

**THE COMMUNITY FOUNDATION
OF THE HOLLAND/ZEELAND AREA
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2010 AND 2009**

MEYAARD TOLMAN & VENLET p.c.
Certified Public Accountants
Zeeland, Michigan

TABLE OF CONTENTS

OFFICERS 1

TRUSTEES, YOUTH TRUSTEES, ADVISORS AND STAFF 2

INDEPENDENT AUDITOR'S REPORT 3

STATEMENTS OF FINANCIAL POSITION 4

STATEMENTS OF CHANGES IN NET ASSETS 5

STATEMENTS OF ACTIVITIES 6

STATEMENTS OF CASH FLOWS 7

NOTES TO FINANCIAL STATEMENTS 8

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY MATERIAL 17

SCHEDULES OF SUPPORT SERVICES 18

SCHEDULE OF ACTIVITY FOR NET ASSETS 19

SCHEDULE OF ACTIVITY FOR FUNDS HELD AS AGENCY ENDOWMENTS 33

OFFICERS

| | |
|-------------------|-----------------------|
| Matthew J. Lepard | President |
| Ann Query | First Vice President |
| Susan DenHerder | Second Vice President |
| Juanita Bocanegra | Secretary |
| Randy Thelen | Treasurer |

TRUSTEES

Taiyoh Afrik

Char Amante

Lori Bush

Thun Champassak

John Donnelly, Jr

Eleanor Lopez

John Marquis

Dr. Ritu Mathur

Hannes Meyers, Jr.

Deb Clark Miller

Nancy Miller

Haans Mulder

Judith Smith

Scott Spoelhof

Daniel Zwier

YOUTH TRUSTEE

Shane Brandsen

ADVISORS

John Nordstrom

James M. Watt

STAFF

Janet DeYoung

Timothy DuMez

Elizabeth Kidd

Diana L. Mavis

Maria Olivarez

Gwen Petroelje

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
The Community Foundation of the Holland/Zeeland Area
Holland, MI

We have audited the accompanying statements of financial position of The Community Foundation of the Holland/Zeeland Area as of December 31, 2010 and 2009 and the related statements of activities, changes in net assets 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 audits 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 The Community Foundation of the Holland/Zeeland Area at December 31, 2010 and 2009 and the changes in its net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Meyaard Tolman & Venlet p.c.
Certified Public Accountants
May 20, 2011

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

| | 2010 | 2009 |
|--|----------------------|----------------------|
| <u>ASSETS</u> | | |
| Cash and cash equivalents | \$ 3,567,215 | \$ 2,728,531 |
| Investments | 37,739,367 | 34,708,776 |
| Unconditional promises to give | 84,592 | 229,283 |
| Notes receivable | 505,687 | 255,687 |
| Equipment and furniture, net of accumulated depreciation of \$122,732 and \$120,559, respectively | 39,476 | 34,852 |
| Cash surrender value of life insurance | 3,916 | 2,529 |
| TOTAL ASSETS | \$ 41,940,253 | \$ 37,959,658 |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| LIABILITIES: | | |
| Payroll taxes and withholdings | \$ 4,156 | \$ 4,250 |
| Charitable gift annuities | 605,584 | 728,870 |
| Grants payable | 358,199 | 679,784 |
| Funds held as agency endowments (founding funds) | 2,929,310 | 2,504,940 |
| Total Liabilities | 3,897,249 | 3,917,844 |
| NET ASSETS: | | |
| Unrestricted: | | |
| Board designated, quasi-endowments | 4,854,575 | 4,541,127 |
| Undesignated | 32,343,931 | 28,474,191 |
| Temporarily restricted | 844,498 | 1,026,496 |
| Total Net Assets | 38,043,004 | 34,041,814 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 41,940,253 | \$ 37,959,658 |

**THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31,**

| | <u>2010</u> | <u>2009</u> |
|----------------------|----------------------|----------------------|
| Balance, January 1 | \$ 34,041,814 | \$ 29,256,588 |
| Change in net assets | <u>4,001,190</u> | <u>4,785,226</u> |
| Balance, December 31 | <u>\$ 38,043,004</u> | <u>\$ 34,041,814</u> |

**THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31,**

| | 2010 | | |
|---------------------------------------|---------------------|---------------------------|---------------------|
| | Unrestricted | Temporarily Restricted | Total |
| SUPPORT AND REVENUE: | | | |
| Contributions | \$ 3,838,675 | \$ 77,417 | \$ 3,916,092 |
| Investment income | 2,523,535 | 35,601 | 2,559,136 |
| Net assets released from restrictions | 295,016 | (295,016) | - |
| Total Support and Revenue | <u>6,657,226</u> | <u>(181,998)</u> | <u>6,475,228</u> |
| GRANTS AND EXPENSES: | | | |
| Grants | 1,956,283 | - | 1,956,283 |
| Support services | 517,755 | - | 517,755 |
| Total Grants and Expenses | <u>2,474,038</u> | <u>-</u> | <u>2,474,038</u> |
| CHANGES IN NET ASSETS | <u>\$ 4,183,188</u> | <u>\$ (181,998)</u> | <u>\$ 4,001,190</u> |
| | | | |
| | 2009 | | |
| | Unrestricted | Temporarily Restricted | Total |
| SUPPORT AND REVENUE: | | | |
| Contributions | \$ 2,503,341 | \$ 252,622 | \$ 2,755,963 |
| Investment income (loss) | 5,236,532 | 75,855 | 5,312,387 |
| Net assets released from restrictions | 1,009,452 | (1,009,452) | - |
| Total Support and Revenue | <u>8,749,325</u> | <u>(680,975)</u> | <u>8,068,350</u> |
| GRANTS AND EXPENSES: | | | |
| Grants | 2,767,029 | - | 2,767,029 |
| Support services | 516,095 | - | 516,095 |
| Total Grants and Expenses | <u>3,283,124</u> | <u>-</u> | <u>3,283,124</u> |
| CHANGES IN NET ASSETS | <u>\$ 5,466,201</u> | <u>\$ (680,975)</u> | <u>\$ 4,785,226</u> |

See accompanying notes.

**THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,**

| | 2010 | 2009 |
|--|--------------|--------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES:</u> | | |
| Change in net assets | \$ 4,001,190 | \$ 4,785,226 |
| Adjustment to reconcile the change in net assets to net cash provided (used) by operating activities: | | |
| Unrealized (gain) loss on investments | (2,517,880) | (5,177,006) |
| Depreciation | 9,129 | 12,025 |
| Loss on asset dispositions | 1,099 | 86 |
| Stock contributions | (684,808) | (67,064) |
| Acquisitions of equipment and furniture, by donation | (13,583) | - |
| (Increase) decrease in: | | |
| Promises to give | 144,691 | 824,730 |
| Other assets | (1,387) | (1,280) |
| Increase (decrease) in grants and other payables | (444,965) | 678,138 |
| Net Cash Provided (Used) by Operating Activities | 493,486 | 1,054,855 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u> | | |
| Change in investments, net | 172,097 | (3,847,712) |
| Issuance of note receivable | (250,000) | (250,000) |
| Receipt from note receivable | - | 750 |
| Acquisitions of equipment and furniture | (1,269) | (6,303) |
| Net Cash Provided (Used) by Investing Activities | (79,172) | (4,103,265) |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u> | | |
| Change in funds held as agency endowments | 424,370 | 796,123 |
| Net Cash Provided (Used) by Financing Activities | 424,370 | 796,123 |
| Net increase (decrease) in cash | 838,684 | (2,252,287) |
| Cash and cash equivalents, beginning | 2,728,531 | 4,980,818 |
| Cash and cash equivalents, ending | \$ 3,567,215 | \$ 2,728,531 |

See accompanying notes.

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2010 AND 2009

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES - The primary mission of The Community Foundation of the Holland/ZeeLand Area (the Foundation) is to advance the common good through grants that work today and gifts that last forever. The Foundation's goal is to enhance the quality of community life through the support of a broad range of services necessary to sustain the community in such areas as health, education, youth, social welfare, environment and arts and culture.

BASIS OF PRESENTATION - The accompanying financial statements have been prepared on the accrual basis of accounting.

Under the provisions of *Accounting Standards Codification* (authoritative guidance), net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation are classified and reported as follows:

- a.) Unrestricted net assets - net assets that are not subject to donor-imposed stipulations.
- b.) Temporarily restricted net assets - net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or passage of time.
- c.) Permanently restricted net assets - net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Foundation had no permanently restricted net assets at December 31, 2010 or 2009.

Authoritative guidance provides that if the governing body of an organization has the ability to remove a donor restriction (i.e., variance power), the contribution should be classified as an unrestricted net asset. To ensure tax deductibility of donors' gifts, the Foundation is required by the IRS to exercise final discretion concerning expenditures from its funds. Accordingly, all net assets and related activity over which the management of the Foundation exercises direct control are classified as unrestricted net assets in the accompanying financial statements. However, if the donor has indicated a desire to support a particular area of interest or organization, Foundation management may designate the contribution for that use.

The Foundation solicits a variety of contributions to fund its grants including donor advised funds. Donor advised funds allow for the donor to recommend distributions to Foundation beneficiaries or other charitable organizations approved by the Foundation. Although the Foundation generally fulfills the donor's recommendation, use of donor-advised funds are subject to approval by the Foundation's management and are therefore classified as unrestricted net assets.

Support that is restricted by the donor is reported as an increase in temporarily restricted net assets. When a restriction expires (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 Statement of Activities as net assets released from restrictions.

CASH AND CASH EQUIVALENTS - For purposes of the statement of cash flows, cash and cash equivalents consists of two interest bearing checking accounts, a petty cash fund, and four money market accounts.

UNINSURED CASH BALANCES - In response to the market volatility experienced at the end of 2008, in 2009 the Investment Committee recommended temporarily holding a cash position. The Foundation opened FDIC insured money markets to disperse the risk among several financial institutions. At year end the Foundation maintains cash deposits at five financial institutions, which at times may exceed FDIC limits. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

USE OF ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ADVERTISING - The Foundation follows the policy of charging the cost of advertising to expense as incurred.

COMPENSATED ABSENCES - The Foundation has not accrued compensated absences since the amount is determined to be immaterial.

INVESTMENTS - Under authoritative guidance, investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statements of Financial Position. Investment return that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the investment return is recognized.

The Foundation's investments in nonmarketable limited partnerships and alternative investments are generally carried at fair market value provided by the management of the investments based on such factors as the underlying company's and partnership's net assets, liquidity, the nature of the portfolio and market conditions. Market values as of December 31, 2010 and 2009 are not based on audited financial information supplied by the general partner or manager of the funds. Audited information is only available annually, typically at least 4 months or more after the year-end. Management, including the investment committee, reviews monthly and/or quarterly valuations provided by the funds and assesses the reasonableness of the fair values provided at the interim dates and included in the financial statements. Because of the inherent uncertainty of valuations, the fair market values used may differ from the values that would have been used had a ready market existed. When audited financial statements are subsequently received, the Foundation's financial statements are adjusted, if needed. In past years, the estimates used have proven to be very accurate, with no material adjustments needing to be recorded in the subsequent period.

