

# *2010 Annual Report*



*A solid foundation built on a legacy of caring*

*Lawry S. Gilmore*  
FOUNDATION

## CEO's Corner

# Celebrating Milestones



Richard M.  
Hughey, Jr.  
Executive VP/CEO

- Since 1986 the Irving S. Gilmore Foundation has helped to make Kalamazoo County a better place to live through its support of many local nonprofit agencies and programs. In 2010 a number of these Foundation "partners" achieved significant milestones. For example:
- The *Arts Council of Greater Kalamazoo* presented *All Ears Theatre's* 100th episode, "The War of the Worlds." In its ninth season, this unique series offered live, 1940s-style radio dramas at no cost to the general public, performances that were recorded live and subsequently broadcast on WMUK 102.1 FM. As always, the series catalyzed diverse and inclusive community participation, not only by engaging audiences, but by recruiting, training and presenting community members as writers, directors, actors, musicians, sound engineers and sound effects artists, the latter often utilizing authentic and historically-significant sound effects props from the "Golden Age of Radio."
  - The *Irving S. Gilmore International Keyboard Festival*, best known as "The Gilmore," celebrated its 20th year of operations and its 10th Festival, featuring a number of musical luminaries, among them its sixth Gilmore Artist, Kirill Gerstein. As usual, the Kalamazoo community warmly embraced two wonderful weeks in April and May.
  - The *Black Arts and Cultural Center* produced its 25th *Black Arts Festival*, an event open to the entire Kalamazoo community. Consistent with its mission, the Festival celebrated black history and culture, while encouraging interaction among diverse groups in the community.
  - Also celebrating its 25th anniversary, *New Year's Fest of Kalamazoo* again presented a unique showcase of community performing artists in a family-centered, alcohol-free environment. At only \$5 per person for an evening's worth of premium entertainment, the Fest offered great value for the whole family.
  - Meanwhile, the *Kalamazoo Concert Band* not only presented its 25th Annual Holiday Concert, but celebrated its 50th year as an organization. As always, this fine symphonic ensemble of over 100 local musicians collaborated with top-flight entertainers (including Kathy Mattea, its 2010 Holiday Concert headliner) in offering high-quality, diverse and imaginative artistry, all free-of-charge to the public.
  - Finally, the *Kalamazoo Nature Center* celebrated 50 years of nurturing the dream of its founder, Dr. H. Lewis Batts. Since its inception the Center has inspired people of all ages to care for the environment by delivering diverse and impactful learning experiences. In 2010, the Center's efforts to assist individuals in understanding their personal "connections to the natural world" were brought into a unique developmental focus. Indeed, the Center was selected as one of only three Michigan-based pilot sites for the "No Child Left Inside Community Action Plan," work that will be vital to early childhood education and youth development well into the future.

As the above illustrate, Kalamazoo is blessed with an abundance of wonderful opportunities made possible by its nonprofit organizations. The Irving S. Gilmore Foundation is privileged to be among those who support their work.



## *Mission*

*The Mission of the Foundation is to support and enrich the cultural, social, and economic life of Greater Kalamazoo.*

Irving S. Gilmore demonstrated a sincere commitment to Kalamazoo through his caring, kindness and support. In simple, elegant ways, Mr. Gilmore inspired the community to pursue a strong sense of social and cultural awareness for the benefit of all people.

A truly unique individual, Irving Gilmore was a merchant, art patron, concert-quality pianist, business leader, and military veteran. He was also a gentle man with a dry sense of humor who showed heartfelt compassion for others around him. Throughout his life, Mr. Gilmore helped by sharing his good fortune with others less fortunate. In many ways he was a man of action and not merely of words.

Irving Gilmore shunned the spotlight, preferring instead to contribute in a quiet, dignified manner. He showed his concern through frequent and of-

ten anonymous gifts which embraced a wide range of needs. In addition to bestowing numerous financial gifts upon the community, he worked to help others gain the skills needed to help themselves.

Mr. Gilmore found his greatest joy in the arts, for which he showed unwavering support. He not only helped gifted individuals express their unique talents, but encouraged others to support the creative expressions of the human spirit as both artists and audience. He knew that cultural and performing arts needed support to grow. He also knew that the arts offered powerful instrumental benefits. Indeed, Mr. Gilmore understood that the arts catalyze imaginative practices in and across community sectors.

