



Community Foundation of Greater Flint and Supporting Organizations

Combined Financial Statements
Years Ended December 31, 2019 and 2018

**Community Foundation of Greater Flint
and Supporting Organizations**

Combined Financial Statements
Years Ended December 31, 2019 and 2018

Community Foundation of Greater Flint and Supporting Organizations

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Independent Auditor's Report

Community Foundation of Greater Flint
and Supporting Organizations
Flint, Michigan

We have audited the accompanying combined financial statements of the Community Foundation of Greater Flint and its Supporting Organizations (the Foundation), which comprise the combined statements of financial position as of December 31, 2019 and 2018, and the related combined statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Foundation as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP

June 26, 2020

Combined Financial Statements

Community Foundation of Greater Flint and Supporting Organizations

Combined Statements of Financial Position

<i>December 31,</i>	2019	2018
Assets		
Cash and cash equivalents	\$ 2,129,963	\$ 1,553,580
Investments	219,579,824	196,287,179
Pledges and other receivables	1,046,154	1,130,571
Prepaid expenses	239,967	215,082
Property and equipment, net	13,296,466	13,782,422
Notes receivable	10,621,700	10,621,700
Total Assets	\$ 246,914,074	\$ 223,590,534
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 577,145	\$ 322,880
Grants payable	530,583	1,415,229
Liability to life beneficiaries of planned gifts	100,570	98,392
Funds held on behalf of nonprofit endowments	2,701,767	2,371,255
Notes payable	15,082,739	15,063,951
Total Liabilities	18,992,804	19,271,707
Net Assets		
Without donor restrictions	17,207,192	16,657,619
With donor restrictions	210,714,078	187,661,208
Total Net Assets	227,921,270	204,318,827
Total Liabilities and Net Assets	\$ 246,914,074	\$ 223,590,534

See accompanying notes to combined financial statements.

Community Foundation of Greater Flint and Supporting Organizations

Combined Statements of Activities and Changes in Net Assets

	Year Ended December 31, 2019			Year Ended December 31, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains (Losses) and Other Support						
Gifts and pledges	\$ 1,134,767	\$ 1,868,148	\$ 3,002,915	\$ 891,601	\$ 2,265,290	\$ 3,156,891
Grants	-	7,994,526	7,994,526	-	1,533,336	1,533,336
Net investment activity	2,190,650	23,899,208	26,089,858	(816,901)	(18,464,276)	(19,281,177)
Management fees	23,625	-	23,625	22,810	-	22,810
Change in value of liability to life beneficiaries	(23,783)	-	(23,783)	(459)	-	(459)
Other revenue (loss)	(1,552)	106,217	104,665	37	106,217	106,254
Net assets released from restrictions	10,810,229	(10,810,229)	-	12,443,722	(12,443,722)	-
Total Revenues, Gains (Losses) and Other Support	14,133,936	23,057,870	37,191,806	12,540,810	(27,003,155)	(14,462,345)
Expenses						
Program services:						
Grants	9,029,471	-	9,029,471	10,015,073	-	10,015,073
Programs and grants administration	1,669,570	-	1,669,570	1,924,336	-	1,924,336
Total program services	10,699,041	-	10,699,041	11,939,409	-	11,939,409
Support services:						
Development	806,478	-	806,478	939,459	-	939,459
Management and general	2,078,844	-	2,078,844	1,666,260	-	1,666,260
Total support services	2,885,322	-	2,885,322	2,605,719	-	2,605,719
Total Expenses	13,584,363	-	13,584,363	14,545,128	-	14,545,128
Change in Net Assets	549,573	23,057,870	23,607,443	(2,004,318)	(27,003,155)	(29,007,473)
Net Assets, beginning of year	16,657,619	187,661,208	204,318,827	18,661,937	214,645,191	233,307,128
Agency Funds Adjustment						
Funds held on behalf of nonprofit endowments reclassified	-	(5,000)	(5,000)	-	19,172	19,172
Net Assets, end of year	\$ 17,207,192	\$ 210,714,078	\$ 227,921,270	\$ 16,657,619	\$ 187,661,208	\$ 204,318,827

See accompanying notes to combined financial statements.

Community Foundation of Greater Flint and Supporting Organizations
Combined Statement of Functional Expenses

