2011 Annual Report

25 Years of supporting and enriching 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 uniquely multifaceted individual, Irving Gilmore was a merchant, an arts patron, a concert-quality pianist, a business leader and a 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.

Irving Gilmore shunned the spotlight, preferring instead to contribute in a quiet, dignified manner. He showed his concern through frequent and often anonymous gifts that addressed a wide range of needs. In addition to sharing numerous financial gifts with 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.

Looking ahead, Mr. Gilmore wanted to provide for his community in perpetuity, 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 lives on.

The mission of the Irving S. Gilmore Foundation is to support and enrich the cultural, social and economic life of Greater Kalamazoo.
A Lifetime of Philanthropy

The year 2011 marks the 25th year of the continuation of Irving S. Gilmore’s lifetime of philanthropy. He established his first foundation, the Gilmore Foundation, on his 56th birthday, December 26, 1956, for the purpose of giving financial assistance to deserving persons of limited income and assets in accordance with IRS laws and regulations. This personal act was a reflection of his sympathy for people who were less fortunate than himself.

The Irving S. Gilmore Foundation, his second foundation, was established in 1972 as an integral part of his estate plan. It was nominally funded, with less than $10,000 in accordance with IRS regulations, but was not to become fully funded until after his death.

Mr. Gilmore was born on December 26, 1900, the day after Christmas, and died on January 17, 1986, at 85 years of age. The bulk of his estate, after specific devises and taxes, was subsequently transferred to the Irving S. Gilmore Foundation, which then became fully active.

During his lifetime, Mr. Gilmore was periodically asked if he would like to add some additional assets to the foundation so he could participate in the foundation’s operations and see how it worked. He always replied that this foundation would not be activated until after he was gone. It was apparent that he wanted to maintain complete control of his personal philanthropy during his lifetime.

As a young man, he distributed a major portion of his income for charitable purposes, including contributions to his 1956 foundation, being careful to avoid invading his principal. He relied on a number of advisers and trusted representatives of community organizations to assist him in his areas of interest, but he was in complete control.

During his lifetime of giving, he distributed a major portion of his income for charitable purposes, including contributions to his 1956 foundation, being careful to avoid invading his principal. He relied on a number of advisers and trusted representatives of community organizations to assist him in his areas of interest, but he was in complete control.

“Irving Gilmore literally lived and experienced a lifetime of philanthropy.”

A local publication wrote an article about Mr. Gilmore’s legendary philanthropy, describing his most important prerequisite, which was to remain anonymous. The article was entitled, “Irving Gilmore: The Man Who Never Said ‘No.’” Realistically the title was not completely accurate. He was most interested in ideas that he created or circumstances he discovered. When requests were presented to him by well meaning individuals for worthy projects that didn’t appeal to him, he simply said, “I have no interest.” He was very generous, but the idea that he would give to everything that came along just wasn’t true.

Irving Gilmore literally lived and experienced a lifetime of philanthropy. His father, James F. Gilmore, died in 1908, at age 52, when Irving was not quite 8 years old. His obituary read, in part, “He was a modest man and was given to charitable works without ostentation.” A tribute from W. J. Burdick said, “Mr. Gilmore was one of our foremost citizens and his ability was of high order. He was a great merchant and his character was of marked distinction. He was philanthropic and responded to every call of honest charity.” From Pastor Rev. Howard Murray Jones was said, “He performed most beautiful deeds of charity but never let it be known.”

Irving Gilmore’s stepfather, Dr. W. E. Upjohn, founder of the Upjohn Company, who married Irving’s mother, Carrie, in 1913 died in 1932 at age 79. He was eulogized by Reverend Torrance Phelps as “a beloved friend and our foremost citizen and Kalamazoo’s greatest philanthropist and public servant.” Irving’s mother died in 1953 at age 87. Her obituary described her “philanthropies as many although little publicized.” Irving Gilmore never married. After his stepfather died, he lived with his mother, tenderly caring for her until her death.

The Gilmore family’s attitude about wealth and charity was complemented by Dr. Upjohn’s philosophy. His opinions were well known and had a strong influence on younger and future generations of both the Upjohn and the Gilmore families.

In his last will and testament, Irving Gilmore made a number of requests asking that the trustees give careful consideration to various charities and organizations which he felt were important during his lifetime. He viewed the foundation as a way of continuing many of the charitable activities he engaged in during his lifetime.

