions to Michigan philanthropy. Dr. Mawby, former Chairman and CEO of the W.K. Kellogg Foundation, was one of the founders of the Council of Michigan Foundations and served as its first chairman in 1972. The purpose of this Fund is to improve and increase philanthropy by continuing and expanding CMF's efforts to enhance philanthropy and increase charitable resources.

#### *Ruth & Russ Mawby Fund for Kids*

In December of 1995, the W.K. Kellogg Foundation contributed \$500,000 to set up the Ruth and Russ Mawby Fund For Kids, with the expressed purpose of improving and increasing philanthropy through youth involvement with community foundations in the State of Michigan.

#### *William W. Allen Endowment Fund*

The purpose of this Fund is to further the understanding of private philanthropy in federal and state legislative and regulatory matters. The endowment was established with restricted contributions from the member foundations of CMF given in honor of a former CMF board member who was also the first Government Relations Committee chairman.

#### *Dorothy A. Johnson Educational Fund*

In 1999, the Dorothy A. Johnson Educational Fund was established to honor the founding President and CEO of the Council of Michigan Foundations for her 25 years of service to philanthropy and volunteerism in Michigan and nationwide. The purpose of this fund is to support two objectives: speakers for CMF's Annual Conference and specialized educational seminars for CMF members.

#### *Michigan Community Foundations' Youth Project Endowment Fund*

In April 2001, the CMF Board of Trustees established the Michigan Community Foundations' Youth Project Endowment Fund through a contribution from the W.K. Kellogg Foundation. The purpose of this fund is to provide technical assistance to the 86 community foundation youth advisory committees throughout Michigan that were established through the Kellogg Youth Challenge program.

#### *Margaret Ann Riecker Leadership Fund*

In recognition of 26 years of service as a founding Trustee and Chair of the Council of Michigan Foundations, the Margaret Ann Reicker Leadership Fund was established in September of 2002. The purpose of this fund is to support CMF's leadership role in increasing, enhancing and improving philanthropy in Michigan.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *William C. Richardson Endowment Fund*

In recognition of former W.K. Kellogg Foundation CEO Dr. William C. Richardson's service to philanthropy in Michigan and his leadership in advancing the engagement of philanthropy in public policy, the W.K. Kellogg Foundation made a gift to establish this fund. The purpose of this Fund is to support the ongoing involvement in a fellowship role at CMF by students or graduates from Michigan colleges or universities, who are interested in pursuing careers in the nonprofit sector and public policy.

### *Carl F. Reitz Fund for Investment Education*

In recognition of Mr. Reitz's long time service to CMF and philanthropy in Michigan, the Besser Foundation made a gift to establish this fund which was matched by \$25,000 from CMF. The purpose of this fund is to support ongoing investment education opportunities for staff and trustees of Michigan Foundations.

The principal amounts of the following funds have been set aside on the consolidated statements of financial position as board designated endowment funds:

### *Board Designated - Community Foundation Fund*

On October 12, 1995, the Michigan Community Foundations' Youth Project's (MCFYP), now known as the Michigan Community Foundations' Ventures (MCFV), Board of Trustees established the Community Foundation Endowment Fund from the interest earned on the grant dollars received from the W.K. Kellogg Foundation to establish the Kellogg Youth Challenge. In October 1999, MCFYP transferred this fund to the Council of Michigan Foundations. The purpose of this fund is to support CMF staff providing technical assistance for Michigan community foundations.

### *Board Designated - Community Foundation Technology Fund*

In February 2003, the CMF Board of Trustees established the Community Foundation Technology Fund from the accumulated interest earnings and repaid loans from the W.K. Kellogg Foundation Computer Grant in accordance with the original grant proposal. The purpose of this fund is to help support the ongoing technology needs of community foundations in Michigan.

### *Board Designated - CMF Core Services Fund*

In May 2008, an amount was transferred from the accumulated core services surplus fund balance to establish this fund. In July 2014 CMF transferred an additional amount into this fund from the sale proceeds of the upstairs suite of the Grand Haven office. The purpose of this fund is to support and enhance the core services provided to CMF members.

### *Board Designated - CMF Family Foundation Fund*

In May 2012, the CMF Board of Trustees established the CMF Family Foundation Fund from a gift in memory of Mary Gretchen Belloff of the Edyth Bush Charitable Foundation. The purpose of this fund is to support activities serving family foundations.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Learning to Give maintains one donor-restricted endowment fund.