The Foundation's net assets are invested in various pooled investment accounts. Although not required to be presented, consideration has been given to presenting additional information such as the cost value for the investments. Since asset cost may be reported using more than one method by investment holders, the Foundation's management has chosen not to display cost value of investments within these financial statements.

Since the net assets are invested in various pooled investment accounts, the investment income is presented in total, not by net asset category. Consideration has been given to presenting investment income by unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. As the majority of the Foundation's net assets are unrestricted, the Foundation's management has chosen not to display the investment income by net asset category.

EQUIPMENT, FURNITURE AND DEPRECIATION - Equipment and furniture are stated at cost, or if donated, at fair market value at the date of donation. Property and equipment acquisitions are capitalized if they are in excess of \$500. Items that are less than the capitalization threshold are expensed in the year acquired. Donations of long-lived assets received without stipulations as to use are classified as unrestricted contributions in the year received and put into service. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

DONATED SERVICES - Under authoritative guidance, the Foundation recognizes the services requiring specialized skills such as those provided by accountants, attorneys, marketing consultants, and other professionals if the services would need to be purchased if not donated. Donated services of \$5,944 and \$5,371 met the criteria for recognition for the years ended December 31, 2010 and 2009, respectively and are recorded within these financial statements.

GRANTS - Grants authorized (by the Board of Trustees) but unpaid at year-end are reported as liabilities in accordance with authoritative guidance.

PROGRAM EXPENDITURES - Program expenditures include direct program expenses and an allocation of support services based on the average balance of the program fund throughout the year.

CHARITABLE GIFT ANNUITIES AND CHARITABLE REMAINDER TRUSTS - Charitable gift annuities represent gifts given to the Foundation with the condition that a specified payment be made to the contributor over his or her life. A liability is established based on the present value of the payments to be made.

INCOME TAX EXEMPTION

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

BENEFICIAL INTEREST IN TRUST

Within its investments, the Foundation has included beneficial interests in the following trust:

VandenBosch Trust - The Foundation has a 3/26 interest in the trust and receives quarterly investment income. The 3/26 investment value will be transferred to the Foundation in 2011.

INVESTMENTS

Investments consisted of the following as of December 31:

| | 2010 | 2009 |
|---|----------------------|----------------------|
| Cash, cash equivalents, and short-term fixed income | \$ 1,940,488 | \$ 1,924,548 |
| Fixed Income: | | |
| Domestic general equities | 3,852,349 | 5,874,955 |
| International general equities | 5,544,650 | 5,612,219 |
| Domestic bonds | 3,437,863 | 3,200,690 |
| International bonds | 1,703,748 | 1,581,425 |
| Balanced mutual funds | 68,783 | 61,435 |
| Alternative investments: | | |
| Hedged equity/Absolute return | 15,532,715 | 11,426,214 |
| Real estate | 1,009,564 | 967,570 |
| Real assets (such as commodities, energy, timber) | 4,649,207 | 4,059,720 |
| Total Investments | <u>\$ 37,739,367</u> | <u>\$ 34,708,776</u> |

FAIR VALUE MEASUREMENTS

In accordance with the authoritative guidance on fair value measurements and disclosures under GAAP, the Foundation discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are as follows:

- Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets that the Foundation has the ability to access at the measurement date;
- Level 2 Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active;
- Level 3 Inputs that are unobservable.

Consideration has been given to the somewhat subjective classification of investments between Levels 2 and 3. The Foundation utilizes the services of an independent investment advisor, who has performed due diligence and who has additional transparency related to the investments. The investments are presented herein under the guidance of the advisor, and other factors as deemed worthy by the Foundation and the auditor.

Investments at December 31:

See independent auditor's report.

Investments at December 31:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|------|----------------|----------------|----------------|---------------|
| 2010 | \$ 21,922,596 | \$ 15,532,715 | \$ 284,056 | \$ 37,739,367 |
| 2009 | \$ 22,998,594 | \$ 11,426,214 | \$ 283,968 | \$ 34,708,776 |

INTEREST IN LIFE INSURANCE

Effective November 2006, the Foundation is the owner and beneficiary of a whole life insurance policy on the life of a donor. The donor will reimburse the Foundation for the annual policy premiums. The face value is \$50,000 and the policy will gain cash surrender value. Such cash surrender value will be reported by the Foundation as an asset. There was cash surrender value of \$3,916 and \$2,529 at December 31, 2010 and 2009, respectively.

UNCONDITIONAL PROMISES TO GIVE

The Foundation has \$84,592 of unconditional promises to give at December 31, 2010. The balance is scheduled to be received as follows:

| | |
|------------|------------------|
| 2011 | \$ 57,925 |
| 2012 | 14,333 |
| 2013 | 9,334 |
| 2014 | 1,000 |
| Thereafter | <u>2,000</u> |
| Total | <u>\$ 84,592</u> |

Management has evaluated the need for an allowance for uncollectible promises to give. Risk factors include the inherent nature of promises to give, consideration of the specific donors, and timing of the anticipated repayments. No allowance has been deemed to be needed. If promises were discounted to present value, there would be a net decrease of \$2,398 in the net promises at December 31, 2010. As the amount is immaterial to the financial statements, the discount has not been recorded.

LEASES

The Foundation had a lease for its office facility through March 31, 2010. A new lease agreement was signed in January 2010, for an effective period of April 1, 2010 through March 31, 2013. Current monthly payments are \$1,500, plus \$50 for use of an additional suite. Total rent expense of \$18,600 and \$18,600 was paid for 2010 and 2009, respectively.

The Foundation leases a copier under a sixty month operating lease, expiring March 2011, with quarterly payments of \$519. Future minimum lease payments under both leases are:

| | |
|-------|------------------|
| 2011 | \$ 19,569 |
| 2012 | 19,650 |
| 2013 | <u>4,950</u> |
| Total | <u>\$ 44,169</u> |

RETIREMENT PLAN

The Foundation has a Simple IRA retirement plan that covers all employees. The plan allows for salary deferrals and the Foundation makes matching contributions up to 3% of eligible compensation. The Foundation contributed \$8,294 and \$8,928 for the years ended December 31, 2010 and 2009, respectively.

NOTES RECEIVABLE

In June 2007, the Foundation loaned \$6,500 to an unrelated not-for-profit organization. The note receivable does not bear interest. Annual minimum principal payments of \$750 are due to the Foundation, beginning in 2008. In the year ended December 31, 2007, a total of \$1,450 was received, resulting in a balance due at December 31, 2007 of \$5,050. During 2008, payment of \$1,613 was received, an additional \$3,000 loan was issued, resulting in a balance due at December 31, 2008 of \$6,437. During 2009, payment of \$750 was received, resulting in a balance due at December 31, 2009 of \$5,687. There were no receipts in 2010. In 2011, at the request of a donor, \$1,500 of the balance was satisfied through a grant disbursement.

Effective August 7, 2009, the Foundation extended a program-related line of credit of \$500,000 to the Center for Innovation And Applied Design, dba NewNorth Center For Design In Business. The principal balance was \$500,000 and \$250,000 at December 31, 2010 and 2009, respectively. The loan bears 5% interest from the second anniversary date of the note. The note matures August 6, 2014 and is secured by equipment, inventory, accounts, contract rights, general intangibles and chattel paper of the borrower.

NET ASSET CLASSIFICATIONS

In August 2008, the Financial Accounting Standards Board (FASB) issued FASB Accounting Standards Codification (ASC) Topic 958-205 (formerly FASB Staff Position (FSP) 117-1, *Endowments of Not-For-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for all Endowment Funds*). FASB ASC Topic 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). FASB ASC Topic 958-205 also improves disclosures about an organization's endowment funds (both donor-restricted endowment funds and board designated endowment funds) whether or not the organization is subject to UPMIFA.

The State of Michigan adopted UPMIFA effective September 10, 2009. The Board of Trustees, with the advice of legal and other professional counsel, has determined that the majority of the Foundation's net assets do not meet the definition of endowment under UPMIFA. While not UPMIFA-defined endowment, the Foundation intends many of its funds to be permanent and manages them accordingly. Further reference to "endowment" or "endowed asset" in these notes relate to those intentions of the Foundation.

The Foundation is governed subject to its Articles of Incorporation and Bylaws and further by its adopted investment policy as well as individual gift instruments and agreements. Although the Community Foundation's mission is to build endowed assets, the Foundation has the ability, as stated in its Articles of Incorporation, to distribute all or any part of its net income, principal, or property, in accordance with determination made by the Community Foundation's Board of Trustees for the purpose set forth in its restated Articles of Incorporation. As a result of the ability to distribute corpus, all contributions not classified as temporarily restricted or permanently restricted are classified as unrestricted net assets for financial statement purposes.

RECLASSIFICATIONS

Certain funds in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

TEMPORARILY RESTRICTED NET ASSETS

At December 31, the Foundation's temporarily restricted net assets consists of:

| | 2010 | 2009 |
|--|-------------------|---------------------|
| Promises to give | \$ 84,592 | \$ 229,283 |
| Donor-restricted contributions (for specific purposes) | 759,906 | 797,213 |
| Total Temporarily Restricted Net Assets | <u>\$ 844,498</u> | <u>\$ 1,026,496</u> |

ENDOWMENT INVESTMENT POLICY

General Objectives

The primary objective of the Foundation's investment policy is to provide for long-term growth of principal and income within reasonable risk tolerances to enable the Foundation to make grants on a continuing and consistent basis, all in conformity with applicable laws and standards, then in effect. The focus will be on reasonable and consistent long-term capital appreciation and subsequent income generation. Primary emphasis shall be placed on maintaining REAL growth of assets, net of inflation and fees.

The objective shall be accomplished by utilizing a strategy of fixed income securities, equities and alternative strategies (private equity, hedged equity and absolute return), real assets and cash equivalents in a mix, which is conducive to participation in rising markets while allowing for maximum capital protection in falling markets.

Due to the inevitability of short-term market fluctuations, it is intended that the investment managers achieve performance objectives over a three to five year period, net of investment management and custodial fees.

Performance Objectives

The total net return, shall, at a minimum, exceed the Consumer Price Index plus 5% on an annual basis. The 5% premium shall reflect the average annual spending policy. Total net return shall include interest, dividends and the change in the capital value of the investments after all management and custodial fees have been deducted.

SPENDING POLICY

The distribution rate is based on a total return approach, consistent with the applicable standard of conduct set forth in the Michigan Uniform Prudent Management of Institutional Funds Act (UPMIFA), unless otherwise restricted (or allowed) under the terms of the gift instrument. This allows principal, income and capital appreciation in excess of what is necessary to preserve the long-term purchasing power of the fund to be allocated to support Foundation programs.