	Year Ended December 31, 2019					Year Ended December 31, 2018				
	Program Services		Support Services			Program Services		Support Services		
	Grants	Programs and Grants Administration	Development	Management and General	Total	Grants	Programs and Grants Administration	Development	Management and General	Total
Salaries and Related Expenses										
Salaries and wages	\$ -	\$ 518,620	\$ 434,242	\$ 564,711	\$ 1,517,573	\$ -	\$ 692,609	\$ 517,075	\$ 319,882	\$ 1,529,566
Retirement plan contributions	-	20,225	16,515	19,986	56,726	-	21,119	19,352	10,566	51,037
Other employee benefits	-	55,069	51,648	62,679	169,396	-	72,105	58,693	35,542	166,340
Payroll taxes	-	41,504	32,997	38,330	112,831	-	51,320	38,172	24,414	113,906
Total Salaries and Related Expenses	-	635,418	535,402	685,706	1,856,526	-	837,153	633,292	390,404	1,860,849
Other Expenses										
Grants	9,029,471	-	-	-	9,029,471	10,015,073	-	-	-	10,015,073
Professional fees	-	813,250	36,335	207,484	1,057,069	-	780,331	81,496	187,026	1,048,853
Advertising and promotion	-	1,291	45,764	-	47,055	-	5,473	36,742	-	42,215
Amortization	-	-	-	18,788	18,788	-	-	-	18,788	18,788
Conferences and meetings	-	81,585	8,176	21,301	111,062	-	100,228	9,417	19,452	129,097
Depreciation	-	-	-	611,885	611,885	-	-	-	586,072	586,072
Donor development	-	22,706	90,023	48	112,777	-	59,588	94,774	-	154,362
Dues and subscriptions	-	3,980	5,938	43,479	53,397	-	18,992	6,198	17,893	43,083
Information technology	-	42,939	50,315	40,138	133,392	-	48,241	45,055	26,875	120,171
Insurance	-	4,514	-	33,554	38,068	-	4,514	-	35,717	40,231
Interest	-	-	-	162,768	162,768	-	-	-	162,768	162,768
Miscellaneous	-	3,508	5,025	7,101	15,634	-	3,458	1,274	3,505	8,237
Occupancy	-	-	-	156,307	156,307	-	-	-	153,870	153,870
Office expenses	-	11,386	17,408	48,276	77,070	-	18,830	18,474	45,305	82,609
Travel	-	48,993	12,092	42,009	103,094	-	47,528	12,737	18,585	78,850
Total Other Expenses	9,029,471	1,034,152	271,076	1,393,138	11,727,837	10,015,073	1,087,183	306,167	1,275,856	12,684,279
Total Expenses	\$ 9,029,471	\$ 1,669,570	\$ 806,478	\$ 2,078,844	\$ 13,584,363	\$ 10,015,073	\$ 1,924,336	\$ 939,459	\$ 1,666,260	\$ 14,545,128

See accompanying notes to combined financial statements.

Community Foundation of Greater Flint and Supporting Organizations

Combined Statements of Cash Flows

<i>Year ended December 31,</i>	2019	2018
Operating Activities		
Change in net assets	\$ 23,607,443	\$ (29,007,473)
Adjustments to reconcile change in net assets to cash used in operating activities:		
Depreciation and amortization	630,673	604,860
Net (gain) loss on investment transactions	(22,264,879)	22,540,979
Loss on disposal of fixed assets	1,553	-
Non-cash contributions of investments	(2,504,018)	(216,775)
Changes in operating assets and liabilities:		
Pledges and other receivables	84,417	(561,745)
Prepaid expenses	(24,885)	(124,319)
Accounts payable and accrued expenses	254,265	(1,251,278)
Grants payable	(884,646)	(262,585)
Liability to life beneficiaries of planned gifts	2,178	(15,092)
Funds held on behalf of nonprofit endowments	325,512	(500,302)
Cash Used in Operating Activities	(772,387)	(8,793,730)
Investing Activities		
Purchase of investments	(23,979,301)	(3,384,365)
Proceeds from sale of investments	25,455,553	10,323,004
Purchase of property and equipment	(127,482)	(522,944)
Cash Provided by Investing Activities	1,348,770	6,415,695
Net Change in Cash and Cash Equivalents	576,383	(2,378,035)
Cash and Cash Equivalents, beginning of year	1,553,580	3,931,615
Cash and Cash Equivalents, end of year	\$ 2,129,963	\$ 1,553,580

See accompanying notes to combined financial statements.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

1. Nature of Business and Summary of Accounting Policies

The Community Foundation of Greater Flint (the Foundation) connects generosity to Genesee County needs by receiving gifts from individuals, foundations and organizations, and distributing them to the community through grants to area not-for-profit organizations. The majority of the gifts are endowment gifts which are preserved into perpetuity. The Foundation addresses immediate needs and facilitates the achievement of donors' shorter-term charitable intentions through non-endowed gifts. In all it does, the Foundation embraces its role as a community leader, and works toward an equitable Genesee County where everyone can thrive.

The Foundation for the Flint Cultural Center (FFCC), created in 2001, is a not-for-profit supporting organization of the Foundation whose grants are dedicated to specific component organizations of the FFCC.

The Foundation for Flint (FFF), created in 2016, is a not-for-profit supporting organization of the Foundation, established to assist in Flint's emergency and recovery from the water crisis. FFF raises and distributes resources to serve the long-term health and development needs of Flint children and their families, as well as the economic vitality of the City of Flint, through several charitable funds, including the Flint Child Health and Development Fund and the Moving Flint Forward Fund.

Flint Kids Learn (FKL), created in 2017, is a not-for-profit supporting organization of the Foundation of Greater Flint, for the purpose of acquiring, constructing, and leasing an early childhood education facility.

Combined Financial Statements

The accompanying combined financial statements include the accounts of the Community Foundation of Greater Flint, Foundation for the Flint Cultural Center, Foundation for Flint, and Flint Kids Learn. Inter-organizational transactions and balances have been eliminated in the combined financial statements.

Basis of Accounting

The accompanying combined financial statements of the Foundation are presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash on deposit with banks, and other highly liquid debt investments with an original maturity of three months or less. At December 31, 2019 and 2018, respectively, \$930,272 and \$785,683 of the Foundation's cash on deposit was FDIC insured, and \$1,199,691 and \$767,897 was uninsured.