### *Learning to Give Fund*

In February 2006, the W.K. Kellogg Foundation awarded an endowment grant that is used to secure the work of Learning to Give by providing free teacher prepared and tested lesson plans and other learning resources available at [www.learningtogive.org](http://www.learningtogive.org) for teachers, parents, students and others interested in promoting philanthropy education for youth in grades K-12.

The total of permanently restricted net assets held in donor-restricted endowment funds constitutes all of the Organization's permanently restricted net assets at March 31, 2018 and 2017.

### *Interpretation of Relevant Law*

The Board of Trustees of CMF in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) considers the factors noted below in establishing the investment policy for the Organization. As a result of our interpretation of UPMIFA, CMF classifies as permanently restricted net assets (a) the historical dollar value of gifts donated to the permanent endowment and (b) the historical dollar value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets. For board designated endowment funds the entire balances are classified as unrestricted.

- Give primary consideration to donor intent;
- Act in good faith, with the care a prudent person would use;
- Overall goal to grow the endowment at a rate equal to inflation
- The duration and preservation of the fund;
- The purposes of the Organization and the donor-restricted endowment fund;
- General economic conditions;
- The possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Organization; and
- The investment policies of the Organization.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Endowment Net Asset Composition by Type of Fund*

	March 31, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Donor-restricted endowment funds</b>				
<b>CMF</b>				
Russell G. Mawby Fund	\$ -	\$ 1,164,274	\$ 1,012,893	\$ 2,177,167
Ruth & Russ Mawby Fund for Kids	-	772,997	503,609	1,276,606
William W. Allen Fund	-	171,817	70,537	242,354
Dorothy A. Johnson Educational Fund	-	353,430	983,127	1,336,557
Michigan Community Foundations' Youth Project Fund	-	725,323	1,055,505	1,780,828
Margaret Ann Riecker Leadership Fund	-	662,629	1,022,482	1,685,111
William C. Richardson Fund	-	113,260	400,000	513,260
Carl F. Reitz Fund for Investment Education	-	11,032	50,000	61,032
<b>Total CMF</b>	-	<b>3,974,762</b>	<b>5,098,153</b>	<b>9,072,915</b>
<b>LTG</b>				
Learning to Give Fund	-	618,430	3,000,000	3,618,430
<b>Total donor-restricted endowment funds</b>	-	<b>4,593,192</b>	<b>8,098,153</b>	<b>12,691,345</b>
<b>CMF Board-designated endowment funds</b>				
Community Foundation Fund	10,896,128	-	-	10,896,128
Community Foundation Technology Fund	742,773	-	-	742,773
CMF Core Services Fund	950,463	-	-	950,463
CMF Family Foundation Fund	13,661	-	-	13,661
<b>Total CMF board-designated endowment funds</b>	<b>12,603,025</b>	-	-	<b>12,603,025</b>
<b>Total endowment fund net assets</b>	<b>\$ 12,603,025</b>	<b>\$ 4,593,192</b>	<b>\$ 8,098,153</b>	<b>\$ 25,294,370</b>

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

					March 31, 2017				
					Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
<b>Donor-restricted endowment funds</b>									
<b>CMF</b>									
	Russell G. Mawby Fund	\$	-	\$	1,035,506	\$	1,012,893	\$	2,048,399
	Ruth & Russ Mawby Fund for Kids		-		673,348		502,609		1,175,957
	William W. Allen Fund		-		157,196		70,537		227,733
	Dorothy A. Johnson Educational Fund		-		272,146		983,127		1,255,273
	Michigan Community Foundations' Youth Project Fund		-		579,148		1,055,505		1,634,653
	Margaret Ann Riecker Leadership Fund		-		532,617		1,022,482		1,555,099
	William C. Richardson Fund		-		68,711		400,000		468,711
	Carl F. Reitz Fund for Investment Education		-		7,340		50,000		57,340
	<b>Total CMF</b>		-		<b>3,326,012</b>		<b>5,097,153</b>		<b>8,423,165</b>
<b>LTG</b>									
	Learning to Give Fund		-		343,236		3,000,000		3,343,236
	<b>Total donor-restricted endowment funds</b>		-		<b>3,669,248</b>		<b>8,097,153</b>		<b>11,766,401</b>
<b>CMF Board-designated endowment funds</b>									
	Community Foundation Fund		10,026,878		-		-		10,026,878
	Community Foundation Technology Fund		683,686		-		-		683,686
	CMF Core Services Fund		894,714		-		-		894,714
	CMF Family Foundation Fund		12,612		-		-		12,612
	<b>Total CMF board-designated endowment funds</b>		<b>11,617,890</b>		<b>-</b>		<b>-</b>		<b>11,617,890</b>
	<b>Total endowment fund net assets</b>		<b>\$ 11,617,890</b>		<b>\$ 3,669,248</b>		<b>\$ 8,097,153</b>		<b>\$ 23,384,291</b>