UPMIFA, as adopted by the state of Michigan in 2009, allows the Board of Trustees to set the spending level of an endowed fund, provided that when setting the overall investment strategy and spending for the fund, they consider:

- General economic conditions;
- Possible effects of inflation or deflation;
- Tax consequences;
- The role of each investment in relation to the overall investment portfolio;
- The expected total return from income and appreciation; and
- The needs of the fund to make distributions and to preserve capital.

UPMIFA does not limit the authority of the Foundation to expend funds if otherwise permitted under the terms of the gift instrument.

Given the long-term historical returns on various asset classes, expectations for the future and the demonstrated ability of some professional managers to add incremental return above market averages, the Foundation will accomplish its objectives by annually spending no more than 5% of the market value of the Fund. The allocation for this 5% shall consist of 1% for administration fees and 4% for spending, unless otherwise restricted (or allowed) under the terms of the gift instrument.

In order to be able to predict, support, and minimize the effect caused by volatility of returns, 4% of the prior twelve (12) quarters average market value shall be used in determining annual spending allocations calculated on a fund by fund basis. The formula shall be applied to the prior twelve quarters ending each September 30.

Funds with less than twelve (12) quarters of history but more than eight (8) quarters will be reviewed for spending based on market performance, fund balance, and the objectives of the particular fund, with a long-term goal of preserving principal. Funds with less than eight (8) quarters of history typically will not be included in the spending calculation, nor shall any distribution be made from these funds, unless additional non-endowed dollars are contributed and designated for current spending, unless otherwise restricted (or allowed) under the terms of the gift instrument

Distributions for all fund types will be made in accordance with the individual fund agreements or policies or procedures then in effect for funds of that type.

CHANGES IN NET ASSETS

Changes in Endowment Net Assets, year ended December 31, 2010

| | |
|---|-----------------------------|
| Endowment Net Assets, beginning of year | \$ 24,309,080 |
| Investment income, net of expenses | 1,743,321 |
| Contributions | 1,132,252 |
| Amounts appropriated for grants | <u>(356,605)</u> |
| Change in Endowment Net Assets | <u>2,518,968</u> |
| Endowment Net Assets, end of year | <u><u>\$ 26,828,048</u></u> |

Endowment Net Asset Composition by Type of Fund, December 31, 2010

| | |
|---------------------------------|-----------------------------|
| Donor Designated Endowment Fund | \$ 5,194,389 |
| Other Endowment Funds: | |
| Named or general | 3,535,429 |
| Field of interest | 9,651,357 |
| Donor advised | 3,506,876 |
| Scholarship | 3,826,783 |
| Charitable trusts | <u>1,113,214</u> |
| Total Endowment Funds | <u><u>\$ 26,828,048</u></u> |

In addition to endowment net assets, The Foundation also manages other non-endowed funds. The following table summarizes all Foundation net assets as of December 31, 2010.

Total Net Asset Composition

| | |
|---------------------------|-----------------------------|
| Endowment Funds | <u>\$ 26,828,048</u> |
| Non-Endowment Funds: | |
| Named or general | 4,356,609 |
| Scholarship | 74,371 |
| Donor designated | 188,667 |
| Field of interest | 1,302,842 |
| Community | <u>5,292,467</u> |
| Total Non-Endowment Funds | <u>11,214,956</u> |
| Total Net Assets | <u><u>\$ 38,043,004</u></u> |

AGENCY ENDOWMENT FUNDS (FOUNDING FUNDS)

Authoritative guidance establishes standards for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both to another entity that is specified by the donor. Authoritative guidance specifically requires that if a Not-For-Profit Organization (NPO) establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as agency endowments (founding funds).

The Foundation maintains variance power and legal ownership of agency endowment funds and as such continues to report the funds as assets of the Foundation. However, in accordance with authoritative guidance, a liability has been established for the fair value of the funds, which is generally equivalent to the present value of future payments expected to be made to the NPOs.

The Foundation was the owner of agency endowment funds with fair market values of \$2,929,532 and \$2,504,940 at December 31, 2010 and 2009, respectively. The following table summarizes activity in such funds during the year then ended:

| | 2010 | 2009 |
|-------------------------------------|---------------------|---------------------|
| Agency endowment funds, January 1, | \$ 2,504,940 | \$ 1,708,817 |
| Amounts raised | 316,376 | 414,401 |
| Investment income (loss) | 220,662 | 407,871 |
| Expenses | (26,594) | (21,035) |
| Grants | (86,074) | (5,114) |
| | <u>\$ 2,929,310</u> | <u>\$ 2,504,940</u> |
| Agency endowment funds, December 31 | <u>\$ 2,929,310</u> | <u>\$ 2,504,940</u> |

FISCAL SPONSORSHIPS

In 2010, the Board of the Community Foundation established a policy which set out the conditions and process for serving as a Fiscal Sponsor of the local initiatives that are consistent with the mission of the Foundation.

On August 20, 2010, the Community Foundation entered into a Fiscal Sponsorship Agreement with the Holland/Zeeland Strategic Leadership Group. The group is made up of volunteers from business, government and nonprofit sectors. Its purpose is the economic revitalization of the Holland/ Zeeland Area. Commonly known as the Model Community Initiatives, its goals are to a) lead the region and state in the rate of new jobs created; b) grow business revenues and profits to restore government and non-profit revenues, and increase per capita income; and c) maximize government cost-efficiency and effectiveness through collaboration and innovation to achieve best practices and become a state role model. As Fiscal Sponsor, the Foundation holds the temporary contract for the Director on behalf of the Model Community Initiatives, and accepts and disburses funds on its behalf.

During 2010, the Foundation continued to serve as Fiscal Sponsor for the Ready for School Initiative. Ready for School is a broadly based Holland/Zeeland initiative ensuring that every child from birth enters kindergarten prepared to succeed. The immediate goal of the Ready for School Initiative is to increase the percent of local entering kindergartners who meet early literacy benchmark criteria from the current 46% to 75% by 2013. Ready For School aligns stakeholder resources and creates a community culture embraced by all sectors and which values and invests in the success of every child. In one year over 140 community leaders have actively engaged in designing, supporting and overseeing the Ready for School Initiative.

During 2010, the Foundation brought together leaders from all sectors of the community to establish a coordinated effort to increase graduation rates and post high school education matriculation and completion rates. Under the name, Destination Education, community wide plans were made to support all area students, with a special focus on low income and first generation college students and their families. The Foundation, which was the catalyst for the initiative, identified an advisory council, contracted for consultative services, served as the applicant for grants and accepted and disbursed funds on behalf of the initiative.

In November 2010, the Foundation approved a Fiscal Sponsor Agreement with Ottawa County. All funds will be raised by the Ottawa County Agricultural Preservation Board which oversees and administers the County Purchase of Development Rights Program. All grant funds will be paid directly to Ottawa County. The Purchase Development Rights program is intended to a) maintain a long-term business environment for agriculture in the county; b) preserve the rural character and scenic attributes of the county; c) enhance important environmental benefits and d) maintain the quality of life of county residents.

NON-CASH TRANSACTIONS

During 2010, the Foundation received marketable securities valued at \$684,808. It is the Foundation's policy to sell such securities upon receipt and invest the funds in accordance with its investment policy guidelines.

During 2009, The Foundation received marketable securities valued at \$67,064. The Foundation also received real estate with an independent appraisal, at date of gift, of \$97,000. The house was sold with net proceeds of \$91,800 which funded an existing charitable remainder unitrust. The gift portion of the charitable remainder unitrust was \$31,038. The Foundation also received \$5,806 from cash surrender value of a life insurance policy which was contributed and surrendered in 2009.

ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES

The Foundation has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. The Organization has analyzed the tax positions taken in its filings with the Internal Revenue Service and state jurisdictions where it operates. The Foundation's management believes tax years 2007 through 2010, following administrative practice of taxing authorities, remain open and subject to review. Management believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on its financial condition, results of operations or cash flows. Accordingly, for all open tax years, the Foundation has not recorded any reserves or related accruals for uncertain income tax positions at December 31, 2010 and 2009.

SUBSEQUENT EVENTS

Subsequent events were evaluated through May 20, 2011, which is the date the financial statements were available to be issued.

In 2010, a \$50,000 grant was awarded by the Foundation for tuition assistance within the Ready For School initiative. In January 2011, it was determined that the grant recipient could not fully expend the funds for the intended purpose. Consequently, \$16,728 was refunded to the Foundation in early 2011.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY MATERIAL

Board of Trustees
The Community Foundation of the Holland/Zeeland Area
Holland, MI

Our report on our audit of the basic financial statements of The Community Foundation of the Holland/Zeeland Area for the year ended December 31, 2010 appears on page 3. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The following supplementary material is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Meyaard Tolman & Venlet p.c.
Certified Public Accountants
May 20, 2011

**THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULES OF SUPPORT SERVICES
YEARS ENDED DECEMBER 31,**

| | 2010 | 2009 |
|---------------------------------|-------------------|-------------------|
| Professional services | \$ 28,994 | \$ 18,319 |
| Salaries and wages | 275,942 | 300,473 |
| Payroll taxes | 20,385 | 23,629 |
| Retirement plan contributions | 8,294 | 8,928 |
| Employee benefits | 20,949 | 27,421 |
| Occupancy | 27,344 | 27,378 |
| Printing | 1,956 | 2,359 |
| Depreciation | 9,129 | 12,025 |
| Office supplies | 4,123 | 2,701 |
| Postage | 2,093 | 3,179 |
| Telephone | 1,794 | 1,719 |
| Conferences | 4,458 | 1,303 |
| Computer service | 11,049 | 10,424 |
| Annual report | 7,511 | 8,480 |
| Memberships and subscriptions | 5,133 | 3,967 |
| Marketing and newsletter | 25,001 | 22,744 |
| Insurance and fidelity bond | 7,250 | 7,897 |
| Staff and board advancement | 2,902 | 324 |
| Web services | 12,428 | 606 |
| Community leadership | 3,974 | - |
| Miscellaneous | 187 | 1,184 |
| Travel | 5,172 | 2,840 |
| Loss on asset dispositions | 1,099 | 86 |
| Meetings, luncheons and dinners | 30,588 | 28,109 |
| Total Support Services | <u>\$ 517,755</u> | <u>\$ 516,095</u> |

See independent auditor's report on supplementary material.