As of December 31, 2019 and 2018, \$644,124 and \$835,446, respectively, of cash and cash equivalents was restricted pursuant to the covenants of the loan agreements.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Investments

Investments in government and corporate debt and equity securities are stated at current quoted fair market value. Investments in partnerships, for which a quoted market value is not available, are stated at fair value as determined by the general partner. Money market investment funds held under the custody of fund managers represent temporarily uninvested monies and are considered short-term investments. Investments in common and preferred stocks, bonds, U.S. Treasury bills, and mutual funds are carried at quoted fair market value whenever available. Realized gains and losses on sales of investments represent the difference between the net sales price and the cost of the securities sold as represented by the custodian. Unrealized gains or losses on investments represent the net change in unrealized appreciation between the balance at the beginning and the end of the year.

Risks and Uncertainties

The Foundation invests in various securities which are exposed to risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Combined Statements of Financial Position.

Property and Equipment

Property and equipment consist of land and improvements, building, leasehold improvements, furniture, fixtures and equipment. Property and equipment are recorded at cost at the date of acquisition or fair value at the date of donation and depreciated over their estimated useful lives on the straight-line method. Useful lives range from three to 40 years.

Funds Held on Behalf of Nonprofit Endowments

The Foundation follows the accounting standards for transfers of assets to not-for-profit organizations and charitable trusts that raise or hold contributions for others. The standards establish guidelines for transactions in which a 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. This standard specifically requires that if a not-for-profit organization establishes a fund at a foundation with its own funds and specifies itself as the beneficiary of that fund, a foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as nonprofit endowments, or agency funds.

The Foundation maintains variance power and legal ownership of nonprofit endowment funds and, as such, continues to report the funds as assets of the Foundation. However, in accordance with the standard, 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 not-for-profit organizations.

Deferred Financing Costs

The cost of obtaining financing related to acquiring, constructing and leasing an early childhood education facility is recorded on the combined statement of financial position and amortization is recorded on a straight-line basis over the term of the loan or lease. Deferred financing costs are netted with the related debt on the combined statements of financial position.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: defined as that portion of net assets that has no use or time restrictions. The bylaws of the Foundation include a variance provision giving the Board of Trustees the power to modify any restrictions or condition on the distribution of funds for any specified charitable purpose or to specified organizations if, in the sole judgment of the Board of Trustees, such restrictions or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served. Based on that provision, the Foundation classifies contributions, except as noted below, as without donor restrictions for financial statement presentation.

Net Assets With Donor Restrictions: defined as that portion of net assets that consist of restrictions on the specific use or the occurrence of a certain future event. Contributions unconditionally promised, which are scheduled to be received more than one year in the future, are recorded at fair value, classified as with donor restrictions until the funds are received, and are discounted at a rate commensurate with the risks involved. Net assets consisting of the initial fair value of the gifts where the donor has specified that the assets donated are to be retained in an endowment, providing a permanent source of revenue for charitable purposes are classified as with donor restrictions. The accumulation of assets, above historic gift value, in donor restricted endowment funds is classified as with donor restrictions until appropriated for use based on the Foundation's spending policy. The Foundation also received contributions from charitable foundations for special projects for which purpose restrictions apply. Such contributions are recorded as with donor restrictions until the purpose restrictions are met. When the purpose restrictions are accomplished, with donor restriction net assets are reclassified to without donor restrictions net assets and reported as net assets released from restrictions.

Contributions

Contributions of cash and other assets are reported as revenue as they occur and are measured at fair value. Subsequent gains or losses on the sale and reinvestment of assets received are recognized as they occur.

Grants

Grants are recognized as liabilities at the time management authorizes the expenditures, regardless of the year in which the grants are paid. Grants are currently authorized according to the Foundation's spending policy or when a donor's restrictions supersede the spending policy, according to the terms of the gift instrument.

Contributed Services

During the years ended December 31, 2019 and 2018, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Foundation in various capacities.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Functional Expenses

The Foundation allocates expenses on a functional basis to funding sources, programs, and support services based on department. Expenses that can be identified with a specific funding source, program, and support service are allocated directly according to their natural expenditure classification. Certain expenses such as administration, accounting, and occupancy are allocated and charged to specific programs and/or funding sources where budgetary considerations permit. Although methods used are considered reasonable, methods could be used that would produce different results.

Federal Income Taxes

The Foundation and its supporting organizations are exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC) of 1986. They have been classified as organizations which are not private foundations as defined in Sections 509(a)(1) and 170(b)(1)(A)(vi) of the IRC.

The Foundation applies a more-likely-than-not recognition threshold for all tax uncertainties. Tax benefits that have a greater than 50% likelihood of being sustained upon examination by the taxing authorities are recognized.

Based on its evaluation, the Foundation has concluded there are no significant uncertain tax positions requiring recognition in its financial statements. The Foundation's evaluation was performed for the tax periods ended fiscal years 2016 through 2019, the years which remain subject to examination by major tax jurisdictions as of December 31, 2019.

Subsequent Event Reporting

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

In addition, on March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CARES Act includes, among other things, the Paycheck Protection Program for loans through the Small Business Administration (SBA).

The full impact of the COVID-19 outbreak and the CARES Act continues to evolve as of the date of this report. Management is actively monitoring the global situation and continually evaluates its potential impact on the Foundation, including financial condition, liquidity, operations, and

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, management is not able to predict with certainty the effects of the outbreak on financial condition or liquidity for fiscal year 2020.

The Foundation uses a rolling quarter average across 16 and 20 past quarters to determine its available spending for each year. Consequently, the future impact of any market-related declines due to COVID-19 cannot be reasonably estimated at this time because of the relatively small number of quarters to date affected by such declines, and the uncertainty of timing and degree of market recovery.