Amidst all of his other virtues, Mr. Gilmore wanted to provide for his community in per-

petuity, ensuring that his special personal philanthropy would live on. In 1972, Mr. Gilmore established the Irving S. Gilmore Foundation and arranged for it to receive the bulk of his estate upon his death. Mr. Gilmore passed away in 1986 at the age of 85, leaving Kalamazoo a wonderful legacy.

Just as he encouraged others to unlock their own potential, today the Foundation funds key organizations that help unlock the community's potential. Through the Foundation that bears his name, Mr. Gilmore's commitment to the people of the Kalamazoo community will endure.



# Grant Policies

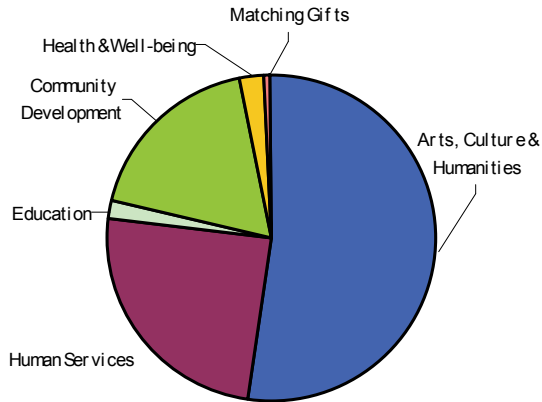
In accordance with the example and directives of its founder, the Irving S. Gilmore Foundation encourages grant applications from Kalamazoo area nonprofit, tax-exempt organizations whose work benefits or will benefit the community. The Foundation does not make grants to individuals. The Foundation Trustees will make all decisions regarding the funding of proposals without dis-

crimination on the basis of race, color, creed, gender, marital status, religion, age, orientation, handicap or disability, height, weight, or national origin of the organization's staff or volunteers. It is expected that all beneficiaries of funding from the Irving S. Gilmore Foundation will adhere to existing state and federally mandated affirmative action policies

## *2010 Grants Summary*

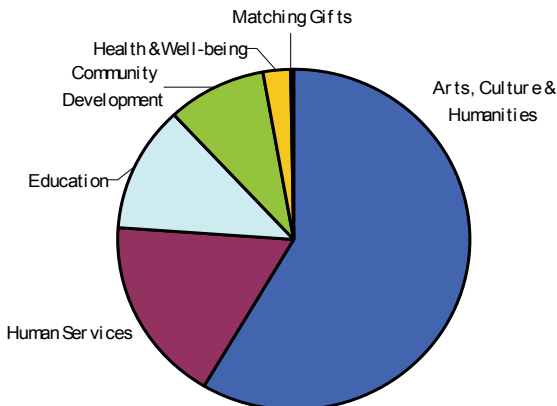
In 2010 the Trustees approved 211 grants totaling \$7,429,880, the majority benefiting the residents of the greater Kalamazoo area.

	<b># of grants</b>	<b>\$ Amt.</b>
Arts, Culture & Humanities	71	3,880,989
Human Services	46	1,839,350
Education	4	121,500
Community Development	19	1,351,700
Health & Well-being	5	204,500
Matching Gifts	66	31,841



## *Grants Since Inception*

Since 1986, the Trustees have approved 3,429 grants to over 400 organizations for a grand total of \$174,835,841.



	<b># of grants</b>	<b>\$ Amt.</b>
Arts, Culture & Humanities	1,321	101,884,807
Human Services	878	31,263,689
Education	156	20,830,925
Community Development	356	15,916,785
Health & Well-being	141	4,633,236
Matching Gifts	577	306,398

# 2010 Grants

## **Arts, Culture & Humanities**

*The Foundation promotes the enjoyment, understanding, appreciation and/or instrumental use of visual arts; performing arts; media arts; communications; humanities; and history.*

### **Arts Council of Greater Kalamazoo**

*Bronson Park Concerts  
Community Programs  
Management Development  
Operations  
United Teens Talents*