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|--------------------|----------------------------|---------------------|--------|-----------------------|
| Named or General Funds: | | | | | | |
| Raymond & Agnes Amluxen | \$ 14,528 | \$ - | \$ 1,156 | \$ 146 | \$ - | \$ 15,538 |
| Lloyd & Vera Arendsen | 11,571 | 200 | 921 | 116 | - | 12,576 |
| Atmosphere Processing, Inc. Family & Employees | 12,144 | - | 966 | 122 | - | 12,988 |
| Bil-Mar | 20,487 | - | 1,630 | 205 | - | 21,912 |
| BLD Products, Ltd. | 10,103 | - | 804 | 101 | - | 10,806 |
| Keith & Judy Boonstra Family | 39,081 | 1,500 | 3,109 | 392 | - | 43,298 |
| Ronald J. & Elizabeth Boven Family | 31,618 | 1,000 | 2,530 | 318 | - | 34,830 |
| Helen and Fred Bulford | 71,922 | - | 5,649 | 712 | 1,000 | 75,859 |
| Edwin Comstock | 60,831 | - | 4,649 | 587 | 2,600 | 62,293 |
| Elsie A. & Charles F. Conrad | 111,914 | - | 8,903 | 1,122 | - | 119,695 |
| Robert H. & Elaine K. Cooper | 162,306 | - | 12,415 | 1,568 | 6,800 | 166,353 |
| Randall & Catherine Dekker | 12,110 | 2,000 | 964 | 124 | - | 14,950 |
| Den Herder Family | 131,333 | 250 | 10,467 | 1,319 | - | 140,731 |
| Jack & Mary DeWitt | 76,279 | 140,000 | 12,936 | 1,047 | - | 228,168 |
| Marlies & Jack DeWitt | 33,325 | 1,000 | 2,652 | 335 | - | 36,642 |
| Marvin & Jerene DeWitt | 20,163 | 3,000 | 1,605 | 206 | - | 24,562 |
| Bernard & Virginia Donnelly | 39,405 | 500 | 3,040 | 384 | 1,800 | 40,761 |
| Howard & Gertrude Douwstra | 77,645 | - | 5,906 | 746 | 3,700 | 79,105 |
| Fifth Third Bank | 42,584 | - | 3,388 | 427 | - | 45,545 |
| GMB Architects-Engineers | 112,688 | - | 8,965 | 1,130 | - | 120,523 |
| Haworth, Inc. | 79,212 | 10,000 | 6,306 | 807 | - | 94,711 |
| G.W. & Edna Haworth | 51,252 | 1,000 | 3,932 | 498 | 2,000 | 53,686 |
| Helder Family | 12,520 | 500 | 1,009 | 136 | - | 13,893 |
| William G Herpolsheimer Memorial | 361,615 | - | 28,172 | 3,555 | 8,150 | 378,082 |
| Don & Norma Hillebrands Family | 10,703 | - | 851 | 107 | - | 11,447 |
| Clarence & Marian Huizenga | 34,279 | - | 2,727 | 344 | - | 36,662 |
| Huntington National Banks | 32,204 | - | 2,562 | 323 | - | 34,443 |
| Walter & Marion Jones | 61,843 | 300 | 4,920 | 627 | - | 66,436 |
| Kyle & Justin Klingenberg | 9,896 | - | 787 | 99 | - | 10,584 |
| Lamar Construction Co. | 44,993 | - | 3,579 | 451 | - | 48,121 |
| Elsie & Bill Lamb | 10,515 | - | 837 | 105 | - | 11,247 |
| Magna Donnelly Corporation | 69,239 | - | 5,508 | 694 | - | 74,053 |
| Manpower | 189,246 | - | 15,055 | 1,898 | - | 202,403 |
| Bernard & Louise Meeuwssen | 8,424 | - | 670 | 84 | - | 9,010 |
| Metal Flow Corporation | 66,910 | 10,000 | 5,328 | 683 | - | 81,555 |
| Larry & Karen Mulder | 19,886 | - | 1,582 | 199 | - | 21,269 |
| Carol & David Myers | 94,723 | 10,400 | 8,843 | 1,018 | - | 112,948 |
| National City of MI/IL | 13,227 | - | 1,052 | 133 | - | 14,146 |
| NBD Bank | 10,122 | - | 805 | 102 | - | 10,825 |
| Peter & Sheila Neydon | 88,822 | - | 7,066 | 891 | - | 94,997 |
| Eileen & John Nordstrom Family | 12,659 | 700 | 1,022 | 128 | - | 14,253 |
| ODL, Inc. | 40,233 | - | 3,201 | 403 | - | 43,031 |
| Peter & Marguerite Meyer Prins | 19,193 | 500 | 1,590 | 196 | - | 21,087 |
| Quincy Street, Inc. | 115,040 | 40,063 | 11,538 | 1,354 | - | 165,287 |
| Harvey & Ruth Rankens Family | 15,984 | - | 1,242 | 157 | 400 | 16,669 |
| Sligh Furniture Co. | 10,885 | - | 851 | 107 | 200 | 11,429 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS
YEAR ENDED DECEMBER 31, 2010

| | <u>Balance</u> 1/1/2010 | <u>Contri- butions</u> | <u>Investment</u> Income(loss) | <u>Program</u> Expenses | <u>Grants</u> | <u>Balance</u> 12/31/2010 |
|--|----------------------------|----------------------------|-----------------------------------|----------------------------|-------------------|------------------------------|
| John & Judy Spoelhof | 65,483 | 5,000 | 5,212 | 663 | - | 75,032 |
| Steketee-Van Huis | 66,856 | - | 5,319 | 670 | - | 71,505 |
| Townsend Family | 53,735 | 250 | 4,275 | 539 | - | 57,721 |
| Trendway/George & Lucile Herringa | 41,375 | - | 3,292 | 415 | - | 44,252 |
| USF Holland Inc. | 256,224 | - | 20,384 | 2,569 | - | 274,039 |
| John A. VanDenBosch Co/ Zeeland Lumber & Supply Co. | 12,579 | 1,000 | 1,001 | 127 | - | 14,453 |
| Mickie Lamb Van Eyl | 16,258 | - | 1,250 | 158 | 600 | 16,750 |
| Gordon & Margaret VanWylen | 25,291 | - | 2,012 | 254 | - | 27,049 |
| Earle Vande Poel | 102,514 | - | 8,155 | 1,028 | - | 109,641 |
| Vanden Bosch Trust | 250,125 | - | (1,016) | - | - | 249,109 |
| Bill Vanderbilt | 28,452 | - | 2,183 | 276 | 1,100 | 29,259 |
| Paul & Dorothy Winchester | 63,820 | 1,189 | 4,895 | 648 | - | 69,256 |
| Marvin Henry & Johanna Kooy Witteveen | 64,636 | 1,745 | 5,306 | 657 | - | 71,030 |
| Vision | 2,846,028 | 164,134 | 710,175 | 517,755 | 100,000 | 3,102,582 |
| Zeeland Endowment | 698,044 | 4,583 | 55,376 | 6,952 | 30,100 | 720,951 |
| Total Named or General Funds | <u>\$ 7,167,082</u> | <u>\$ 400,814</u> | <u>\$ 1,041,509</u> | <u>\$ 558,917</u> | <u>\$ 158,450</u> | <u>\$ 7,892,038</u> |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|--|---------------------|--------------------|----------------------------|---------------------|--------|-----------------------|
| Donor Advised Funds: | | | | | | |
| Anonymous #1 | \$ 1,422 | \$ - | \$ 113 | \$ 11 | \$ - | \$ 1,524 |
| David & Cathy Benedict | 18,076 | - | 1,438 | 181 | - | 19,333 |
| Boote Family | 10,110 | - | 804 | 101 | - | 10,813 |
| Benjamin & Phyllis Bowmaster Family | 195,312 | - | 15,045 | 1,928 | 7,380 | 201,049 |
| Bradford Company | 185,059 | 10,400 | 15,390 | 1,901 | - | 208,948 |
| By Design | 20,442 | - | 1,526 | 200 | 800 | 20,968 |
| Croucher-Dugan Family | 27,368 | - | 2,088 | 265 | 1,100 | 28,091 |
| Richard & Margaret Darby Family | 14,568 | - | 1,097 | 142 | 600 | 14,923 |
| Barbara R. DenHerder Family | 65,172 | - | 5,185 | 654 | - | 69,703 |
| Thomas & Susan DenHerder Family | 44,900 | - | 3,572 | 450 | - | 48,022 |
| Joshua De Young Memorial | 149,010 | 400 | 11,683 | 1,473 | 5,800 | 153,820 |
| Lawrence F. Dickman for Colon Cancer | 23,110 | - | 1,839 | 232 | - | 24,717 |
| Martin P. & Terrence M. Dugan | 41,419 | - | 3,295 | 415 | - | 44,299 |
| Michael D. & Mary B. Dykema Family | 9,712 | - | 773 | 97 | - | 10,388 |
| Alan & Marcia Elgersma | 58,259 | - | 4,635 | 584 | - | 62,310 |
| Kathy & Wayne Elhart | - | 57,486 | - | 250 | - | 57,236 |
| David & Sally Farabee Youth & Diversity | 52,883 | 3,650 | 4,076 | 539 | 3,000 | 57,070 |
| Geenen DeKock Properties | 61,882 | 17,400 | 5,440 | 642 | - | 84,080 |
| Scott & Jaclyn Geerlings Family | 100,795 | - | 8,019 | 1,011 | - | 107,803 |
| Hall Family | 101,821 | - | 8,055 | 1,015 | 4,500 | 104,361 |
| Angela M.& Mark K. Harder Family | 28,508 | 500 | 2,155 | 281 | 900 | 29,982 |
| John & Phyllis Hays | 38,588 | - | 3,054 | 579 | 300 | 40,763 |
| Holland Zeeland Dental Society for Children's Dental Health | 15,701 | 2,450 | 1,304 | 165 | - | 19,290 |
| Jacqueline Hoover Charitable for Women & Women's Issues | 72,456 | - | 5,443 | 707 | 3,100 | 74,092 |
| Jerry & Dee Horne Family | 92,408 | - | 7,352 | 927 | - | 98,833 |
| HYP (formerly Next Generation Pioneers) | 45,565 | 1,575 | 2,929 | 445 | 10,000 | 39,624 |
| David & Barbara Janssen Family | 8,570 | 23,235 | 691 | 360 | - | 32,136 |
| John & Sally Janssen Family | 8,570 | 20,232 | 691 | 253 | - | 29,240 |
| Jim & Ginger Jurries Family | 100,030 | - | 7,958 | 1,003 | - | 106,985 |
| Franklin D. Kraai | 10,000 | - | 5 | 13 | - | 9,992 |
| Linway | 136,160 | - | 10,832 | 1,365 | - | 145,627 |
| Lorence and Vander Zwart | 51,256 | - | 4,078 | 514 | - | 54,820 |
| Macatawa Bank | 19,256 | - | 1,532 | 193 | - | 20,595 |
| Ann Maguire Family | 22,426 | - | 1,719 | 218 | 800 | 23,127 |
| Douglas Maguire Family | 14,860 | 70,000 | 1,215 | 237 | - | 85,838 |
| Marsilje Family | 61,357 | - | 4,881 | 615 | - | 65,623 |
| Mavis Family | 519 | - | 42 | 3 | - | 558 |
| Barbara E. Melgaard | 69,071 | - | 5,495 | 693 | - | 73,873 |
| Betty R. Miller | 16,822 | - | 1,338 | 169 | - | 17,991 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELEND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS
YEAR ENDED DECEMBER 31, 2010