The trustees have the responsibility and duty to honor the donor intent of Mr. Gilmore. The first action of the trustees after selection of the first Executive Director and opening the Foundation office was to define the mission of the Foundation, which would clearly reflect his lifetime areas of interest. After much deliberation and consideration, the trustees selected the following criteria:

1. Arts, Culture and Humanities
2. Human Services
3. Education
4. Community Development
5. Health and Well-being

Irving Gilmore truly left a tremendous gift to the community of Kalamazoo that he loved so dearly, and the trustees thought it would be appropriate to pay tribute to his memory. Because of his lifelong interest in playing the piano and his youthful dreams of becoming a concert pianist, the idea of a piano festival in his honor was developed. The Irving S. Gilmore International Keyboard Festival was established and funded by his foundation with a separate organization created to run the festival. It was initially thought there would be only two or three festivals, but the overwhelming acceptance by the community, not only in attendance but also financial support, was extremely gratifying. The festival, which has gained national and international recognition, has put Kalamazoo on the piano map, and it now appears that the festival will continue as long as public interest is sustained.

It is through this festival and countless other nonprofit organizations that Mr. Gilmore’s legacy of giving lives on. Every day, the Greater Kalamazoo community benefits from the continuation of Irving Gilmore’s lifetime of quiet philanthropy and forethought.

Floyd L. Parks, President
Introduction

by Richard M. Hughey, Jr., Executive Vice President / CEO

Irving S. Gilmore established the Foundation that bears his name in order to support his beloved community in perpetuity. From the beginning, the Foundation has been inspired by Mr. Gilmore’s quiet philanthropic example.

In its 25 year history of full operations, the Foundation has funded nearly 450 different nonprofit organizations, for many different purposes, with grants ranging in size from very small to very large. All of these grants were made with Mr. Gilmore’s interests in mind and with the goal of making Kalamazoo a better place in which to live.

In light of the 25th anniversary, this 2011 Annual Report not only includes the information typically associated with such reports, but it also contains a special retrospective section, which immediately follows. This section features comments from a representative sample of Foundation grantees. With this addition we hope that the reader will glean a better understanding of the Foundation’s grant making, the work of its grantees and their combined impact on the Greater Kalamazoo community.

Reflections from the Community

25 YEARS • 25 NONPROFIT ORGANIZATIONS • 25 STORIES

Arts Council of Greater Kalamazoo

The Arts Council has partnered with the Foundation, not only in supporting local artists and arts organizations, but in making the arts a key component of community development. Offerings such as Concerts in the Park and All Ears Theatre have become integral programs benefiting the community at large. The Foundation has also been a leader in bringing arts organizations together, fostering partnerships and collaborative relationships that have proven beneficial for both the organizations themselves and for the community as a whole.

Ballet Arts Ensemble

The Foundation has made it possible for Ballet Arts Ensemble to work collaboratively with the Kalamazoo Symphony Orchestra, the Kalamazoo Children’s Chorus and other artists to present high-quality, family-oriented, community dance productions. As a result, wonderful development opportunities have been provided for many young people, and audiences have enjoyed experiences that they will remember for a lifetime.

Boys and Girls Clubs of Greater Kalamazoo

Boys and Girls Clubs provides opportunities for young people to grow through its after school programs. Times, if anything, have gotten tougher and our youth are more at-risk than ever. Many are frustrated and need an outlet to “find themselves” while learning how to understand and work with others. Expression is a key component of this process and the arts, perhaps more than anything else, allow each individual to have a voice and to develop self-esteem. The Foundation’s long-time funding of our Participating Arts Program has been of enormous value.

Building Blocks of Kalamazoo

Thanks to the Foundation’s steadfast support, Building Blocks, through its urban “barn-raising” efforts, has improved the community, one block at a time. Building Blocks has introduced neighbors, developed leadership and engaged college students in critical service-learning activities.