### **Bach Festival Society of Kalamazoo, Inc.**

*Operations*

### **Ballet Arts Ensemble, Inc.**

*Production Support*

### **Black Arts & Cultural Center**

*Management Development*

### **Boy Scouts of America**

#### **Southwest Michigan Council**

*Cultural Events Program  
Summer Arts Program*

### **Boys & Girls Clubs of Greater Kalamazoo, Inc.**

*Participating Arts Program*

### **Carnegie Center Council for the Arts**

*"Carnegie Concert Series"  
"Fourth Grade Day of Artistic Awareness"*

### **Church of God in Christ**

*Kalamazoo Junior Arts & Music Project*

### **City of Parchment**

*Summer Arts Program*

### **City of Portage**

*Summer Entertainment Series*

### **Crescendo Academy of Music**

*Management Development  
Operations*

### **Douglass Community Association**

*Equipment*

### **Farmers Alley Theatre, Inc.**

*Guest Artist Program  
Program Support*

### **Fire Historical and Cultural Arts Collaborative**

*Operations  
Race Exhibit Programming*

### **Fontana Chamber Arts**

*Operations*

### **Grand Valley University Foundation**

*Kalamazoo Lively Arts Series  
WGVU Capital Campaign*

### **Grantmakers in the Arts**

*Membership Renewal*

### **Great Lakes Acoustic Music Association**

*Cooper's Glen Music Festival*

### **Great Lakes Male Chorus Association**

*Kalamazoo Male Chorus (Operations)*

### **Interfaith Strategy for Advocacy and Action in the Community**

*Production Support*

### **International Media Exchange**

*Media Arts Academy*

### **Irving S. Gilmore International Keyboard Festival**

*Operations*

### **Julius and Esther Stulberg Competition, Inc.**

*Operations*

### **Kalamazoo Ballet Company**

*Production Support*

### **Kalamazoo Book Arts Center**

*Operations*

### **Kalamazoo Children's Chorus**

*Operations*

### **Kalamazoo Civic Theatre**

*Operations  
Production Equipment*

### **Kalamazoo College**

*Equipment*

### **Kalamazoo Concert Band Association, Inc.**

*Administrative Support  
Holiday Concert*

### **Kalamazoo Institute of Arts**

*"Billboard Art" Program  
"Wyeth: Three Generations" Exhibition*

### **Kalamazoo Junior Symphony Society**

*Operations*

### **Kalamazoo Regional Educational Service Agency**

*Operations  
Student Artistic Equipment Program  
Student Arts Scholarships*

### **Kalamazoo Symphony Orchestra**

*Operations  
Yo-Yo Ma Performance*

### **Kal. Valley Community College Foundation**

*Artists Forum*

### **Lakeside Academy**

*Kinetic Affect (Speak It Forward) Program*

### **Legends Performing Arts Association, Inc.**

*Operations*

### **Michigan Bach Collegium**

*Operations*

### **Michigan Festival of Sacred Music**

*Operations*

### **Michigan Youth Arts Festival**

*Michigan Arts Education Survey  
Operations*

### **New Year's Fest of Kalamazoo, Inc.**

*Operations*

## Arts, Culture & Humanities (continued)

### **Renaissance Enterprises Company**

*Kalamazoo County Programming*

### **Shenandoah International Playwrights, Inc.**

*Summer Stages Program*

### **Smartshop Metal Arts Collective**

*Operations*

### **Society for Preservation & Encrgmnt of**

#### **Barbershop Quartet Singing America**

*Production Support*

### **Ujima Enterprises, Inc.**

*Juneteenth Celebration*

### **Wellspring-Cori Terry and Dancers**

*Operations*

*RAD Festival*

### **West Michigan Glass Society**

*Facility Renovation*

*Operations*

*Summer Workshop*

### **Western Michigan University Foundation**

*Broadway Revisited Broadcasts*

*Dalton Series Concerts*

*Frederick W. Freund Career Development Fund*

*WMUK Operations*

## Human Services

*The Foundation supports youth development; life skills; food and nutrition; public safety; parks and recreation; and other social/human services that benefit individuals, families and neighborhoods. However, the Foundation does not generally support athletics and only nominally supports housing and shelter.*