| | <u>Balance</u> 1/1/2010 | <u>Contri- butions</u> | <u>Investment</u> Income(loss) | <u>Program</u> Expenses | <u>Grants</u> | <u>Balance</u> 12/31/2010 |
|---------------------------------------|----------------------------|----------------------------|-----------------------------------|----------------------------|-------------------------|------------------------------|
| Robert & Carole Pavloski | 8,558 | - | 681 | 86 | - | 9,153 |
| Paul R. & Jane Ponitz Family | 61,435 | - | 7,944 | 595 | - | 68,784 |
| Richard & Barbara Poppe | 54,273 | 400 | 4,318 | 544 | - | 58,447 |
| Jerrald H. & Elsie Redeker Family | 50,393 | 500 | 4,071 | 520 | - | 54,444 |
| Sam & Laura Redeker | 10,109 | - | 804 | 101 | - | 10,812 |
| Keith Roelofs | 10,317 | - | 821 | 103 | - | 11,035 |
| Mary & David Spyker Family | 61,424 | 5,055 | 4,889 | 624 | - | 70,744 |
| Marcia & Stanley Stynes | 16,590 | - | 1,320 | 166 | - | 17,744 |
| Thomas & Merrill Jane Taylor | 305,602 | - | 23,369 | 3,013 | 13,400 | 312,558 |
| Jay & Adelle Van Daalen | 41,126 | - | 3,272 | 412 | - | 43,986 |
| William C. & Abigail Vanderbilt | 29,639 | - | 2,358 | 297 | - | 31,700 |
| Jean Van Daalen | 9,737 | - | 775 | 98 | - | 10,414 |
| John & Myna VanderWarf | 9,789 | - | 779 | 98 | - | 10,470 |
| E. F. Van Dorp Family | 18,392 | 900 | 1,464 | 190 | - | 20,566 |
| Donald J. & Nell Van Dyke Family | 12,911 | - | 1,027 | 128 | 1,000 | 12,810 |
| Van Grouw Family | 12,032 | 140 | 927 | 117 | 500 | 12,482 |
| Vern & Betty Van Kley Family | 96,430 | - | 7,672 | 967 | - | 103,135 |
| Donald & Mary Ann Van't Hof Family | 10,383 | 500 | 889 | 107 | - | 11,665 |
| Warren K. & Marcia Westrate | 58,731 | - | 4,672 | 589 | - | 62,814 |
| Woman's Literary Club of Holland | 200,566 | - | 15,956 | 2,011 | - | 214,511 |
| ZFS/Meeuwssen Family | 17,852 | 43,400 | 3,024 | 321 | 3,800 | 60,155 |
| Total Donor Advised Funds | <u>\$ 3,089,732</u> | <u>\$ 258,223</u> | <u>\$ 247,819</u> | <u>\$ 31,918</u> | <u>\$ 56,980</u> | <u>\$ 3,506,876</u> |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|--------------------|----------------------------|---------------------|----------------|-----------------------|
| Community Funds: | | | | | | |
| Donor Advised Community Funds: | | | | | | |
| Alliance for Cultural & Ethnic Harmony - Gary Pepe Memorial | \$ 2,132 | \$ - | \$ - | \$ - | \$ 2,132 | \$ - |
| Anonymous #3 | 175 | - | 16 | 2 | - | 189 |
| Boote Family | 5 | - | - | - | - | 5 |
| Brooks Family | 250,451 | 402,265 | - | 5,783 | 622,000 | 24,933 |
| Jack Brown | 741 | - | 66 | 7 | - | 800 |
| Thomas & Susan DenHerder Family | 281 | 56,484 | (870) | 1,383 | 45,100 | 9,412 |
| Michael D. & Mary Dykema Family | 10,845 | - | 968 | 109 | - | 11,704 |
| Elgersma | 6,430 | - | 487 | 58 | 5,000 | 1,859 |
| ELK | 1,850 | - | - | - | 1,000 | 850 |
| Scott & Jaclyn Geerlings Family | 34,154 | - | 3,049 | 343 | - | 36,860 |
| Community Share - Gentex Charitable | 52,035 | 62,207 | - | 1,866 | 52,035 | 60,341 |
| Helder Family | 27,511 | 400 | 1,833 | 279 | 1,000 | 28,465 |
| David & Barbara Janssen Family | 129,992 | - | 11,687 | - | - | 141,679 |
| John & Sally Janssen Family | 150,692 | - | 13,548 | - | - | 164,240 |
| Franklin D. Kraai | 2,596 | 4,159 | - | 62 | 1,400 | 5,293 |
| Betty R. Miller | 5,495 | 31,483 | 97 | 737 | 28,500 | 7,838 |
| Karen & Larry Mulder | 1,147,246 | 1,148,000 | 95,068 | 12,224 | 91,000 | 2,287,090 |
| OAISD Education | 641 | - | 11 | 652 | - | - |
| Oakspring | 1,302,815 | - | 152,383 | 13,153 | - | 1,442,045 |
| Esther R. Padnos | 54,798 | - | (2,140) | - | - | 52,658 |
| Esther R. & Seymour K. Padnos | 9,319 | 24,100 | 166 | 362 | 17,145 | 16,078 |
| William R. Padnos Donor Advised | - | 200,011 | - | 2,000 | - | 198,011 |
| Dr. Lawrence & Eloise Schmidt Family | 1,750 | - | - | - | - | 1,750 |
| Marcia & Stanley Stynes | 5 | - | - | - | - | 5 |
| Jean Van Daalen | 21,471 | - | - | - | 10,000 | 11,471 |
| Tony & Evelyn Weller | - | 10,264 | 849 | 90 | - | 11,023 |
| Total Donor Advised Community | 3,213,430 | 1,939,373 | 277,218 | 39,110 | 876,312 | 4,514,599 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|--|---------------------|---------------------|----------------------------|---------------------|---------------------|-----------------------|
| Project Community Funds: | | | | | | |
| Community Bridge Enhancement | 812 | - | - | - | 812 | - |
| Critical Safety Net | 3,262 | 15,873 | - | - | 19,085 | 50 |
| Destination Education - College Access Network | - | 12,500 | | 188 | | 12,312 |
| Grand Rapids Community College (GRCC) Holland Project | 73,306 | 69,333 | - | 627 | 80,306 | 61,706 |
| Holland New Tech Capital Project | - | 7,000 | - | 105 | - | 6,895 |
| Jim Kaat Baseball Park | 953 | - | - | - | - | 953 |
| MaryAnn Kaat Memorial | 10,079 | 120 | - | - | - | 10,199 |
| Lake Macatawa Public Property | 174,622 | 1,500 | 15,588 | 1,769 | - | 189,941 |
| Lighthouse Preservation | 117,684 | 9,040 | 9,372 | 1,141 | 14,378 | 120,577 |
| Miscellaneous | 964 | 95,245 | - | 11,055 | 70,106 | 15,048 |
| Model Community Initiatives | - | 50,000 | - | 16,872 | - | 33,128 |
| NewNorth - The Center for Innovation and Applied Design | 12,375 | 2,500 | - | 25 | 12,375 | 2,475 |
| Ottawa County Parks Nature Education Center | 1,439 | 75 | - | 1 | - | 1,513 |
| Ready for School Education | 193,225 | 179,375 | - | 166,265 | 100,845 | 105,490 |
| Riverview Group | 14,414 | 31,700 | - | 36,320 | - | 9,794 |
| Strategic Initiatives | 64,329 | 100,000 | - | 33,438 | 64,500 | 66,391 |
| Tulip Time | - | 150 | - | 2 | - | 148 |
| West Ottawa International Baccalaureate | 81,209 | 13,500 | - | 171 | 87,644 | 6,894 |
| Windmill Island Development | 111,967 | - | 9,995 | 1,124 | - | 120,838 |
| Window on the Waterfront | 12,698 | - | - | - | - | 12,698 |
| Windmill Island Heritage Board | 818 | - | - | - | - | 818 |
| WJQ Fourth of July Fireworks | - | 23,500 | - | 23,500 | - | - |
| Total Project Community Funds | <u>874,156</u> | <u>611,411</u> | <u>34,955</u> | <u>292,603</u> | <u>450,051</u> | <u>777,868</u> |
| Total Community Funds | <u>\$ 4,087,586</u> | <u>\$ 2,550,784</u> | <u>\$ 312,173</u> | <u>\$ 331,713</u> | <u>\$ 1,326,363</u> | <u>\$ 5,292,467</u> |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| Field of Interest: | <u>Balance</u> 1/1/2010 | <u>Contri-</u> <u>butions</u> | <u>Investment</u> <u>Income(loss)</u> | <u>Program</u> <u>Expenses</u> | <u>Grants</u> | <u>Balance</u> 12/31/2010 |
|--|----------------------------|----------------------------------|--|-----------------------------------|---------------|------------------------------|
| Chester & Kathryn Baumann Family | \$ 23,174 | \$ 3,400 | \$ 1,913 | \$ 240 | \$ - | \$ 28,247 |
| Brooks Beverage Management | 59,007 | - | 4,694 | 592 | - | 63,109 |
| JoAnne V. & James F. Brooks for Affordable Housing | 290,995 | 100 | 23,150 | 2,918 | - | 311,327 |
| George E. & Nancy Jean Buskirk Cambell/Beukema for Children's Services | 50,950 | 2,062 | 4,054 | 584 | - | 56,482 |
| Children's Medical | 101,675 | - | 8,089 | 1,020 | - | 108,744 |
| Comerica Bank Housing Assistance | 113,830 | - | 9,056 | 1,142 | - | 121,744 |
| Charles J. & Loretta M. Cooper | 10,407 | - | 828 | 104 | - | 11,131 |
| Douglas & Sandra DeKock for Historic Preservation | 64,907 | - | 5,164 | 651 | - | 69,420 |
| Destination Education - College Access Access Network | 21,582 | 3,000 | 1,718 | 220 | - | 26,080 |
| David L. Dirkse Youth | - | 50 | - | - | - | 50 |
| Fifth Third Bank Affordable Housing | 49,798 | 1,000 | 3,962 | 523 | - | 54,237 |
| Rudolph & Kay Frundt for Affordable Housing/Youth | 24,424 | - | 1,943 | 245 | - | 26,122 |
| Gentex Corporation for Youth | 425,273 | - | 33,832 | 4,265 | - | 454,840 |
| Greenway & Natural Resources | 95,420 | 4,000 | 7,593 | 961 | - | 106,052 |
| Robert G. & Joan T. Hall-Lafley for Affordable Housing | 307,780 | - | 23,373 | 2,954 | 15,200 | 312,999 |
| HEDCOR Community Fund for Economic Development | 14,738 | 400 | 1,173 | 158 | - | 16,153 |
| Heinz USA Holland 100 Yr. Memorial for Children & Families | 870,514 | - | 25,794 | 8,384 | 50,000 | 837,924 |
| Holland Youth Leadership Development Development | 9,670 | - | 769 | 96 | - | 10,343 |
| Homelessness Prevention | 7,388 | 9,364 | 645 | 88 | - | 17,309 |
| Huntington National Bank Affordable Housing/Community Development | 63,079 | 5,232 | 5,214 | 657 | 1,225 | 71,643 |
| Huntington National Bank for Arts & Culture | 47,311 | - | 3,764 | 474 | - | 50,601 |
| Kincaid Family for Education | 25,372 | - | 2,018 | 254 | - | 27,136 |
| Lake Michigan Shoreline | 22,014 | - | 1,751 | 220 | - | 23,545 |
| Lakeshore Children's Health | 12,058 | - | 918 | 117 | 500 | 12,359 |
| Lakeshore Economic Development | 16,196 | - | 1,288 | 162 | - | 17,322 |
| Macatawa Watershed | 48,622 | - | 3,770 | 477 | 1,200 | 50,715 |
| Anonymous Fund #2 for the MSU Bioeconomy Institute | 21,608 | 500 | 1,719 | 217 | - | 23,610 |
| Anonymous Fund #3 for the MSU Bioeconomy Institute | 93,474 | 700 | 7,436 | 938 | - | 100,672 |
| Dan & Julie Bourbon Family for the MSU Bioeconomy Institute | 856,957 | - | 68,175 | 8,594 | - | 916,538 |
| Bradford Company for the MSU Bioeconomy Institute | 106,330 | - | 5,735 | 1,064 | - | 111,001 |
| Brenner Oil Company for the MSU Bioeconomy Institute | 25,200 | - | 2,005 | 253 | - | 26,952 |
| Brooks Family for the MSU Bioeconomy Institute | 25,093 | - | 1,996 | 252 | - | 26,837 |
| Brooks Family for the MSU Bioeconomy Institute | 86,910 | - | 6,914 | 872 | - | 92,952 |
| Brooks Family for the MSU Bioeconomy Institute | 856,958 | - | 68,175 | 8,594 | - | 916,539 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|----------------------|--------------------|----------------------------|---------------------|-------------------|-----------------------|
| Lee & Cheryl Dell for the MSU Bioeconomy Institute | 21,424 | - | 1,704 | 215 | - | 22,913 |
| Lee & Linda De Visser for the MSU Bioeconomy Institute | 15,068 | - | 1,198 | 151 | - | 16,115 |
| Katherine S. Donnelly for the MSU Bioeconomy Institute | 99,060 | - | 7,881 | 993 | - | 105,948 |
| Frey Foundation for the MSU Bioeconomy Institute | 285,320 | - | 22,699 | 2,861 | - | 305,158 |
| Ron & Joan Griffith for the MSU Bioeconomy Institute | 9,407 | - | 748 | 94 | - | 10,061 |
| Haworth Inc. for the MSU Bioeconomy Institute | 1,004,671 | - | 79,927 | 10,075 | - | 1,074,523 |
| HEDCOR for the MSU Bioeconomy Institute | 225,812 | - | 17,964 | 2,264 | - | 241,512 |
| Herman Miller Foundation for the MSU Bioeconomy Institute | 226,707 | - | 18,036 | 2,273 | - | 242,470 |
| Jim & Ginger Jurries Family for the MSU Bioeconomy Institute | 225,485 | - | 17,938 | 2,261 | - | 241,162 |
| Richard M. & Marcia M. Lievens for the MSU Bioeconomy Institute | 20,567 | - | 1,636 | 206 | - | 21,997 |
| John R. & Carolyn S. Marquis Family for the MSU Bioeconomy Institute | 25,398 | - | 2,021 | 255 | - | 27,164 |
| MSU Bioeconomy Institute | 125,010 | (14,900) | 7,516 | 1,196 | - | 116,430 |
| ZFS/Meeuwsen Family for the Bioeconomy Institute | 104,487 | - | 8,098 | 1,046 | - | 111,539 |
| Larry & Karen Mulder for the MSU Bioeconomy Institute | 93,148 | - | 7,410 | 934 | - | 99,624 |
| Mr. and Mrs. Richard M. Muzzy for the MSU Bioeconomy Institute | 103,671 | - | 8,248 | 1,040 | - | 110,879 |
| Louis Padnos Iron & Metal Company for the MSU Bioeconomy Institute | 222,341 | - | 17,688 | 2,230 | - | 237,799 |
| Slikkers Family Foundation for the MSU Bioeconomy Institute | 18,791 | - | 1,495 | 188 | - | 20,098 |
| Steelcase Foundation for the MSU Bioeconomy Institute | 148,500 | - | - | - | - | 148,500 |
| Peirce Family | 30,886 | 500 | 2,457 | 310 | - | 33,533 |
| SAF - Holland, Inc. Employees Fund For Older Citizens | 161,698 | - | 12,864 | 1,622 | - | 172,940 |
| Siemens Water Technology | 72,233 | - | 5,747 | 724 | - | 77,256 |
| Suzanne M. & Marvin E. Stawicki | - | 10,000 | 1,249 | 53 | - | 11,196 |
| Cornelius J. Steketee Family | 17,207 | 500 | 1,315 | 169 | 1,200 | 17,653 |
| Town & Country Group | 44,999 | 400 | 3,580 | 452 | - | 48,527 |
| Van Haitsma Family | 76 | - | 6 | - | - | 82 |
| Janet Camp Van Oss Fine Arts | 10,136 | - | 806 | 101 | - | 10,841 |
| Veneklasen Family | 62,403 | 5,000 | 4,967 | 632 | - | 71,738 |
| Paul A. VerHage Health | 50,539 | 1,200 | 4,024 | 508 | - | 55,255 |
| W.K. Kellogg - Holland YAC | 1,110,935 | 200 | 84,925 | 10,733 | 47,200 | 1,138,127 |
| W.K. Kellogg - Zeeland YAC | 1,008,727 | - | 77,108 | 9,741 | 42,900 | 1,033,194 |
| YAC Grant Fund | 4,614 | - | - | 10,349 | (9,154) | 3,419 |
| Wierda & Bosch Foundation | 23,199 | 1,000 | 1,846 | 234 | - | 25,811 |
| Total Field of Interest Funds | \$ 10,421,233 | \$ 33,708 | \$ 761,729 | \$ 112,200 | \$ 150,271 | \$ 10,954,199 |