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Change in Endowment Net Assets*

	Year Ended March 31, 2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment fund net assets, beginning of year	\$ 11,617,890	\$ 3,669,248	\$ 8,097,153	\$ 23,384,291
Investment return:				
Net appreciation and investment income, net of fees	1,405,445	1,372,983	-	2,778,428
Contributions and other income	54,382	-	1,000	55,382
Appropriated for expenditure and spent	<u>(474,692)</u>	<u>(449,039)</u>	<u>-</u>	<u>(923,731)</u>
Endowment fund net assets, end of year	<u>\$ 12,603,025</u>	<u>\$ 4,593,192</u>	<u>\$ 8,098,153</u>	<u>\$ 25,294,370</u>

	Year Ended March 31, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment fund net assets, beginning of year	\$ 11,088,243	\$ 3,190,240	\$ 8,097,153	\$ 22,375,636
Investment return:				
Net appreciation	977,460	1,007,182	-	1,984,642
Contributions and other income	42,185	-	-	42,185
Appropriated for expenditure and spent	<u>(489,998)</u>	<u>(528,174)</u>	<u>-</u>	<u>(1,018,172)</u>
Endowment fund net assets, end of year	<u>\$ 11,617,890</u>	<u>\$ 3,669,248</u>	<u>\$ 8,097,153</u>	<u>\$ 23,384,291</u>

### *Return Objectives and Risk Parameters*

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that meet or exceed a bench mark that includes the Consumer Price Index +5%.

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### *Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

### *Spending Policy and How the Investment Objectives Relate to Spending Policy*

The Organization has a policy of appropriating for distribution each year up to 4.75% of its endowment fund's average fair value over the prior 20 quarters through September 30 of the preceding fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its endowment.

## 7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at March 31:

	2018	2017
<b>CMF</b>		
CMF Endowment Funds	\$ 3,974,762	\$ 3,326,012
Kellogg Truth, Racial Healing & Transformation	3,594,177	-
Great Lakes Water Initiative	1,881,947	-
Kellogg CMF General Support - time restricted	884,000	1,720,238
Kellogg Impact MI	-	1,645,120
Public Policy Fellows	180,859	449,178
Miscellaneous	39,345	387,324
Mott Clean Energy	62,356	266,237
Tobacco Settlement	106,365	106,365
Michigan College Access Network	9,208	72,240
Great Lakes Collaborative	201,694	-
Total CMF	10,934,713	7,972,714
LTG	783,612	674,518
MCFV	21,049	21,049
<b>Total</b>	<b><u>\$ 11,739,374</u></b>	<b><u>\$ 8,668,281</u></b>

# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 8. LEASE COMMITMENTS

The Organization leases facilities under agreements with maturities ranging from December 2020 through August 2022. These non-cancelable leases have been classified as operating leases. Rental expense for these operating leases was \$56,640 and \$64,507 for the years ended March 31, 2018 and 2017, respectively.

The Organization also leases certain office equipment under an operating lease agreement which matures in July 2022. Rental expense for the lease was \$4,521 and \$8,265 for the years ended March 31, 2018 and 2017, respectively.