### **Catholic Family Services**

*ARK Capital Campaign*

### **CHADD, Inc.**

*Kalamazoo Chapter: Program Support*

### **Community Homeworks**

*Operations*

### **Dillon Complex for Independent Living**

*Capital Campaign*

### **Disability Network Southwest Michigan**

*Independent Living Program*

### **Ecumenical Senior Center**

*Operations*

### **Fair Food Matters**

*Capital Campaign*

### **Fair Housing Center of Southwest Michigan**

*Operations*

### **First Congregational Church**

*Community Outreach Programs*

### **Gilmore Foundation**

*Operations*

### **Girl Scouts Heart of Michigan**

*Adventure Center Capital Campaign*

### **Goodwill Industries of Southwestern Michigan Inc.**

*GAP Program*

### **Greater Kal. Area Chapter American Red Cross**

*Equipment*

### **Hispanic American Council, Inc.**

*Liaison Program*

### **Housing Resources, Inc.**

*Operations*

### **Junior Achievement of Southwest Michigan, Inc.**

*Kalamazoo County Operations*

### **Kairos Dwelling**

*Operations*

### **Kal. Communities in Schools Foundation**

*Freedom School*

*PromiseNet Conference*

### **Kalamazoo County Government**

*Youth Offender Transitions Program*

### **Kalamazoo County Parks and Recreation**

#### **Development Foundation**

*Kalamazoo River Valley Trail*

### **Kalamazoo Deacons Conference**

*Capital Campaign*

### **Kalamazoo Gay/Lesbian Resource Center**

*Operations*

### **Kalamazoo Junior Girls Organization**

*Operations*

### **Kalamazoo Loaves and Fishes, Inc.**

*Capital Campaign*

*Equipment*

*Operations*

### **Kal. Neighborhood Housing Services, Inc.**

*HomeOwnership Education Center*

### **Kalamazoo Valley Habitat for Humanity, Inc.**

*Capital Campaign*

*Operations*

### **Life Ministry**

*Transportation Services*

### **LIFT Foundation**

*Summer Program*

### **Michigan Blind Athletic Association**

*Operations*

### **Michigan Foundation for the Blind and**

#### **Visually Impaired**

*Operations*

### **Ministry With Community**

*Operations*

### **MRC Industries, Inc.**

*Capital Campaign*

### **National AMBUCS, Inc.**

*AmTryke® Project*

## **Human Services (continued)**

### **Oakwood Neighborhood Association**

*Summer Arts Program*

### **Open Door and Next Door Shelters**

*Operations*

### **Portage Community Outreach Center**

*Middle School Summer Program*

### **Salvation Army**

*Equipment*

### **Seeding Change**

*Operations*

### **Vineyard Outreach Ministry**

*Operations*

### **Y.W.C.A.**

*Homeless Child Care Program*

*Summit on Racism*

*Women of Achievement Award*

## **Education**

*The Foundation supports educational programs and activities that enhance the capacity for life-long learning. However, the Foundation does not generally support core operations and programming of K-12 educational institutions.*

### **Greater Kalamazoo United Way**

*Kalamazoo County "Ready 4s" Program*

### **Kalamazoo Literacy Council**

*Adult Literacy Initiative*

### **Kalamazoo Public Schools**

*Kalamazoo Arts Integration Initiative*

### **Specialized Language Development Learning Center, Inc.**

*Kalamazoo County Operations*

## **Community Development**

*The Foundation promotes quality of life through appropriate investments that strengthen, unify and build community spirit, and enhance capacity for innovation and growth.*