Community AIDS Resource & Education Services (CARES)

CARES addresses the myriad medical, social, emotional and cultural problems presented by HIV/AIDS. Stigma and poverty remain barriers in fighting the disease, but science and social services are making an impact. Thanks to the Irving S. Gilmore Foundation and others, CARES has achieved significant success in fighting the spread of the disease and in supporting those affected by it.
Greater Kalamazoo United Way

The Irving S. Gilmore Foundation has supported GKUW in myriad ways through the years, including funding for a number of our community-based initiatives. We particularly appreciate the Foundation’s ability to identify unmet needs and untapped potential, and its quiet manner of addressing the same. For instance, the Foundation was crucial to the creation of the Kalamazoo Youth Development Network, something that has had and will continue to have lasting countywide community impact. The KYD Network, comprised of numerous youth-serving organizations, has developed and implemented a shared set of developmentally appropriate standards for such youth-serving organizations. Kalamazoo County was one of the very first communities in the nation to boast such an association.

Fontana Chamber Arts

Throughout its evolution Fontana has both respected tradition and promoted innovation. The Foundation’s funding through the years has not only nourished these pursuits, but has encouraged our community outreach activities and our many efforts to increase arts accessibility. In international circles, Fontana has become recognized as a key chamber music institution, whose innovation inspires other organizations’ efforts. None of this would be possible without the support and encouragement of the Foundation.

Goodwill Industries of Southwestern Michigan

Goodwill provides education, training and career support services to people with barriers to employment so that they may maximize their ability to become self-sufficient. Not only has the Foundation supported many of these activities throughout the years, but it also helped us to acquire and develop our new facility. Thanks to the Foundation we have been able to make that facility a human services campus, partnering with such organizations as Housing Resources, Inc. so that our clients can better coordinate the services they receive from a variety of organizations in a facility that has served the community extremely well.

Housing Resources, Inc.

Economic times have become increasingly challenging, especially for Housing Resources’ vulnerable clientele, and the need for housing assistance and services is at an all-time high. Unfortunately, resources available to nonprofits for their work are stretched to the limit, with organizations needing to accomplish more with less. In this environment, the Foundation’s steady, unrestricted Operations funding has become a true stabilizing force.

Irving S. Gilmore International Keyboard Festival

The Irving S. Gilmore International Keyboard Festival and Awards are the legacy of Irving Gilmore, whose devotion to the piano and support for struggling musicians inspired their creation by the Foundation in 1989. The biennial Festival is now recognized as America’s most prestigious keyboard music festival, and the internationally renowned Gilmore Artist Award is often referred to as music’s equivalent to the MacArthur Foundation’s “genius grants.” Together, the Festival and Awards celebrate unique artistic gifts and a community enhanced by the inspired voices of its citizens.

Kalamazoo Aviation History Museum (Air Zoo)

For many years the Kalamazoo Aviation History Museum has endeavored to preserve the legacy of flight for present and future generations. The Foundation began supporting our efforts in 1987 and was a lead funder in the development of the “New Air Zoo.” The Foundation has also been the key catalyst in relocating the Michigan Space Science Center (MSSC) to Kalamazoo. If it had not been for the Irving S. Gilmore Foundation’s proactive efforts, the State of Michigan would have lost a significant number of priceless artifacts from Michigan astronauts and from the Smithsonian Institution since, at the time, Jackson Community College was unable to continue MSSC operations. Thanks to the Foundation, the Air Zoo was not only able to save the Center but substantially expand it. Now, with our new building renovations, the MSSC has become integrated into the main campus, greatly enhancing the experience of museum attendees. The history of space and science has been critical to much of our nation’s cultural and technical development, and it is important to breathe new life into this knowledge. The MSSC has been able to do just that, not only through interpretive, hands-on exhibits, but also through expanded outreach and educational programming.

Kalamazoo Civic Theatre

Since its inception over 80 years ago, the Kalamazoo Civic Theatre has become one of the preeminent community theatres in the country and one of the cultural cornerstones of Kalamazoo. The Civic has always sought to engage the community, making art accessible to everyone. Each season, thousands of audience members enjoy productions of the highest quality, and volunteers are provided with an opportunity to perform, learn and grow. For many years the Foundation has supported our operations, programming and building renovations, making this valuable work possible.