However, because 2020 grantmaking and operating budgets are based on the historical performance of the Foundation's endowment, management is anticipating operating for the remainder of 2020 as it had expected to when the year began.

The Foundation has received funds under the Paycheck Protection Program after period-end in the amount of \$311,900. On May 13, the Department of the Treasury established a safe harbor to establish that loans for less than \$2,000,000 will be deemed to have been made in good faith, therefore replacing the more burdensome certification process that had accompanied the program originally.

The receipt of PPP funds, and the forgiveness process of the loan attendant to them is dependent on the Foundation's adherence to the forgiveness criteria and compliance with the forgiveness process established by the SBA. As of the date of this report, the Foundation is adhering to the established criteria and monitoring the forgiveness process to ensure compliance. Based on currently available criteria, management believes the loan will qualify for forgiveness at the end of the process.

In March 2020, the Foundation together with funding partners, including significant funding from private individuals, created the Greater Flint Urgent Relief Fund (GFURF). The Foundation has received approximately \$1,800,000 into the GFURF established in response to COVID-19. The Foundation has expended approximately \$800,000 in grant distributions to 39 not-for-profit organizations who are addressing the gaps that have surfaced in key services due to the COVID-19 outbreak. Individual gifts to the GFURF included giving from all CFGF staff.

Management will continue to evaluate the Foundation's potential exposure due to the impact of the COVID-19 outbreak. The nature of the length and gravity of the pandemic's spread will have an effect on the Foundation's reported operations, financial position and liquidity in fiscal year 2020.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue Recognition with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is to establish the principles that an entity shall apply to report useful information to users of the financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Foundation has no revenue streams within the scope of the new guidance, and there was no change to the accounting or presentation of the financial statements.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

2. Liquidity and Availability

Financial assets available for grant-making, general expenditures, liabilities, or other obligations, that is within one year of the statement of financial position date, are comprised of the following:

<i>December 31,</i>	2019	2018
Cash and cash equivalents	\$ 2,129,963	\$ 1,553,580
Less Board-designated cash	(644,124)	(718,134)
Total Cash and Cash Equivalents	1,485,839	835,446
Investments	219,579,824	196,287,179
Less investments unavailable for general expenditure due to Board designations and withdrawal restrictions	(105,662,626)	(95,645,386)
Total Short-Term Investments	113,917,198	100,641,793
Total	\$ 115,403,037	\$ 101,477,239

The Board of Trustees has approved an annual spending policy rate of 4.75% for 2020, which is unchanged from 2019 and 2018. As described in Note 10, a spending policy is created to maintain sustainable grantmaking over a long period of time. Although the Foundation does not intend to spend amounts above the annual spending policy, these amounts could be made available if necessary.

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its grants, general expenditures, liabilities, and other obligations become due. The Foundation invests cash in excess of daily requirements in short-term investments and money market funds. Other investments are excluded as they are not normally used for grantmaking, general expenditures, liabilities, or other obligations.

3. Property and Equipment

Property and equipment consist of the following:

<i>December 31,</i>	2019	2018
Land and improvements	\$ 989,836	\$ 969,836
Building	12,210,645	12,210,645
Furniture, fixtures and equipment	1,429,501	1,366,381
Leasehold improvements	393,497	390,200
Artwork	7,313	6,313
	15,030,792	14,943,375
Less accumulated depreciation and amortization	1,734,326	1,160,953
Property and Equipment, net	\$ 13,296,466	\$ 13,782,422

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

4. Notes Receivable

During 2017, the Foundation entered into a promissory note receivable with Flint Kids Investment Fund, LLC (FKIF) for the purpose of leveraging the New Market Tax Credit loans associated with the early childhood education facility, which is secured by substantially all assets related to the land and construction of the facility. On June 14, 2017, FKIF borrowed \$10,621,700 from the Foundation with interest at 1.05%, payable quarterly on the unpaid balance. Principal payments are deferred for seven years. Commencing in 2024, quarterly payments of accrued interest and principal sufficient to fully amortize the unpaid balance of the principal amount over the remaining term of the loan will be due with a final payment of the unpaid balance and accrued interest due in 2040. At December 31, 2019 and 2018, the balance of the note receivable was \$10,621,700.

5. Notes Payable

Notes payable consists of the following:

<i>December 31,</i>	2019	2018
During 2017, the Foundation entered into two promissory notes payable to IFF Capital 23, LLC (IFF 23) for the purpose of acquiring, constructing and leasing an early childhood education facility. On June 14, 2017, the Foundation borrowed a total of \$6,930,000 from IFF 23 with interest at 1.05%, payable quarterly on the unpaid balance. Principal payments are deferred for seven years. Commencing in 2024, quarterly payments of accrued interest and principal sufficient to fully amortize the unpaid balance of the principal amount over the remaining term of the loan will be due, with a final payment of the unpaid balance and accrued interest due in 2047. Secured by a mortgage.	\$ 6,930,000	\$ 6,930,000
During 2017, the Foundation entered into a promissory note payable to New Markets Investment 106, LLC (NMI 106) for the purpose of acquiring, constructing and leasing an early childhood education facility. One June 14, 2017, the Foundation borrowed \$5,452,250 from NMI 106 with interest at 1.05%, payable quarterly on the unpaid balance. Principal payments are deferred for seven years. Commencing in 2024, quarterly payments of accrued interest and principal sufficient to fully amortize the unpaid balance of the principal amount over the remaining term of the loan will be due, with a final payment of the unpaid balance and accrued interest due in 2047. Secured by a mortgage.	5,452,250	5,452,250
During 2017, the Foundation entered into two promissory notes payable to Consortium America 65, LLC (CA 65) for the purpose of acquiring, constructing and leasing an early childhood education facility. On June 14, 2017, the Foundation borrowed a total \$3,087,000 from CA 65 with interest at 1.05%, payable quarterly on the unpaid balance. Principal payments are deferred for seven years. Commencing in 2024, quarterly payments of accrued interest and principal sufficient to fully amortize the unpaid balance of the principal amount over the remaining term of the loan will be due, with a final payment of the unpaid balance and accrued interest due in 2047. Secured by a mortgage.	3,087,000	3,087,000
	15,469,250	15,469,250
Less deferred financing costs, net of accumulated amortization	386,511	405,299
Notes Payable, net	\$ 15,082,739	\$15,063,951