The following is a schedule of annual future minimum lease payments required under operating leases with initial or remaining non-cancelable lease terms in excess of one year as of March 31, 2018:

Year Ending March 31	Amount
2019	\$ 68,775
2020	71,781
2021	62,141
2022	28,864
2023	<u>11,802</u>
<b>Total</b>	<b><u>\$ 243,363</u></b>

### 9. ANNUITY PLAN

CMF has established a tax-deferred annuity plan that covers substantially all employees and enables eligible employees to contribute a portion of their salary to the plan, subject to an annual limitation as prescribed by federal tax regulations. CMF also contributes, for the benefit of each employee, an amount equal to 8% of each eligible employee's salary, plus an additional dollar for dollar match up to 2% of the eligible employee's annual salary. CMF recognized contribution expense of \$159,195 and \$182,668 for the years ended March 31, 2018 and 2017, respectively, related to the plan.

### 10. CONTINGENCY

In December 2015 CMF purchased monthly short-term disability insurance to offer the benefit to full pay benefit employees. Previously, employees earned 40 hours of full pay benefit for each year of service, up to a maximum of thirteen weeks. CMF grandfathered in to the policy the full pay employees that had accumulated a benefit under the old policy, leaving a maximum potential liability of \$139,000. Management believes the likelihood of incurring and paying the liability for this benefit is remote based on past history. Therefore, the liability has not been reflected in the consolidated financial statements.



## **SUPPLEMENTARY CONSOLIDATING INFORMATION**

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY CONSOLIDATING INFORMATION**

June 1, 2018

Board of Trustees  
Council of Michigan Foundations  
Grand Haven, Michigan

We have audited the consolidated financial statements of *Council of Michigan Foundations and Supporting Organizations* (the "Organization") as of and for the years ended March 31, 2018 and 2017, and have issued our report thereon dated June 1, 2018, which expressed an unmodified opinion on those consolidated financial statements. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information, which is the responsibility of management, is presented for purpose of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATING STATEMENT OF FINANCIAL POSITION MARCH 31, 2018 (with Comparative Totals as of March 31, 2017)

ASSETS	Council of Michigan Foundations	Learning to Give	Michigan Community Foundations' Ventures	Council of Michigan Foundations Supporting Organizations
<b>Current assets</b>				
Cash and cash equivalents	\$ 3,190,896	\$ -	\$ -	\$ -
Certificates of deposit	2,000,000	-	-	-
Current portion of grants and contributions receivable	3,565,263	-	-	-
Due from other funds	-	255,871	70,677	-
Prepaid expenses and other assets	113,914	-	-	-
<b>Total current assets</b>	<b>8,870,073</b>	<b>255,871</b>	<b>70,677</b>	<b>-</b>
Assets held in endowment funds:				
Cash and cash equivalents	781,587	146,160	-	-
Investments	19,920,691	3,507,846	-	-
Due from (to) other funds	973,664	(35,576)	-	-
Grants and contributions receivable, net of current portion	2,458,902	-	-	-
Net property and equipment	140,624	163,027	-	-
<b>Total assets</b>	<b>\$ 33,145,541</b>	<b>\$ 4,037,328</b>	<b>\$ 70,677</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 230,720	\$ -	\$ -	\$ -
Grants payable	42,500	-	-	-
Due to other funds	1,264,636	-	-	-
Deferred revenue	1,047,745	-	-	-
Other liabilities	75,483	-	-	-
<b>Total liabilities (all current)</b>	<b>2,661,084</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>				
Unrestricted:				
Undesignated	1,848,566	253,716	49,628	-
Board designated				
Community Foundation Fund	10,896,128	-	-	-
Community Foundation Technology Fund	742,773	-	-	-
CMF Core Services Fund	950,463	-	-	-
CMF Family Foundation Fund	13,661	-	-	-
Total unrestricted	14,451,591	253,716	49,628	-
Temporarily restricted	10,934,713	783,612	21,049	-
Permanently restricted	5,098,153	3,000,000	-	-
<b>Total net assets</b>	<b>30,484,457</b>	<b>4,037,328</b>	<b>70,677</b>	<b>-</b>
<b>Total liabilities and net assets</b>	<b>\$ 33,145,541</b>	<b>\$ 4,037,328</b>	<b>\$ 70,677</b>	<b>\$ -</b>

See independent auditors' report on supplementary information.