Kalamazoo College

The Foundation helps Kalamazoo College to connect “K” students with the Greater Kalamazoo community at large. A recent example of this is the Foundation’s assistance in piloting a new Community Studio, a visual arts program that links students with community organizations and agencies.
Kalamazoo County Parks and Recreation Development Foundation

From the very beginning the Foundation believed that a non-motorized trailway system could positively impact lives and the community in a variety of ways. The Foundation took a chance on this project and helped to leverage invaluable support from many community contributors. Thanks to this assistance, as well as the unprecedented collaborative support of several units of government, the hard work of many community partners and the efforts of the Kalamazoo County Parks and Recreation Development Foundation, the dream has become a reality. As a result, the Kalamazoo River Valley Trailway has fostered the discovery and rediscovery of nature, productively utilized green space, promoted the use of non-motorized transportation, encouraged a healthy lifestyle, built individual and community connectivity, and catalyzed economic growth. Without the Foundation’s vision and quiet leadership, such an opportunity would likely have been lost.

Kalamazoo Junior Girls Organization

Junior Girls assists girls and young women, as well as their families, in effectively coping with developmental issues by involving them in a variety of outreach programs that promote education, leadership, volunteerism, positive behaviors, self-reliance and active parental participation. The Foundation’s steadfast support has allowed Kalamazoo Junior Girls to fulfill this calling by providing a safe place for our members to discover and unlock their natural potential. We are grateful to the Foundation for making this possible.

Kalamazoo Loaves and Fishes

Without proper nutrition people cannot successfully address pressing concerns, such as health, education, employment and housing. Kalamazoo Loaves & Fishes was thrilled when the Foundation asked if there was anything else it could do to assist us beyond the Operations funding it was already providing. Not only has the Foundation expanded its operating support, but it also provided a key spark in helping us to address our need for a new site.

Kalamazoo Public Library

The Foundation has supported the Library on a number of projects and initiatives over the years, including renovations to various KPL library branches involving art and sculpture, our MP3 Digital Download Program and, of course, Reading Together. Perhaps the Foundation’s most significant support was its behind-the-scenes effort to assist in the creation of ONEplace, Kalamazoo’s first true nonprofit management support organization. Now Kalamazoo has a center for nonprofits seeking assistance with their various capacity needs, and for people with great ideas. It is almost impossible to imagine Kalamazoo without ONEplace.

Kalamazoo Regional Educational Service Agency (K/RESA)

Education for the Arts was one of our nation’s first “Magnet Schools of the Arts Without Walls.” Thanks to the Foundation’s support from the very beginning, EFA has become a model for educating K-12 children in and through the arts. This countywide program has allowed students to explore various aspects of the arts and hone their true talents. Additionally, students have access to scholarship funds to assist with non-school-day art pursuits, such as music lessons and dance instruction. With the Foundation’s steadfast support, EFA has been a crucial bridge-building, service-oriented partner with and for the area’s education, arts and community development sectors.

The Foundation has also made possible a nationally recognized music therapy program at WoodsEdge for young people with severe developmental disabilities and autism. One cannot overstate the value of these programs to our students and their families, especially as a communication tool and as a means of improving quality of life.

Kalamazoo Symphony Orchestra

The KSO understands the importance of engaging the entire community in art programming, young and old, wealthy and economically disadvantaged alike. It strives to make music accessible on multiple levels, to multiple constituencies, including at-risk preschool-age children and young people. The KSO offers high-caliber music, independently and in collaboration with a number of key partners, such as the Kalamazoo Junior Symphony Society, Crescendo Academy, Stulberg Competition, Gilmore Keyboard Festival and Ballet Arts Ensemble, to name just a few. The Foundation has made it possible to accomplish these things by being with us every step of the way over the past 25 years.

Ministry with Community

For over 30 years Ministry With Community has been improving lives by providing food, daytime shelter and other basic services to people in Kalamazoo struggling with homelessness, poverty, mental illness and other challenges. For them, Ministry offers an atmosphere of dignity, hope and unconditional acceptance. Since 1986 the Foundation has assisted our efforts in making a real difference through community cooperation.
MRC Industries
MRC Industries supports and encourages individuals living with disabilities to achieve their fullest potential through employment, skill-building and active community involvement. The Foundation, understanding the importance of our work, has supported us since 1987. Recently, MRC’s Bank Street property sustained permanent flood damage, placing our programs and services in grave peril. Thankfully, the Foundation understood the gravity of the circumstances, playing a key role in MRC acquiring and moving to a new building. As a result, MRC’s work has more impact than ever.