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

6. Net Assets Without Donor Restrictions

Net assets without donor restrictions, by fund type, are as follows:

<i>December 31,</i>	2019	2018
Endowed by Board Designation		
Designated	\$ 1,356,332	\$ 1,199,472
Discretionary	3,054,167	2,803,718
Field of interest	8,689,401	7,839,334
Scholarship	334,520	328,693
Total Endowed by Board Designation	13,434,420	12,171,217
Non-Endowed		
Designated	1,342,752	1,355,670
Discretionary	(227,916)	562,528
Donor advised	1,510,552	1,704,416
Field of interest	974,079	718,096
Scholarship	173,305	145,692
Total Non-Endowed	3,772,772	4,486,402
Total Net Assets Without Donor Restrictions	\$ 17,207,192	\$ 16,657,619

7. Net Assets With Donor Restrictions

Net assets with donor restrictions, by fund type, are as follows:

<i>December 31,</i>	2019	2018
Endowed by Donor Restrictions		
Designated	\$ 122,999,391	\$ 106,678,752
Discretionary	17,335,393	15,700,046
Donor advised	3,714,078	3,272,331
Field of interest	31,685,853	28,390,412
Scholarship	10,949,320	8,863,677
Total Endowed by Donor Restrictions	186,684,035	162,905,218
Non-Endowed		
Designated	14,946	15,695
Discretionary	10,938,062	10,986,834
Donor advised	152	1,064
Field of interest	13,076,883	13,752,397
Total Non-Endowed	24,030,043	24,755,990
Total Net Assets With Donor Restrictions	\$ 210,714,078	\$ 187,661,208

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

8. Net Assets Released From Donor Restrictions

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors. The net assets released from restrictions are as follows:

<i>Year Ended December 31,</i>	2019	2018
Purpose or period restrictions accomplished:		
Satisfaction of program restrictions	\$ 4,592,118	\$ 6,232,562
Expiration of time restrictions	251,960	251,960
Appropriation from donor endowments and subsequent satisfaction of any related donor restrictions	5,966,151	5,959,200
	\$ 10,810,229	\$ 12,443,722

9. Retirement Plan

The Foundation maintains a 401(k) plan which covers all full-time employees. Employer contributions to the 401(k) plan were \$56,726 and \$51,037 in 2019 and 2018, respectively.

10. Designated Endowments

The Foundation's endowment funds include both donor-restricted and funds designated by the board of trustees to function as endowments. The Foundation's endowed funds are classified consistent with the classification of net assets policy in the summary of accounting policies.

Interpretation of Relevant Law

The Board of Trustees of the Foundation and the Board of Directors of the FFCC have interpreted the State of Michigan Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the designated endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. These donor-restricted endowments remain classified as net assets with donor restrictions until amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate designated endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the organization and the designated endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. The other resources of the organization.
7. The investment policies of the organization.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Endowed net assets consisted of the following at December 31, 2019 and 2018:

<i>Changes in Endowment Net Assets for the Year Ended December 31, 2019</i>			
	Without Donor Restriction	With Donor Restriction	Total
Endowment Net Assets, beginning of year	\$ 12,171,217	\$ 162,905,218	\$ 175,076,435
Investment return	1,921,743	22,419,067	24,340,810
Contributions	85,553	7,330,901	7,416,454
Appropriation for distributions and administrative fees	(733,475)	(6,005,095)	(6,738,570)
Other changes - transfers from (to) other funds	(10,618)	33,944	23,326
Endowment Net Assets, end of year	\$ 13,434,420	\$ 186,684,035	\$ 200,118,455

<i>Endowment Net Asset Composition for the Year Ended December 31, 2019</i>			
	Without Donor Restriction	With Donor Restriction	Total
Endowment Funds			
Board-designated endowment funds	\$ 13,434,420	\$ -	\$ 13,434,420
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	116,898,449	116,898,449
Accumulated investment gains	-	69,785,586	69,785,586
Total Endowment Funds	\$ 13,434,420	\$ 186,684,035	\$ 200,118,455

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Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Changes in Endowment Net Assets for the Year Ended December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
Endowment Net Assets, beginning of year	\$ 13,331,125	\$ 186,209,591	\$ 199,540,716
Investment return	(816,050)	(18,108,851)	(18,924,901)
Contributions	151,132	744,507	895,639
Appropriation for distributions and administrative fees	(511,525)	(5,955,179)	(6,466,704)
Other changes - transfers from (to) other funds	16,535	15,150	31,685
Endowment Net Assets, end of year	\$ 12,171,217	\$ 162,905,218	\$ 175,076,435