See independent auditor's report on supplementary material.

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELEND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|--------------------|----------------------------|---------------------|--------|-----------------------|
| Scholarship: | | | | | | |
| Batts Family | \$ 28,909 | \$ - | \$ 2,300 | \$ 290 | \$ - | \$ 30,919 |
| J Russell & Julia Bouws | 79,970 | 300 | 6,144 | 801 | 2,500 | 83,113 |
| Roger & Louise Brinks Elementary Education | 39,958 | - | 3,082 | 394 | 1,000 | 41,646 |
| Roger & Louise Brinks Holland Christian Schools | 17,464 | 5,058 | 1,326 | 175 | 1,000 | 22,673 |
| Brooks Family Minority | 485,105 | 23,000 | 38,835 | 4,862 | 23,000 | 519,078 |
| Nicholas Canyon | 850 | - | - | - | - | 850 |
| Careerline Tech Center | 26,793 | 6,477 | 2,594 | (229) | 6,000 | 30,093 |
| Centennial Coating | 1,601 | 8,600 | 132 | 15 | - | 10,318 |
| Jessie F Dalman | 63,093 | 3,250 | 5,239 | 639 | 1,000 | 69,943 |
| Lillian Mulder Dalman Memorial for Resthaven Employees | 10,992 | 3,500 | 983 | 126 | 500 | 14,849 |
| Thomas and Susan Den Herder Anne E. Dirkse Memorial Nursing | 28,496 | 2,250 | 2,259 | 289 | 250 | 32,466 |
| Martin J. Dykstra Memorial | 12,265 | 1,900 | 959 | 145 | 500 | 14,479 |
| Eagle Scout Community Service Award | 9,846 | 5,454 | 1,074 | 154 | 500 | 15,720 |
| Justin (Jup) Elhart Memorial | 3,896 | 200 | - | 8 | - | 4,088 |
| Pamela Elhart Memorial/Zeeland Rotary | 15,139 | 3,350 | 1,374 | 167 | 500 | 19,196 |
| Fifth Third Bank Minority | 24,227 | - | 1,879 | 240 | 500 | 25,366 |
| Freedom Village | 27,813 | - | 2,096 | 271 | 1,200 | 28,438 |
| Freedom Village Non-Endowed | 82,069 | 6,725 | 6,658 | 853 | - | 94,599 |
| C. Norman Fry | 36,123 | 24,465 | - | 1 | 35,455 | 25,132 |
| Holland/Zeeland Promise | 57,033 | - | 4,537 | 572 | - | 60,998 |
| Ian Guarr Memorial | - | 30,050 | - | 887 | 24,310 | 4,853 |
| John T. & Esther M. Hoogland | 23,837 | 7,550 | 1,920 | 274 | 5,000 | 28,033 |
| Karri B & David E Jasperse | 14,974 | 600 | 1,143 | 148 | 500 | 16,069 |
| Kaminski Family | 13,459 | 400 | 1,039 | 133 | 750 | 14,015 |
| Angie Kammeraad Nursing | 14,101 | 1,725 | 787 | 469 | 2,000 | 14,144 |
| Dr. J.H. Kamps/Louis Roberts Speech Award | 160,521 | - | 12,080 | 1,564 | 7,100 | 163,937 |
| Gene Kraai Memorial | 13,116 | - | 981 | 191 | 600 | 13,306 |
| Lakeshore United Soccer Club | 13,396 | 2,000 | 1,031 | 131 | 500 | 15,796 |
| Marcia K & Arlyn J Lanting Family | 62,997 | - | 4,428 | 593 | 6,000 | 60,832 |
| Latin Americans United For Progress Dream | 49,669 | 3,000 | 3,759 | 489 | 2,000 | 53,939 |
| Jack & Thelma Leenhouts | 25,568 | - | 1,985 | 254 | 500 | 26,799 |
| M-Tec / Baker Union | 37,276 | 500 | 2,966 | 374 | - | 40,368 |
| M-Tec / Amanda Hendel | 3,080 | - | 274 | 46 | - | 3,308 |
| Chris Martin Memorial Art | 204 | - | 4 | 4 | 204 | - |
| Samuel Meengs | 28,995 | 2,000 | 2,283 | 294 | 1,000 | 31,984 |
| Karen and Larry Mulder | 25,144 | 2,150 | 1,951 | 249 | 500 | 28,496 |
| Marjorie J Munson Memorial | 11,014 | 91,000 | (626) | 253 | 91,000 | 10,135 |
| Neydon For Children of Widows | 3,343 | - | 172 | 26 | 1,200 | 2,289 |
| Jayne Britt Parish Nurse Educational | 23,879 | 2,200 | 1,828 | 242 | 1,000 | 26,665 |
| | 10,156 | 1,450 | 818 | 101 | 450 | 11,873 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|--|----------------------------|--------------------------|----------------------------|-------------------------|--------------------------|----------------------------|
| Ploeg-Fyneweever Nursing | 8,311 | - | 661 | 83 | - | 8,889 |
| Ann L. Query | - | 6,821 | 17 | 101 | - | 6,737 |
| Alice O. Rydell Interior Design | 22,529 | - | 1,792 | 226 | - | 24,095 |
| Tai Anne Smith Memorial | - | 3,183 | 84 | 9 | - | 3,258 |
| Brenda S & Robert J Soeters Family | 10,325 | 500 | 773 | 112 | 500 | 10,986 |
| Shelley Speet-Mills | 22,185 | 900 | 1,758 | 235 | 500 | 24,108 |
| Albertha M. Teusink Nursing | - | 1,515 | - | 23 | - | 1,492 |
| University of Michigan Club of Holland | 27,098 | 1,550 | 1,716 | 264 | 5,000 | 25,100 |
| Donald J & Lileeth Brouwer VanArk | 17,508 | 2,000 | 1,248 | 168 | 1,500 | 19,088 |
| Ted Vanden Bosch for Children of Firefighters, Police and Rescue Personnel | 160,491 | - | 12,489 | 658 | 3,800 | 168,522 |
| Margaret Van Vyven Music | 16,646 | - | 1,276 | 164 | 500 | 17,258 |
| Patricia K Winchester Vanderbilt | 31,778 | 310 | 2,382 | 314 | 1,500 | 32,656 |
| Wagner Catholic | 1,498,779 | 50 | 116,863 | 22,310 | 20,000 | 1,573,382 |
| Catherine Bosch Wasson Family | 8,846 | 500 | 692 | 90 | 500 | 9,448 |
| Peter & Huberdina Weller | 13,844 | 200 | 1,104 | 143 | - | 15,005 |
| West Ottawa High School Class of 1999 | 23,962 | 900 | 1,886 | 239 | 500 | 26,009 |
| Willis & Ella Weymon African American | 13,708 | 250 | 1,094 | 138 | - | 14,914 |
| Shawn D Wiersma Memorial | 19,859 | 3,415 | 1,679 | 208 | 500 | 24,245 |
| Wuskowhan Player's Club Caddie | 95,865 | 12,020 | 8,787 | 1,008 | 1,500 | 114,164 |
| Ted & Yuki Yamaoka | 9,784 | 1,787 | 821 | 28 | - | 12,364 |
| Zeeland Rotary / Don Morgan Memorial | 2,266 | - | - | - | - | 2,266 |
| Agnes Zuverink-Norman Nursing | 53,719 | - | 4,176 | 532 | 1,000 | 56,363 |
| Total Scholarship Funds | <u>\$ 3,643,874</u> | <u>\$ 275,055</u> | <u>\$ 281,592</u> | <u>\$ 43,548</u> | <u>\$ 255,819</u> | <u>\$ 3,901,154</u> |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|--------------------|----------------------------|---------------------|-------------|-----------------------|
| Charitable Trusts: | | | | | | |
| Annuity #4 | \$ 5,682 | \$ - | \$ 576 | \$ 920 | \$ - | \$ 5,338 |
| Annuity #5 | 4,110 | - | 318 | 660 | - | 3,768 |
| Annuity #6 | 4,549 | - | 357 | 650 | - | 4,256 |
| Annuity #7 | 741 | - | (7) | 734 | - | - |
| Annuity #8 | 5,925 | - | 405 | 1,620 | - | 4,710 |
| Annuity #9 | 3,316 | - | 732 | - | - | 4,048 |
| Annuity #10 | 122,753 | - | 11,624 | - | - | 134,377 |
| Annuity #11 | 3,763 | - | 769 | - | - | 4,532 |
| Annuity #12 | 2,775 | - | 708 | - | - | 3,483 |
| Annuity #13 | 10,304 | - | 990 | - | - | 11,294 |
| Annuity #14 | 4,632 | - | 514 | - | - | 5,146 |
| Annuity #15 | 1,999 | - | 772 | - | - | 2,771 |
| Annuity #16 | 30,691 | - | 3,547 | - | - | 34,238 |
| Annuity #17 | 5,399 | - | 1,191 | - | - | 6,590 |
| Annuity #18 | 21,568 | - | 4,443 | - | - | 26,011 |
| Annuity #19 | 65,717 | - | 8,459 | - | - | 74,176 |
| Annuity #20 | 2,657 | - | 865 | - | - | 3,522 |
| Swierenga Charitable Remainder Unitrust | 483,936 | - | 83,382 | 1,593 | - | 565,725 |
| Vanderkamp Charitable Remainder Unitrust | 187,272 | - | 32,201 | 244 | - | 219,229 |