Renaissance Enterprises
Senior citizens, while gaining rapidly in number, are unfortunately often very much neglected. For those residing in assisted living centers and nursing homes, quality of life is often poor. Sometimes something as simple as musical performances produced and presented especially for seniors by caring and skilled artists is all that our elders need to feel better about life. Such performances offer value not only as art, but also as health and human services. The many seniors served by Renaissance thank the Foundation for caring about them.

New Year’s Fest of Kalamazoo
New Year’s Fest is an important community celebration, bringing people to the center of downtown to collectively share in the joy of the holiday season. In times when people are often content to turn to Facebook and Twitter rather than connect with others in public places, New Year’s Fest offers an antidote. Thanks to the Irving S. Gilmore Foundation’s suggestions and proactive funding support, we have increased arts accessibility for adolescents, entire families and the community at large.

West Michigan Glass Art Center
The West Michigan Glass Art Center is celebrating 10 years of being a nonprofit organization in downtown Kalamazoo and 50 years since the birth of the studio glass art movement. Our success is due to the incredible and sustained support that we receive from our community, especially from the Irving S. Gilmore Foundation. The Foundation staff and trustees understand the relationships between art, learning and thriving as an individual and a community. The Foundation not only supports us financially but by facilitating connections to other organizations, opportunities and individuals who grow to appreciate the magical qualities of glass. Each day we live our mission to teach, create and promote glass art. The Foundation is helping us get closer to our vision of being a nationally recognized, state-of-the-art, public access glass art center.

Western Michigan University
The Foundation has been extraordinarily generous to WMU over the years. Recently the Foundation provided a wonderful gift in support of a new community archives building, a facility that will serve many Kalamazoo-area residents for many years to come through its Legacy Collections and programs. We appreciate that the Foundation wishes to assist WMU in ways that also clearly and tangibly benefit the Kalamazoo community.

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 discrimination 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.

How to Apply
Please visit our website at www.isgilmore.org for detailed funding guidelines and proposal submission deadlines.

The Priorities of the Foundation are:
• Arts, Culture and Humanities
• Education
• Community Development
• Health and Well-Being

2011 Grants Summary
In 2011, the Trustees approved 226 grants totaling $10,154,294; the majority benefiting the residents of the Greater Kalamazoo area.

Grants Since Inception
Since 1986, the Trustees have approved 3,665 grants to over 440 organizations totaling $184,982,114.

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<tr>
<th>Category</th>
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<td>662</td>
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2011 Grants
By Priority Area

Arts, Culture & Humanities
The Foundation promotes the enjoyment, understanding, appreciation and instrumental use of visual arts, performing arts, media arts, communications, humanities and history.

- Great Lakes Acoustic Music Association
- Cooper’s Glen Music Festival
- Irving S. Gilmore International Keyboard Festival
- Operations
- Julius and Esther Stuberg Competition, Inc.
- Operations
- Kalamazoo Aviation History Museum
- “Space: Dare to Dream” Exhibit
- Kalamazoo Ballet Company
- Costume Replacement
- Kalamazoo Book Arts Center
- Facility Renovation
- Operations
- Kalamazoo Children’s Chorus
- Operations
- Kalamazoo Civic Theatre
- Management Development
- Operations
- Kalamazoo College
- Community Studio Program
- Kalamazoo Concert Band Association, Inc.
- Administrative Support
- Holiday Concert
- Kalamazoo Junior Symphony Society
- Operations
- Kalamazoo Regional Educational Service Agency
- Cultural Field Trip Program Transportation
- Operations
- Student Arts Scholarships
- Student Artistic Equipment Program
- Kalamazoo Singers
- Tom Kasdorf Tribute Concert
- Kalamazoo Symphony Orchestra
- “Kalamazoo Kids in Tune” Program
- Operations
- Kalamazoo Valley Community College Foundation
- Artists Forum
- Legends Performing Arts Association, Inc.
- Equipment Purchase
- Mali City Harmonizers
- Annual Show
- Michigan Bach Collegium
- Operations
- Michigan Youth Arts Festival
- Festival Programming
- Milwood United Methodist Church
- Fine Arts Series
- New Year’s Festival of Kalamazoo, Inc.
- Operations
- City of Parchment
- Summer Arts Programming
- City of Portage
- Children’s Program and Youth Initiative
- Regents of the University of Michigan
- Equipment Acquisition
- Renaissance Enterprises Company
- Kalamazoo County Programming
- Shenandoah International Playwrights
- “Summer Stages” Program
- Southwest Michigan Council, Boy Scouts of America
- Cultural Events Tickets
- Summer Arts Program
- Speak It Forward, Inc.
- Operations
- Ujima Enterprises, Inc.
- African Music and Dance Programs
- Velzberg Historical Society
- Dodworth Sashorn Band Performance
- Wellspring/Cori
- Terry & Dancers
- Operations
- West Michigan Glass Art Center
- Operations
- Western Michigan University Foundation
- Edinburgh Festival Performance
- WMUK Underwriting Program