Endowment Net Asset Composition for the Year Ended December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
Endowment Funds			
Board-designated endowment funds	\$ 12,171,217	\$ -	\$ 12,171,217
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	109,562,072	109,562,072
Accumulated investment gains	-	53,343,146	53,343,146
Total Endowment Funds	\$ 12,171,217	\$ 162,905,218	\$ 175,076,435

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for its net assets with the goal of balancing the need to provide a predictable stream of funding to programs supported by those net assets and the need to maintain purchasing power. Under these policies, as approved by the board of trustees, the Foundation has four objectives: (1) preserve and grow the assets by focusing on total investment returns from a diversified portfolio of investments; (2) balance long-term growth with appropriate risk and liquidity; (3) achieve market returns using a combination of index and actively managed funds; and (4) comply with applicable laws, rules, and regulations.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation of domestic and international equities, fixed income funds, and alternative investments with performance benchmarks based on each asset class. The Foundation believes that a diversified portfolio requires the consideration of the diversity of its money managers. The Foundation is working with its investment consultant to increase the portion of its portfolio held by diverse managers.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy which, subject to the intent of a donor expressed in a gift instrument, calculates the amount to be spent from an endowment fund each year within a range of 4.5% to 5.5% of the average of the fair market value of the fund over the previous twenty (20) trailing quarters ending September 30 of the immediate prior year. The percentage to be distributed within the range of 4.5% to 5.5% is reviewed and approved annually by the Board of Trustees. The rate approved for 2019 and 2018 was 4.75%.

In establishing these policies, the Foundation considers the long-term return on its investment portfolio. By limiting its spending policy, the Foundation expects its net assets to grow over the long-term. This is consistent with the Foundation's objective to maintain the purchasing power of the investment portfolio and net assets, as well as to provide additional real growth through new gifts and investment return.

11. Fair Value Measurements

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability, or in the absence of a principal market, the most advantageous market for the asset or liability.

The price of the principal (or most advantageous) market used to measure the fair value of the asset or liability shall not be adjusted for transaction costs. An orderly transaction is a transaction that assumes exposure to the market for a period prior to the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets and liabilities; it is not a forced transaction. Market participants are buyers and sellers in the principal market that are: (i) independent; (ii) knowledgeable; (iii) able to transact; and (iv) willing to transact.

In determining fair value, the Foundation uses various valuation approaches. GAAP establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset based on market data obtained from sources independent of the organization. Unobservable inputs are inputs that would reflect an organization's assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available in the circumstances.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1: Valuations based on quoted prices in active markets for identical assets that the organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2: Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of observable inputs can vary from instrument to instrument and is affected by a wide variety of factors, including, for example, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. The Foundation uses prices and inputs that are current as of the measurement date, obtained through multiple third-party custodians from independent pricing services.

The following tables exclude cash equivalents. Disclosures concerning the Foundation's assets and liabilities measured at fair value on a recurring basis are as follows:

Fair Value Measurements at December 31, 2019

	(Level 1)	(Level 2)	(Level 3)	Investments measured at net asset value	Total
Assets					
Investments:					
Money market funds	\$ 11,718,974	\$ -	\$ -	\$ -	\$ 11,718,974
Equity - mutual funds - domestic	32,011,046	5,837,575	-	-	37,848,621
Equity - mutual funds - foreign	19,569,222	16,507,174	-	-	36,076,396
Fixed income - corporate bond funds	-	12,429,061	-	-	12,429,061
Fixed income - government bond funds	-	9,307,529	-	-	9,307,529
Fixed income - foreign	-	6,204,802	-	-	6,204,802
Hybrid mutual funds	264,510	-	-	-	264,510
Alternative:					
Long/short credit hedge fund-of-funds	-	-	-	3,449,785	3,449,785
Long/short equity hedge fund-of-funds	-	-	-	29,124,966	29,124,966
Multi-strategy hedge fund-of-funds	-	-	-	196,996	196,996
Absolute return hedge fund-of-funds	-	-	-	89,898	89,898
Natural resources fund-of-funds	-	-	-	4,861,555	4,861,555
Private equity fund-of-funds	-	-	-	6,606,074	6,606,074
Real estate fund-of-funds	-	-	-	1,342,938	1,342,938
Real estate funds	67,305	-	184,248	-	251,553
Closely held stock	-	-	59,317,440	-	59,317,440
Mission-related investments	-	-	400,000	-	400,000
Split-interest agreements	-	-	88,726	-	88,726
Total Assets	\$ 63,631,057	\$ 50,286,141	\$ 59,990,414	\$ 45,672,212	\$ 219,579,824
Liabilities					
Liability to life beneficiaries of planned gifts	\$ -	\$ -	\$ 100,570	\$ -	\$ 100,570
Funds held on behalf of nonprofit endowments	-	-	2,701,767	-	2,701,767
Total Liabilities	\$ -	\$ -	\$ 2,802,337	\$ -	\$ 2,802,337

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Fair Value Measurements at December 31, 2018