### **Association of Fundraising Professionals, West MI Chapter**

*National Philanthropy Day*

### **Building Blocks of Kalamazoo**

*Operations*

### **Calhoun County Guardian**

*Community Promise Federal Credit Union*

*Capital Campaign*

### **Comstock Community Center, Inc.**

*Capital Campaign*

### **Council of Michigan Foundations**

*Membership Renewal*

### **Council on Foundations**

*Membership Renewal*

### **Greater Kalamazoo United Way**

*Annual Campaign*

*Leadership Campaign Challenge*

### **Kalamazoo Astronomical Society**

*Astronomy Day*

### **Kalamazoo Community Foundation**

*Irving S. Gilmore Estate Fund*

### **Kalamazoo County Poverty Reduction Initiative**

*Operations*

### **Kalamazoo in Bloom, Inc.**

*Operations*

### **Kalamazoo Nature Center, Inc.**

*Capital Campaign*

### **Kalamazoo Public Library**

*OnePlace Renovations*

*Reading Together Series*

### **Kalamazoo Valley Habitat for Humanity, Inc.**

*Community Service Project*

### **Pride of Scotts**

*Community Center Capital Campaign*

### **Southwest Michigan First Corporation**

*Operations*

### **Volunteer Services of Greater Kalamazoo, Inc.**

*Board Connect Program*

## **Health & Well-being**

*The Foundation promotes health and wellness programs and activities that enhance the physical, mental and emotional needs of individuals.*

### **Alzheimer Disease and Related Disorders Association, Inc**

*Annual Conference*

### **Community AIDS Resource & Education Services of Southwest Michigan**

*Operations*

### **Gryphon Place**

*Kalamazoo County Suicide Prevention Plan*

### **Kalamazoo County Juvenile Home Foundation**

*Music Therapist Program*

### **Residential Opportunities, Inc.**

*Great Lakes Center for Autism Capital Campaign*

## Financial History

### *Invested Assets*

In 1972, Irving Gilmore created this Foundation with \$5,000 to continue his commitment to the arts and the critical needs of the community. Upon Mr. Gilmore's death on January 17, 1986, his will provided for the distribution of the majority of his assets to the Foundation, valued at \$67,010,041. On December 31, 2010, Foundation investments were valued at 205,766,731.

January 17, 1986	\$ 67,010,041
December 1987	85,758,470
December 1988	103,791,630
December 1989	117,285,049
December 1990	113,996,787
December 1991	133,900,051
December 1992	137,835,297
December 1993	145,799,054
December 1994	138,348,236
December 1995	169,300,277
December 1996	186,627,651
December 1997	216,039,809
December 1998	232,607,510
December 1999	249,289,322
December 2000	234,537,749
December 2001	213,841,025
December 2002	180,707,598
December 2003	199,531,013
December 2004	209,656,101
December 2005	210,448,140
December 2006	220,085,004
December 2007	226,852,792
December 2008	150,370,712
December 2009	185,486,635
December 2010	205,766,731



# Financial Statements

## Report of Independent Auditors

We have audited the accompanying statements of financial position of Irving S. Gilmore Foundation as of December 31, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Irving S. Gilmore Foundation as of December 31, 2010 and 2009, 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.

*Jansen V. Thompson* = *Realms PC*

## Statements of Financial Position

	December 31	
	2010	2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 3,628,124	\$ 1,100,429
Investment income receivable	441,409	714,939
Other receivables	749	5,309
Prepaid expenses	55,688	67,653
Prepaid excise taxes	—	74,000
<b>Total current assets</b>	<b>4,125,970</b>	<b>1,962,330</b>
<b>Investments:</b>		
Cash and cash equivalents	3,205,223	5,321,862
U.S. Government and agency securities	9,842,996	6,364,974
Equity securities	123,097,913	106,455,755
Corporate debt securities	17,921,205	19,378,872
Securitized debt instruments	16,339,025	17,376,990
Mutual funds	31,732,245	29,487,753
<b>Total investments</b>	<b>202,138,607</b>	<b>184,386,206</b>
<b>Property and equipment:</b>		
Leasehold improvements	736,391	736,391
Furnishings and fixtures	229,192	229,192
Equipment	122,275	129,479
<b>Total property and equipment</b>	<b>1,087,858</b>	<b>1,095,062</b>
Less accumulated depreciation	987,588	923,705
<b>Net property and equipment</b>	<b>100,270</b>	<b>171,357</b>
<b>Total assets</b>	<b>\$ 206,364,847</b>	<b>\$ 186,519,893</b>
<b>Liabilities and net assets</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 203,016	\$ 147,367
Pension contribution payable	39,009	39,009
Excise tax payable	40,000	—
Grants payable	30,000	239,555
<b>Total current liabilities</b>	<b>312,025</b>	<b>425,931</b>
<b>Unrestricted net assets</b>	<b>206,052,822</b>	<b>186,093,962</b>
<b>Total liabilities and net assets</b>	<b>\$ 206,364,847</b>	<b>\$ 186,519,893</b>

See accompanying notes to financial statements.