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.

- Arcadia Information Network
  “Building a Community of Belonging” Forum
- Bethany Christian Services
  “Safe Families for Children” Program
- Boys & Girls Clubs of Greater Kalamazoo, Inc.
  Douglass Unit Operations
- CHADD, Inc.
  Kalamazoo Chapter: In-Service Speaker Fees
- Community Advocates-Persons with Developmental Disabilities
  Operations
- Community Homeworks
  Homeowner Education/Emergency Housing Program
- Comstock Community Center, Inc.
  Family Liaison Program
- Disability Network Southwest Michigan
  Independent Living Program
- Ecumenical Senior Center
  Culinary Training Program
  Food Service Training Program
  Operations
  Senior Center Transportation Program
- Fair Food Network
  “Double Up Food Bucks” Program
- Family and Children Services, Inc.
  “Children’s Specialty Trauma Assessment and Treatment” Program
- First Congregational Church
  Community Outreach Programs
- Friendship House
  Emergency Relief Fund
- Gilmore Foundation
  Operations
- Goodwill Industries of Southwestern Michigan Inc.
  GAP Program
Greater Kalamazoo United Way
Eviction Diversion Project
Guardian Finance and Advocacy Service
Indigent Guardian Program Emergency Funds
Housing Resources, Inc.
Operations
Interfaith Homes of Kalamazoo, Inc.
Summer Program
Junior Achievement of Southwest Michigan, Inc.
“Out Nation” Program
Kairos Dwelling
Operations
Kalamazoo Center for Youth & Community
Operations
Kalamazoo County Parks and Recreation Development Foundation
Kalamazoo River Valley Trailway Project
Kalamazoo Deacons Conference
“STEP” Program
Kalamazoo Eastside Neighborhood Association
Facility Renovations
Kalamazoo Gay/Lezian Resource Center
Operations
Kalamazoo Junior Girls Organization
Operations
Kalamazoo Loaves and Fishes, Inc.
Grocery Pantry Program
Kalamazoo Valley Habitat for Humanity, Inc.
Homeownership Program
Life Ministry
Occupancy and Transportation Expenses
LIFT Foundation
Healthy, Wealthy & Wise Summer Program
Michigan Blind Athletic Association
Operations
Michigan Foundation for the Blind and Visually Impaired
Operations
Ministry With Community
Operations
Open Door and Next Door Shelters
Operations
Portage Community Outreach Center
Summer Recreation Program
Pretty Lake Vacation Camp
Capital Improvements
PreventionWorks of SW Michigan, Inc.
Operations
Seeding Change
Peace Jam
Sherman Lake YMCA Outdoor Center
“Success for Every Child Campaign” Challenge
South County Community Services
Summer Recreational Program
Southwest Michigan Council, Boy Scouts of America
Rota Kan Capital Campaign
Vineyard Outreach Ministry
Operations
WE. Upjohn Institute for Employment Research
Kalamazoo Area College Access Network
YWCA
Homeless Children Care Center
Summit on Ransom

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.

Building Blocks of Kalamazoo
Operations
Citizens Research Council of Michigan
Kalamazoo County Research Operations
Council of Michigan Foundations
Conference Support
Membership Renewal
Council on Foundations
Membership Renewal
Downtown Kalamazoo Association Charities Inc.
Downtown Projects
Downtown Tomorrow, Inc.
Kalamazoo Mid Seasonal Planting Plan
Greater Kalamazoo United Way
Annual Campaign
Leadership Campaign Challenge
Guardian Finance and Advocacy Service
Building Renovation
Interfaith Strategy for Advocacy/Action
Programming
Kalamazoo Astronomical Society
Astronomy Day

Education
The Foundation supports educational programs and activities that enhance the capacity for lifelong learning; however, the Foundation does not generally support core operations and programming of K-12 educational institutions.