	(Level 1)	(Level 2)	(Level 3)	Investments measured at net asset value	Total
Assets					
Investments:					
Money market funds	\$ 10,037,633	\$ -	\$ -	\$ -	\$ 10,037,633
Equity - mutual funds - domestic	26,893,510	7,813,600	-	-	34,707,110
Equity - mutual funds - foreign	9,691,084	22,634,711	-	-	32,325,795
Fixed income - corporate bond funds	-	8,682,855	-	-	8,682,855
Fixed income - government bond funds	-	7,193,437	-	-	7,193,437
Fixed income - foreign	-	7,405,097	-	-	7,405,097
Hybrid mutual funds	229,419	-	-	-	229,419
Alternative:					
Long/short credit hedge fund-of-funds	-	-	-	4,544,107	4,544,107
Long/short equity hedge fund-of-funds	-	-	-	20,826,341	20,826,341
Multi-strategy hedge fund-of-funds	-	-	-	216,020	216,020
Absolute return hedge fund-of-funds	-	-	-	1,929,847	1,929,847
Natural resources fund-of-funds	-	-	-	4,877,254	4,877,254
Private equity fund-of-funds	-	-	-	6,746,244	6,746,244
Real estate fund-of-funds	60,447	-	-	1,200,122	1,260,569
Real estate funds	-	-	241,328	-	241,328
Closely held stock	-	-	53,575,764	-	53,575,764
Mission-related investments	-	-	1,400,000	-	1,400,000
Split-interest agreements	-	-	88,359	-	88,359
Total Assets	\$ 46,912,093	\$ 53,729,700	\$ 55,305,451	\$ 40,339,935	\$ 196,287,179
Liabilities					
Liability to life beneficiaries of planned gifts	\$ -	\$ -	98,392	\$ -	\$ 98,392
Funds held on behalf of nonprofit endowments	-	-	2,371,255	-	2,371,255
Total Liabilities	\$ -	\$ -	\$ 2,469,647	\$ -	\$ 2,469,647

Corporate bonds, governmental bonds, and foreign equities and fixed income funds classified as *Level 2* are valued using quoted market prices and other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry-standard models that consider assumptions, including time value and yield curve, as well as other relevant economic measures.

Changes in the Foundation's Level 3 assets and liabilities measured at fair value on a recurring basis are as follows:

Changes in Level 3 Assets and Liabilities for Year Ending December 31, 2019

	Fair Value at January 1, 2019	Net Purchases and Issuances/ Sales and Settlements	Total Realized Gains/ Losses	Total Unrealized Gains/ Losses	Other Income/ Expense	Fair Value at December 31, 2019
Investments						
alternative	\$ 55,217,092	\$ 414,262	\$ -	\$ 4,270,334	\$ -	\$ 59,901,688
Investments - split-interest agreements	88,359	-	-	367	-	88,726
Liability to life beneficiaries of planned gifts	(98,392)	21,605	-	(23,783)	-	(100,570)
Funds held on on behalf of nonprofit endowments	(2,371,255)	3,347	(81,873)	(246,986)	(5,000)	(2,701,767)
Total	\$ 52,835,804	\$ 439,214	\$ (81,873)	\$ 3,999,932	\$ (5,000)	\$ 57,188,077

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

Changes in Level 3 Assets and Liabilities for Year Ending December 31, 2018

	Fair Value at January 1, 2018	Net Purchases and Issuances/ Sales and Settlements	Total Realized Gains/ Losses	Total Unrealized Gains/ Losses	Other Income/ Expense	Fair Value at December 31, 2018
Investments - alternative	\$ 68,920,417	\$ (1,785,144)	\$ -	\$ (11,918,181)	\$ -	\$ 55,217,092
Investments - split-interest agreements	83,906	-	-	4,453	-	88,359
Liability to life beneficiaries of planned gifts	(113,484)	15,551	-	(459)	-	(98,392)
Funds held on on behalf of nonprofit endowments	(2,890,729)	304,498	(88,572)	284,376	19,172	(2,371,255)
Total	\$ 66,000,110	\$ (1,465,095)	\$ (88,572)	\$ (11,629,811)	\$ 19,172	\$ 52,835,804

Both observable and unobservable inputs may be used to determine the fair value of positions classified as *Level 3* assets and liabilities. As a result, the unrealized gains and losses for these assets and liabilities presented in the tables above may include changes in fair value that were attributable to both observable and unobservable inputs.

Investments categorized as *Level 3* assets primarily consist of fund-of-funds, real estate, closely held stock and mission-related investments (MRIs). The fund-of-funds investments are through fund-of-funds managers and the Foundation estimates the fair value of these investments based on net asset value, or its equivalent. Real estate investment consists of a partnership interest in an entity that owns the Foundation building in downtown Flint, which is valued based on capital contributions and net earnings of the partnership. Closely-held stock is valued based on an independent appraiser's report expressing an opinion on the fair market value of the stock. MRIs are loans to a local nonprofit organization at below-market interest rates. The loans are used to fund specific projects. The loans are to be repaid in 2020 and are recorded at the amount borrowed.

Split-interest agreement assets categorized as *Level 3* assets consist of life insurance policies of which the Foundation is the beneficiary and estimates the fair value of these split-interest agreement assets based upon the fair value of the assets provided by the insurance companies unless the facts and circumstances indicate that the fair value would be different from the present value of estimated future distributions.

Liabilities to life beneficiaries of planned gifts characterized as *Level 3* liabilities consist primarily of charitable gift annuities and charitable remainder unitrust agreements. The Foundation estimates the fair value of these liabilities based upon the present value of the expected future cash flows using management's best estimates of key assumptions including life expectancies of annuitants, payment periods, and a discount rate commensurate with the current market and other risks involved.