## Statements of Activities

	<b>Year ended December 31</b>	
	<b>2010</b>	<b>2009</b>
<b>Revenues and gains</b>		
Interest	\$ 1,817,918	\$ 2,316,286
Dividends	2,788,899	2,454,496
Net realized and unrealized gains on investments	24,996,676	40,557,844
Other income	67,907	230,700
Total revenues and gains	29,671,400	45,559,326
<b>Expenses</b>		
Grants	7,398,270	7,537,395
Investment management fees	882,909	692,762
Other professional services	264,778	261,274
Administrative and general expenses	831,303	877,270
Depreciation	91,280	106,071
Excise tax	244,000	41,000
Total expenses	9,712,540	9,515,772
Change in net assets	19,958,860	36,043,554
Net assets, beginning of year	186,093,962	150,050,408
Net assets, end of year	\$ 206,052,822	\$ 186,093,962

*See accompanying notes to financial statements.*

## Statements of Cash Flows

	<b>Year ended December 31</b>	
	<b>2010</b>	<b>2009</b>
<b>Operating activities</b>		
Change in net assets	\$ 19,958,860	\$ 36,043,554
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	91,280	106,071
Net realized and unrealized gains on investments	(24,996,676)	(40,557,844)
Changes in operating assets and liabilities:		
Investment income receivable	273,530	(167,547)
Other receivables	4,560	(1,362)
Prepaid expenses	85,965	22,600
Accounts payable	55,649	13,400
Accrued liabilities	40,000	4,073
Grants payable	(209,555)	(688,978)
Total adjustments	(24,655,247)	(41,269,587)
Net cash used in operating activities	(4,696,387)	(5,226,033)
<b>Investing activities</b>		
Purchases of investments	(120,160,219)	(127,297,319)
Proceeds from sales of investments	127,404,494	127,423,658
Property and equipment expenditures	(20,193)	(3,610)
Net cash provided by investing activities	7,224,082	122,729
Net increase (decrease) in cash and cash equivalents	2,527,695	(5,103,304)
Cash and cash equivalents, beginning of year	1,100,429	6,203,733
Cash and cash equivalents, end of year	\$ 3,628,124	\$ 1,100,429

*See accompanying notes to financial statements.*

## *Notes to Financial Statements*

December 31, 2010

### **Note A – Summary of Significant Accounting Policies**

#### **Purpose of Foundation**

The Irving S. Gilmore Foundation (the Foundation) was established to administer the assets received from the estate of Irving S. Gilmore. The Foundation's mission is to support and enrich the cultural, social and economic life of Greater Kalamazoo.

#### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting which includes recognition of dividends and interest as earned and expenses as incurred.

#### **Use of Estimates**

Management uses estimates and assumptions in preparing the Foundation's financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

#### **Cash and Cash Equivalents**

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### **Investments**

Investments of the Foundation are maintained with outside investment management companies. Investments are stated at their fair values. Fair values are determined by reference to quoted prices in active markets for identical assets, which is Level 1 of the fair value hierarchy established under the accounting literature for fair value measurement. Realized gains and losses are computed using the specific identification method. Unrealized gains and losses are included in the change in net assets.

In accordance with Internal Revenue Service regulations, the Foundation is generally required to distribute at least 5% of its investable assets each year. After considering the long-term expected return on its investment assets and the possible effect of inflation, the Foundation's Board of Trustees has established a policy of spending 5% of investable assets annually.

The Foundation's investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Funds are invested in a well diversified asset mix, which includes primarily equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the funds if possible. Investment risk is measured in terms of the total investment portfolio; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk. It is the Foundation's policy that no more than 8% of the total stock portfolio may be invested in the common stock of any one corporation. Not more than 10% of the outstanding shares of any one company may be held. With the exception of securities issued by the U.S. Government and its agencies, no single fixed income issue should represent more than 5% of the total fixed income portfolio. Not more than 5% of any individual issue may be held.