Kalamazoo Public Schools
Kalamazoo Arts Integration Initiative
Kalamazoo Regional Educational Service Agency
Coach/Trainer for Literacy/PBIS Program
Portage District Library
“Finding Family” Program
Schoolcraft Community Library, Inc.
Facility Renovations
Specialized Language Development Learning Center, Inc.
Kalamazoo County Programming
Western Michigan University Foundation
Legacy Collections Facility
Youth Advancement Academy
Auto Body Vocational Summer Program

Health & Well-being
The Foundation promotes health and wellness programs and activities that enhance the physical, mental and emotional needs of individuals.

CAES of Southwest Michigan
Operations
Family Health Center
“Back to School Bash” Program
Gryphon Place
Capital Campaign
Southwest Michigan Innovation Center
Equipment Acquisition
In 1972, Irving S. Gilmore created the 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. Since then the Foundation has approved nearly $185 million in total grants. On December 31, 2011, Foundation investments were valued at $195,968,279.

### Financial History

#### Invested Assets

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<td>117,285,049</td>
</tr>
<tr>
<td>December 1990</td>
<td>113,996,787</td>
</tr>
<tr>
<td>December 1991</td>
<td>133,700,051</td>
</tr>
<tr>
<td>December 1992</td>
<td>137,835,297</td>
</tr>
<tr>
<td>December 1993</td>
<td>145,799,054</td>
</tr>
<tr>
<td>December 1994</td>
<td>138,348,236</td>
</tr>
<tr>
<td>December 1995</td>
<td>169,300,277</td>
</tr>
<tr>
<td>December 1996</td>
<td>186,627,651</td>
</tr>
<tr>
<td>December 1997</td>
<td>216,039,809</td>
</tr>
<tr>
<td>December 1998</td>
<td>232,607,510</td>
</tr>
<tr>
<td>December 1999</td>
<td>249,289,322</td>
</tr>
<tr>
<td>December 2000</td>
<td>234,537,749</td>
</tr>
<tr>
<td>December 2001</td>
<td>213,841,025</td>
</tr>
<tr>
<td>December 2002</td>
<td>180,707,598</td>
</tr>
<tr>
<td>December 2003</td>
<td>199,531,013</td>
</tr>
<tr>
<td>December 2004</td>
<td>209,656,101</td>
</tr>
<tr>
<td>December 2005</td>
<td>210,448,140</td>
</tr>
<tr>
<td>December 2006</td>
<td>220,085,004</td>
</tr>
<tr>
<td>December 2007</td>
<td>226,852,792</td>
</tr>
<tr>
<td>December 2008</td>
<td>150,370,712</td>
</tr>
<tr>
<td>December 2009</td>
<td>185,486,635</td>
</tr>
<tr>
<td>December 2010</td>
<td>205,766,731</td>
</tr>
<tr>
<td>December 2011</td>
<td>195,968,279</td>
</tr>
</tbody>
</table>
Board of Trustees
Irving S. Gilmore Foundation

We have audited the accompanying statements of financial position of Irving S. Gilmore Foundation as of December 31, 2011 and 2010, 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, 2011 and 2010, 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.

April 5, 2012
Revenues and gains

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>$1,764,641</td>
<td>$1,817,918</td>
</tr>
<tr>
<td>Dividends</td>
<td>2,877,334</td>
<td>2,788,899</td>
</tr>
<tr>
<td>Net realized and unrealized gains (losses) on investments</td>
<td>(3,801,651)</td>
<td>24,996,676</td>
</tr>
<tr>
<td>Other income</td>
<td>69,599</td>
<td>67,907</td>
</tr>
<tr>
<td>Total revenues and gains</td>
<td>909,923</td>
<td>29,671,400</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>8,624,651</td>
<td>7,398,270</td>
</tr>
<tr>
<td>Investment management fees</td>
<td>915,394</td>
<td>882,909</td>
</tr>
<tr>
<td>Other professional services</td>
<td>292,603</td>
<td>264,778</td>
</tr>
<tr>
<td>Administrative and general expenses</td>
<td>800,151</td>
<td>831,303</td>
</tr>
<tr>
<td>Depreciation</td>
<td>73,474</td>
<td>91,280</td>
</tr>
<tr>
<td>Excise tax</td>
<td>306,000</td>
<td>244,000</td>
</tr>
<tr>
<td>Total expenses</td>
<td>11,012,273</td>
<td>9,712,540</td>
</tr>
</tbody>
</table>