Eliminations	Consolidated Totals	
	2018	2017
\$ -	\$ 3,190,896	\$ 3,616,484
-	2,000,000	1,500,000
-	3,565,263	2,096,683
(326,548)	-	-
-	113,914	117,608
<b>(326,548)</b>	<b>8,870,073</b>	<b>7,330,775</b>
-	927,747	446,050
-	23,428,537	22,569,951
(938,088)	-	-
-	2,458,902	836,237
-	303,651	301,363
<b>\$ (1,264,636)</b>	<b>\$ 35,988,910</b>	<b>\$ 31,484,376</b>
\$ -	\$ 230,720	\$ 230,462
-	42,500	7,250
(1,264,636)	-	-
-	1,047,745	966,075
-	75,483	51,925
<b>(1,264,636)</b>	<b>1,396,448</b>	<b>1,255,712</b>
-	2,151,910	1,845,340
-	10,896,128	10,026,878
-	742,773	683,686
-	950,463	894,714
-	13,661	12,612
-	14,754,935	13,463,230
-	11,739,374	8,668,281
-	8,098,153	8,097,153
-	34,592,462	30,228,664
<b>\$ (1,264,636)</b>	<b>\$ 35,988,910</b>	<b>\$ 31,484,376</b>

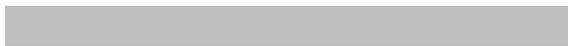
# COUNCIL OF MICHIGAN FOUNDATIONS AND SUPPORTING ORGANIZATIONS

## CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED MARCH 31, 2018

(with Comparative Totals for the Year Ended March 31, 2017)

	Council of Michigan Foundations	Learning to Give	Michigan Community Foundations' Ventures	Michigan Foundations Supporting Organizations
<b>Support, revenue, and gains</b>				
Membership dues	\$ 1,315,200	\$ -	\$ -	\$ -
Grant support	5,273,932	165,557	-	1,573
Conferences	271,231	-	-	-
Publications	-	-	-	-
Other revenue	85,186	15,650	-	-
Investment income, net of fees	15,390	-	-	-
Net unrealized and realized gains on investments	2,370,678	412,194	-	-
Net assets released from restriction:				
Endowment net assets appropriated for expenditure and spent	-	-	-	-
Non-endowed assets released	-	-	-	-
<b>Total support, revenue, and gains</b>	<b>9,331,617</b>	<b>593,401</b>	<b>-</b>	<b>1,573</b>
<b>Expenses</b>				
Programs:				
Grants	762,384	43,350	-	-
Conferences	255,925	856	12,700	-
Communications	48,520	22,855	-	-
Professional fees	1,089,651	20,631	700	528
Depreciation	57,971	106,623	-	-
General programming	1,832,784	195,987	34,962	1,045
<b>Total programs</b>	<b>4,047,235</b>	<b>390,302</b>	<b>48,362</b>	<b>1,573</b>
Fundraising	108,569	5,727	-	-
Management and general	920,739	34,116	6,170	-
<b>Total expenses</b>	<b>5,076,543</b>	<b>430,145</b>	<b>54,532</b>	<b>1,573</b>
<b>Change in net assets</b>	<b>4,255,074</b>	<b>163,256</b>	<b>(54,532)</b>	<b>-</b>
Net assets, beginning of year	26,229,383	3,874,072	125,209	-
<b>Net assets, end of year</b>	<b>\$ 30,484,457</b>	<b>\$ 4,037,328</b>	<b>\$ 70,677</b>	<b>\$ -</b>

See independent auditors' report on supplementary information.



Eliminations	Consolidated Totals	
	2018	2017
\$ -	\$ 1,315,200	\$ 1,330,705
(1,573)	5,439,489	6,195,479
-	271,231	466,925
-	-	214
-	100,836	141,891
-	15,390	5,576
-	2,782,872	1,984,640
-	-	-
-	-	-
<b>(1,573)</b>	<b>9,925,018</b>	<b>10,125,430</b>
-	805,734	515,990
-	269,481	664,428
-	71,375	95,701
(528)	1,110,982	783,953
-	164,594	165,809
(1,045)	2,063,733	2,041,757
(1,573)	4,485,899	4,267,638
-	114,296	109,086
-	961,025	905,027
<b>(1,573)</b>	<b>5,561,220</b>	<b>5,281,751</b>
-	<b>4,363,798</b>	<b>4,843,679</b>
-	30,228,664	25,384,985
<b>\$ -</b>	<b>\$ 34,592,462</b>	<b>\$ 30,228,664</b>