| Total Charitable Trusts | \$ 967,789 | \$ - | \$ 151,846 | \$ 6,421 | \$ - | \$ 1,113,214 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELEND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Contri- butions | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|--------------------|----------------------------|---------------------|--------|-----------------------|
| Donor Designated Endowments: | | | | | | |
| Administrative Endowment | \$ 172,780 | \$ 132 | \$ 13,754 | \$ 1,699 | \$ - | \$ 184,967 |
| Alzheimer's Association | 4,889 | 20 | 389 | 50 | - | 5,248 |
| American Red Cross of Ottawa Co. | 3,416 | 200 | 272 | 39 | - | 3,849 |
| Lana Renee Antvelink for Camp Sunshine | 9,403 | 7,365 | 1,476 | 151 | - | 18,093 |
| Autism Society of West Shore | 105,340 | - | 8,380 | 1,057 | - | 112,663 |
| Bacino / Wehrmeyer | 3,838 | - | 298 | 36 | 400 | 3,700 |
| Barnabas Ministries | 11,488 | 450 | 914 | 116 | - | 12,736 |
| Janet C. & Ruth B. Beukema for Hospice | 1,032 | - | 82 | 10 | - | 1,104 |
| Black River Public Schools Excellence in Education | 29,313 | 450 | 2,332 | 306 | - | 31,789 |
| John G. Bouwman Camp Sunshine | 7,191 | 1,200 | 632 | 21 | - | 9,002 |
| Boys & Girls Club of Greater Holland | 71,624 | 2,810 | 5,743 | 732 | - | 79,445 |
| Boy Scouts of America - Gerald R. Ford Ford Council #266 | 9,535 | - | 759 | 96 | - | 10,198 |
| Bridge Ministry Center of Zeeland | 51,685 | 3,820 | 4,186 | 534 | - | 59,157 |
| Charles & Penney Buhler for Holland Museum | 10,470 | - | 823 | 105 | 100 | 11,088 |
| Camp Geneva | 31,807 | 5,300 | 2,593 | 382 | - | 39,318 |
| Camp Sunshine | 46,924 | 2,105 | 3,746 | 481 | - | 52,294 |
| Campus Ministry @ GVSU | 16,378 | 400 | 1,303 | 165 | - | 17,916 |
| Center for Women in Transition | 38,133 | 5,024 | 3,056 | 403 | - | 45,810 |
| Christ Memorial Church | 106 | - | 9 | 1 | - | 114 |
| City of Zeeland Howard Miller Library | 1,015,699 | 8,050 | 81,016 | 10,252 | - | 1,094,513 |
| Classis of Holland of the Reformed Church of America | 31,004 | 1,150 | 2,535 | 328 | - | 34,361 |
| Community Action House | 136,263 | 1,615 | 10,690 | 1,396 | 1,600 | 145,572 |
| Community Health Center | 23,322 | 1,600 | 1,896 | 248 | - | 26,570 |
| Robert & Elaine K. Cooper for Hospice | 10,094 | - | 803 | 101 | - | 10,796 |
| Corpus Christi Foundation | 60,408 | 9,050 | 4,851 | 668 | - | 73,641 |
| DeGraaf Nature Center | 33,311 | - | 2,650 | 334 | - | 35,627 |
| Disability Network/Lakeshore | 18,292 | 400 | 1,460 | 184 | - | 19,968 |
| Drenthe Christian Reformed Church Christian Education | 2,097 | - | 167 | 21 | - | 2,243 |
| Evergreen Commons Adult Day Health | 16,094 | 1,011 | 1,287 | 167 | - | 18,225 |
| Evergreen Commons Gertrude ten Hoer Homemaker's Assistance | 9,565 | - | 761 | 96 | - | 10,230 |
| Evergreen Commons Legacy Society | 531 | 125 | 45 | 9 | - | 692 |
| Family Hope Foundation | - | 500 | - | - | - | 500 |
| Friends of Kandu Endowment | 53,160 | 620 | 4,231 | 537 | - | 57,474 |
| Good Samaritan Ministries | 19,512 | 2,575 | 1,635 | 214 | - | 23,508 |
| Graafschap Firefighters | 781 | 100 | 62 | 8 | - | 935 |
| Harbor Humane Society | 2,146 | 700 | 161 | 22 | 100 | 2,885 |
| Herrick District Library - Lynn Rydell Memorial | - | 1,000 | 1 | - | - | 1,001 |
| His Harvest Stand | 4,668 | 1,020 | 388 | 52 | - | 6,024 |
| Holland Area Arts Council | 13,596 | 611 | 1,036 | 136 | 500 | 14,607 |
| Holland Chorale | 49,410 | 2,010 | 3,927 | 753 | - | 54,594 |
| Holland Christian Schools | 206,668 | 39,843 | 16,850 | 2,288 | - | 261,073 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | <u>Balance</u> 1/1/2010 | <u>Contri- butions</u> | <u>Investment</u> Income(loss) | <u>Program</u> Expenses | <u>Grants</u> | <u>Balance</u> 12/31/2010 |
|--|----------------------------|----------------------------|-----------------------------------|----------------------------|---------------|------------------------------|
| Holland Deacons' Conference | 98,710 | 10,800 | 8,197 | 1,049 | - | 116,658 |
| Holland Friends of Art | 2,744 | - | 218 | 27 | - | 2,935 |
| Holland Museum Conservation & Acquisition | 4,651 | 200 | 370 | 47 | - | 5,174 |
| Holland Public Schools Educational Foundation | 60,654 | 2,200 | 4,835 | 612 | - | 67,077 |
| Holland Public Schools PTO | 1,270 | - | 101 | 13 | - | 1,358 |
| Holland Rescue Mission | 47,956 | 7,389 | 3,941 | 552 | - | 58,734 |
| Holland Symphony Orchestra | 46,094 | 1,560 | 3,675 | 480 | - | 50,849 |
| Holland New Tech Sustainability | - | 16,700 | 8 | 21 | - | 16,687 |
| Hospice of Holland, Inc. | 40,338 | 1,450 | 3,239 | 424 | - | 44,603 |
| Hudsonville Public Schools Education Foundation | 40,585 | 6,282 | 3,466 | 431 | - | 49,902 |
| Eugene & Louise Huyser/Hospice | 24,550 | - | 1,954 | 246 | - | 26,258 |
| Dr. J. H. Kamps/Kamps Family | 4,897 | - | 390 | 49 | - | 5,238 |
| Dr. J.H. & Mary R. Kamps for Zeeland Bridge | 23,237 | - | 1,849 | 233 | - | 24,853 |
| George B. & Joyce E. Keen for Wings of Mercy | 10,144 | 10 | 807 | 102 | - | 10,859 |
| LaVerne & Dorothy Koning for Holland Christian School | 8,439 | - | 671 | 85 | - | 9,025 |
| Lakeshore Habitat for Humanity | 12,514 | 1,800 | 1,010 | 146 | - | 15,178 |
| Calvin & Yvonne Langejans for Holland Chorale | 1,779 | 100 | 154 | 28 | - | 2,005 |
| Life Services System | 1,021 | 300 | 88 | 11 | - | 1,398 |
| Maple Avenue Ministries Outreach | 20,322 | 475 | 1,617 | 214 | - | 22,200 |
| OAISD Education Fund-Patrick M. Thompson Fund for M Tech Center | 182,585 | 4,975 | 13,663 | 2,486 | - | 198,737 |
| Ottagon Additions Rehabilitation, Inc. | 138,895 | 55,825 | 15,153 | 1,733 | 200 | 207,940 |
| Ottawa County Farm Preservation | - | 13,400 | 150 | 17 | - | 13,533 |
| Ottawa County Parks Nature Education Center | 1,654 | 3,015 | 294 | 30 | - | 4,933 |
| Outdoor Discovery Center | 49,263 | 2,000 | 3,811 | 502 | 1,000 | 53,572 |
| Esther & Seymour Padnos for B & G's Scout & B & G's State | 51,483 | 2,100 | 4,032 | 521 | 2,100 | 54,994 |
| Parkview Home | 24,011 | 870 | 1,916 | 247 | - | 26,550 |
| Pillar Church for Organ Maintenance | 29,624 | 3,600 | 2,517 | 313 | - | 35,428 |
| Merle & Arnola Prins | 33,533 | - | 2,667 | 336 | - | 35,864 |
| Resthaven | 19,946 | 1,007 | 1,596 | 223 | - | 22,326 |
| Turning Pointe School of Dance | 2,107 | 1,250 | 168 | 31 | - | 3,494 |
| United Way's Alice C. Webb | 41,230 | - | 3,212 | 409 | 700 | 43,333 |
| Unity #191 Masonic Lodge | - | 1,500 | 29 | 3 | - | 1,526 |
| Volunteer Center-Holland/ George W. Romney | 162,484 | - | 12,926 | 1,629 | - | 173,781 |
| Marie K. Woldring Fund for Harbor Humane Society | 39,015 | - | 2,928 | 381 | 1,700 | 39,862 |
| Dwight B. & Cynthia S. Yntema for Herrick Library | 20,115 | - | 1,600 | 202 | - | 21,513 |
| Zeeland Christian School | 675,447 | 117,018 | 54,632 | 7,144 | - | 839,953 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
NET ASSETS (CONTINUED)
YEAR ENDED DECEMBER 31, 2010