Change in net assets

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>(10,102,350)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19,958,860</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating activities

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$ (10,102,350)</td>
<td>$ 19,958,860</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash used in operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>73,474</td>
<td>91,280</td>
</tr>
<tr>
<td>Net realized and unrealized (gains) losses on investments</td>
<td>(3,801,651)</td>
<td>(24,996,676)</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income receivable</td>
<td>(10,319)</td>
<td>273,530</td>
</tr>
<tr>
<td>Other receivables</td>
<td>(1,161)</td>
<td>4,560</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(7,954)</td>
<td>85,965</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(54,503)</td>
<td>55,449</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>(18,451)</td>
<td>40,000</td>
</tr>
<tr>
<td>Grants payable</td>
<td>324,377</td>
<td>(209,555)</td>
</tr>
<tr>
<td>Total adjustments</td>
<td>4,107,114</td>
<td>(24,655,247)</td>
</tr>
<tr>
<td>Net cash used in operating activities</td>
<td>(5,995,236)</td>
<td>(4,696,387)</td>
</tr>
</tbody>
</table>

Investing activities

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of investments</td>
<td>(121,946,864)</td>
<td>(120,160,219)</td>
</tr>
<tr>
<td>Proceeds from sales of investments</td>
<td>127,389,696</td>
<td>127,404,494</td>
</tr>
<tr>
<td>Equipment expenditures</td>
<td>(1,565)</td>
<td>(20,193)</td>
</tr>
<tr>
<td>Net cash provided by investing activities</td>
<td>5,441,267</td>
<td>7,224,082</td>
</tr>
<tr>
<td>Net increase (decrease) in cash</td>
<td>(553,969)</td>
<td>2,527,695</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>3,628,124</td>
<td>1,100,429</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$ 3,074,155</td>
<td>$ 3,628,124</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
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 standard for fair value measurements. 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.

Notes to Financial Statements

December 31, 2011

Notes to Financial Statements (continued)

December 31, 2011

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.

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.

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.

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.

Subsequent Events
Subsequent events were evaluated through April 5, 2012, which is the date the financial statements were available to be issued.

Note B — Grants
Grants payable are summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable in less than one year</td>
<td>$194,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Payable in one year to five years</td>
<td>170,000</td>
<td>—</td>
</tr>
<tr>
<td>Total grants payable</td>
<td>364,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Less discount to net present value</td>
<td>9,623</td>
<td>—</td>
</tr>
<tr>
<td>Net grants payable</td>
<td>$354,377</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

Grants payable in more than one year were discounted at 3% per annum for 2011.
Cash paid for grants totaled $8,300,274 in 2011 and $7,607,825 in 2010.
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 $1,634,000 were outstanding at December 31, 2011.
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 $40,558 in 2011 and $39,009 in 2010.

Note D — Leases
The Foundation leases its office facilities and an automobile under noncancelable operating leases that expire at various dates through September 2016. The first office facilities lease renewal option was exercised in 2011. The office facilities lease contains two additional renewal options for five year terms each. Rent expense for the leases totaled $60,200 in 2011 and $64,500 in 2010.

Future minimum lease payments under operating leases that have remaining terms in excess of one year as of December 31, 2011 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$61,200</td>
</tr>
<tr>
<td>2013</td>
<td>57,000</td>
</tr>
<tr>
<td>2014</td>
<td>55,000</td>
</tr>
<tr>
<td>2015</td>
<td>55,000</td>
</tr>
<tr>
<td>2016</td>
<td>55,000</td>
</tr>
<tr>
<td>Total</td>
<td>$283,200</td>
</tr>
</tbody>
</table>

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 2008, 2009 and 2010 are subject to examination by the IRS, generally for three years after they were filed.