#### **Property, Equipment and Depreciation**

Property and equipment are stated at cost. Purchases in excess of \$1,000 are capitalized. Depreciation is recognized over the estimated useful lives of the assets on a straight-line basis.

#### **Fair Value**

The carrying amounts reflected in the statements of financial position for cash, receivables and payables approximate the respective fair values due to the short-term nature of those instruments.

## Notes to Financial Statements (continued)

### Tax Status

The Internal Revenue Service has determined that the Foundation is a private non-operating foundation which is exempt from income tax under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code.

### Reclassifications

Certain amounts related to the year ended December 31, 2009 have been reclassified to conform with the presentation for the year ended December 31, 2010.

### Subsequent Events

Subsequent events were evaluated through April 4, 2011, which is the date the financial statements were available to be issued

### Note B – Grants

Cash paid for grants totaled \$7,607,825 in 2010 and \$8,437,614 in 2009.

The Foundation periodically makes conditional grants to donees (i.e., matching and challenge grants). These grants are not recorded as a liability until all grant conditions have been met by the donee. Several conditional grants to various donees totaling approximately \$122,000 were outstanding at December 31, 2010.

### Note C – Retirement Plan

The Foundation has a non-contributory qualified defined contribution retirement plan covering substantially all employees. The Foundation makes a contribution to the plan each year of at least 5% of participants' compensation, as defined. Total contributions to the plan were \$39,009 in both 2010 and 2009.

### Note D – Leases

The Foundation leases its office facilities and an automobile under noncancelable operating leases that expire at various dates through April 2013. The office facilities lease contains three renewal options for additional five year terms. Subsequent to year end, the Foundation informed the lessor that it plans to renew the office facilities lease which expires in September 2011. Rent expense for the leases totaled in \$64,400 in 2010 and \$59,100 in 2009.

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of December 31, 2010 are as follows:

2011	\$ 60,144
2012	60,144
2013	57,048
2014	55,000
2015	56,000
Thereafter	42,000
Total	<u>\$ 330,336</u>

### Note E – Excise Taxes

The Foundation is exempt from federal income taxes and is classified as a private foundation under Section 501 of the Internal Revenue Code (IRC). It is subject to a 2% (1% if certain criteria are met) federal excise tax on net investment income, including realized gains, as defined by the IRC.

The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation's Forms 990-PF, Federal Return of Private Foundation, for 2007, 2008 and 2009 are subject to examination by the IRS, generally for three years after they were filed.

## Board of Trustees



Floyd L.  
Parks  
*President*



Howard D.  
Kalleward  
*First Vice  
President*



Charles D.  
Wattles  
*Treasurer*



Russell L.  
Gabier  
*Secretary*



Judith H.  
Moore  
*Trustee*



Richard M.  
Hughey, Sr.  
*Trustee Emeritus*

## Staff Members



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Hughey, Jr.  
*Executive Vice  
President/CEO*



Janice C.  
Elliott  
*Vice President-  
Administration*



Bryan G.  
Zoicher  
*Program  
Officer*



Bonnie L.  
Boekeloo  
*Office  
Manager*



Faye A.  
Drenth-Thurman  
*Administrative*

## History of Trustee Service

*Harold Jacobson*

*September 1972 – October 1976*

*Arthur Homer*

*September 1972 – October 1982*

*Richard M. Hughey, Sr.*

*September 1972 – Present (Emeritus)*

*Harold H. Holland*

*October 1976 – July 1999*

*Floyd L. Parks*

*October 1982 – Present*

*W. Jack Keiser*

*January 1986 – October 1990*

*Russell L. Gabier*

*November 1989 – Present*

*Frederick W. Freund*

*September 1999 – June 2007*

*Charles D. Wattles*

*January 2006 – Present*

*Howard D. Kalleward*

*October 2007 – Present*

*Robert T. McDonough*

*October 2007 – July 2009*

*Judith H. Moore*

*April 2010 – Present*

Irving S. Gilmore Foundation  
[www.isgilmore.org](http://www.isgilmore.org)  
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