| | <u>Balance 1/1/2010</u> | <u>Contri- butions</u> | <u>Investment Income(loss)</u> | <u>Program Expenses</u> | <u>Grants</u> | <u>Balance 12/31/2010</u> |
|--|-----------------------------|----------------------------|------------------------------------|-----------------------------|---------------------|-------------------------------|
| Zeeland Historical Society | 24,167 | 120 | 1,923 | 243 | - | 25,967 |
| Zeeland Public Schools Education Legacy | 371,113 | 38,492 | 30,655 | 4,074 | - | 436,186 |
| Zeeland Public Schools Literacy Advocates | <u>15,968</u> | <u>1,814</u> | <u>1,431</u> | <u>170</u> | <u>-</u> | <u>19,043</u> |
| Total Donor Designated Endowment Funds | <u>\$ 4,664,518</u> | <u>\$ 397,508</u> | <u>\$ 379,092</u> | <u>\$ 49,662</u> | <u>\$ 8,400</u> | <u>\$ 5,383,056</u> |
| Total Net Assets | <u>\$ 34,041,814</u> | <u>\$ 3,916,092</u> | <u>\$ 3,175,760</u> | <u>\$ 1,134,379</u> | <u>\$ 1,956,283</u> | <u>\$ 38,043,004</u> |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
FUNDS HELD AS AGENCY ENDOWMENTS (FOUNDING FUNDS)
YEAR ENDED DECEMBER 31, 2010

| | Balance 1/1/2010 | Receipts | Investment Income(loss) | Program Expenses | Grants | Balance 12/31/2010 |
|---|---------------------|----------|----------------------------|---------------------|--------|-----------------------|
| Founding: | | | | | | |
| Alzheimer's Association | \$ 83 | \$ - | \$ 7 | \$ 1 | \$ - | \$ 89 |
| American Red Cross of Ottawa County | 9,005 | - | 759 | 88 | 400 | 9,276 |
| Andy & Nicole Memorial Medical Lana Renee Antvelink for Camp Sunshine | 37,137 | - | 2,732 | 340 | 5,200 | 34,329 |
| ARC/Advocacy & Resource Center | 14,753 | - | 1,317 | 148 | - | 15,922 |
| John G. Bouwman Camp Sunshine | 203 | - | 18 | 2 | - | 219 |
| Camp Sunshine | 1,661 | - | 150 | 4 | - | 1,807 |
| Campus Ministry @ GVSU | 223,314 | - | 18,943 | 2,193 | 7,400 | 232,664 |
| Center for Women in Transition | 2,642 | - | 236 | 27 | - | 2,851 |
| Christ Memorial Church | 17,404 | - | 1,553 | 175 | - | 18,782 |
| Classis of Holland of the Reformed Church of America | 242,154 | - | 20,693 | 2,343 | 10,200 | 250,304 |
| Community Action House | 11,958 | 400 | 1,001 | 117 | 500 | 12,742 |
| Community Health Center | 141,236 | - | 9,058 | 1,276 | 32,000 | 117,018 |
| Corpus Christi Foundation | 12,004 | - | 1,071 | 120 | - | 12,955 |
| DeGraaf Nature Center | 10,641 | - | (414) | 53 | 10,174 | - |
| Disability Network/Lakeshore | 68,554 | 1,000 | 5,707 | 669 | 4,300 | 70,292 |
| Drenthe Christian Reformed Church Christian Education | 10,963 | - | 979 | 110 | - | 11,832 |
| Evergreen Commons Adult Day Health | 9,908 | - | 884 | 99 | - | 10,693 |
| Evergreen Commons Gertrude ten Hoor Homemaker's Assistance | 30,081 | - | 2,539 | 293 | 1,300 | 31,027 |
| Evergreen Commons Legacy Society | 11,447 | - | 966 | 112 | 500 | 11,801 |
| Friends of Kandu | 178,091 | - | 15,078 | 1,741 | 7,300 | 184,128 |
| Good Samaritan Ministries | 94,174 | - | 8,407 | 945 | - | 101,636 |
| Graafschap Firefighters | 9,655 | 800 | 912 | 99 | - | 11,268 |
| Harbor Humane Society | 1,805 | - | 161 | 18 | - | 1,948 |
| Herrick District Library - Lynn Rydell Memorial | 12,423 | - | 1,053 | 121 | 500 | 12,855 |
| His Harvest Stand | 12,982 | 750 | 1,221 | 137 | - | 14,816 |
| Holland Area Chamber of Commerce | 10,528 | - | 940 | 106 | - | 11,362 |
| Holland Chorale | 126,024 | - | 11,250 | 1,265 | - | 136,009 |
| Holland Deacon's Conference | 228 | - | 20 | 3 | - | 245 |
| Holland Friends of Art | 13,742 | - | 1,159 | 134 | 600 | 14,167 |
| Holland Museum Conservation & Acquisition | 10,418 | - | 885 | 102 | 400 | 10,801 |
| Holland Public Schools PTO | 997 | 1,000 | 90 | 11 | - | 2,076 |
| Holland Public Schools Educational Foundation | 197,731 | - | 17,650 | 1,985 | - | 213,396 |
| Holland Public Schools Youth Leadership Development | 59,271 | - | 5,291 | 595 | - | 63,967 |
| Hospice of Holland, Inc. | 9,594 | - | 800 | 244 | 400 | 9,750 |
| Lakeshore Habitat for Humanity | 415,530 | 250,000 | 37,232 | 4,484 | - | 698,278 |
| Calvin & Yvonne Langejans for the Holland Chorale | 9,864 | - | 880 | 99 | - | 10,645 |
| Life Services System | 1,355 | - | 120 | 23 | - | 1,452 |
| Macatawa Resource Center Sustainability | 11,921 | - | 1,064 | 120 | - | 12,865 |
| | 22,640 | - | 1,931 | 222 | 800 | 23,549 |

THE COMMUNITY FOUNDATION OF THE HOLLAND/ZEELAND AREA
SCHEDULE OF ACTIVITY FOR
FUNDS HELD AS AGENCY ENDOWMENTS (FOUNDING FUNDS)
YEAR ENDED DECEMBER 31, 2010

| | <u>Balance</u> 1/1/2010 | <u>Receipts</u> | <u>Investment</u> <u>Income(loss)</u> | <u>Program</u> <u>Expenses</u> | <u>Grants</u> | <u>Balance</u> 12/31/2010 |
|--|----------------------------|--------------------------|--|-----------------------------------|-------------------------|------------------------------|
| OAISD Education - Patrick A. Thompson for M Tech Center | 192,251 | 4,976 | 18,044 | 3,037 | - | 212,234 |
| Ottagon Addictions Recover (O.A.R.) | 46,882 | 47,400 | 8,404 | 764 | 700 | 101,222 |
| Outdoor Discovery Center Macatawa Greenway | 19,072 | - | 1,657 | 189 | 400 | 20,140 |
| Resthaven | 168,615 | 50 | 14,742 | 1,674 | 3,000 | 178,733 |
| Turning Pointe School of Dance | 11,876 | - | 1,060 | 119 | - | 12,817 |
| Unity #191 Masonic Lodge | - | 10,000 | 1,330 | 65 | - | 11,265 |
| Zeeland Public Schools Literacy Advocates | 12,123 | - | 1,082 | 122 | - | 13,083 |
| Total Founding Funds | <u>\$ 2,504,940</u> | <u>\$ 316,376</u> | <u>\$ 220,662</u> | <u>\$ 26,594</u> | <u>\$ 86,074</u> | <u>\$ 2,929,310</u> |