Funds held on behalf of nonprofit endowments characterized as *Level 3* liabilities consist of agency endowment funds established by not-for-profit organizations with their own funds, for which the Foundation reports a liability for the market value. The Foundation estimates the fair value of these

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

funds held on behalf of nonprofit endowments as the present value of the future payments expected to be made to the not-for-profit organization.

The Foundation holds shares or interests in investment companies at year-end where the fair value of the investment held is estimated based on the net asset value per share (or its equivalent) of the investment company. At year-end, the fair value, unfunded commitments, and redemption rules of those investments is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
<i>December 31, 2019</i>				
Alternative:				
Long/short credit hedge fund-of-funds	\$ 3,449,785	\$ -	Quarterly; Illiquid	65 days; N/A
Long/short equity hedge fund-of-funds	29,124,966	-	Monthly; Quarterly; Semi-liquid; Illiquid	10 - 180 days; N/A
Multi-strategy hedge fund-of-funds	196,996	-	Semi-liquid	90 days
Absolute return hedge fund-of-funds	89,898	-	Semi-liquid	95 days
Natural resources fund-of-funds	4,861,555	1,721,291	Monthly; Illiquid	5 days; N/A
Private equity funds	6,606,074	3,303,551	Illiquid	N/A
Real estate fund-of-funds	1,342,938	1,384,188	Illiquid	N/A
Total	\$ 45,672,212	\$ 6,409,030		

	Fair Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
<i>December 31, 2018</i>				
Alternative:				
Long/short credit hedge fund-of-funds	\$ 4,544,107	\$ -	Quarterly; Illiquid	65 days; N/A
Long/short equity hedge fund-of-funds	20,826,341	-	Monthly; Quarterly; Semi-liquid; Illiquid	10 - 95 days; N/A
Multi-strategy hedge fund-of-funds	216,020	-	Semi-liquid; Illiquid	90 days; N/A
Absolute return hedge fund-of-funds	1,929,847	-	Quarterly; semi-liquid	60 - 95 days
Natural resources fund-of-funds	4,877,254	2,239,456	Monthly; Illiquid	5 days; N/A
Private equity funds	6,746,244	5,632,393	Illiquid	N/A
Real estate fund-of-funds	1,200,122	1,749,801	Illiquid	N/A
Total	\$ 40,339,935	\$ 9,621,650		

The long/short credit, long/short equity, and multi-strategy hedge fund-of-funds are held by several managers. The fair values of the investments in these categories have been estimated using the net asset value per share of the investments.

The absolute return hedge fund-of-funds is held by managers whose investment objective is to focus largely on illiquid portfolio funds that will offer the potential for higher long-term returns than more liquid funds. The fair values of the investments in these categories have been estimated using the net asset value per share of the investments.

The natural resources fund-of-funds category invests in managers that pursue investments in oil and gas, mining, timberland, and farmland. The fair values of the investments in these categories have been estimated using the net asset value per share of the investments.

The private equity fund-of-funds category includes funds that are invested in broadly diversified portfolios of private equity partnerships. The fair values of the investments in these categories have been estimated using the net asset value per share of the investments.

The investments in the natural resources and private equity categories above may be redeemed from the funds' managers. Distributions from each fund will be received only as underlying investments of the funds are liquidated. It is estimated the underlying assets of the funds will be liquidated over the next three to 15 years.

Community Foundation of Greater Flint and Supporting Organizations

Notes to Combined Financial Statements

The real estate fund-of-funds category invests in managers that pursue investment opportunities in domestic and international diverse real estate assets. The fair values of the investments in these categories have been estimated using the net asset value per share of the investments.

Since there is no readily available market for investments in limited partnerships and limited liability companies, such investments are stated at fair value as estimated in an inactive market. These investments include securities of companies that may not be immediately liquid, such as private debt and private equity securities and real estate or other assets. The valuations of these investments are based upon values provided by the investment managers, based on guidelines established with those investment managers and in consideration of other factors related to the Institute's interest in these investments. The fair value of these investments is tested utilizing an outside source when possible.

Supplementary Information



Independent Auditor's Report on Supplementary Information

Community Foundation of Greater Flint
and Supporting Organizations
Flint, Michigan

Our audits of the combined financial statements included in the preceding section of this report were conducted for the purpose of forming an opinion on those statements as a whole. The supplementary information presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BDO USA, LLP

June 26, 2020

Community Foundation of Greater Flint and Supporting Organizations

Combining Statements of Financial Position December 31, 2019 (With Comparative Totals for 2018)

	Community Foundation of Greater Flint	Foundation for Flint Cultural Center	Foundation for Flint	Flint Kids Learn	Eliminating Entries	2019 Combined Total	2018 Combined Total
Assets							
Cash and cash equivalents	\$ 800,125	\$ -	\$ 681,454	\$ 648,384	\$ -	\$ 2,129,963	\$ 1,553,580
Investments	184,978,095	24,221,211	10,380,518	-	-	219,579,824	196,287,179
Pledges and other receivables	1,036,409	-	-	9,745	-	1,046,154	1,130,571
Prepaid expenses	70,570	1,402	1,001	166,994	-	239,967	215,082
Property and equipment, net	285,842	-	-	13,010,624	-	13,296,466	13,782,422
Notes receivable	-	-	10,621,700	-	-	10,621,700	10,621,700
Total Assets	\$ 187,171,041	\$ 24,222,613	\$ 21,684,673	\$ 13,835,747	\$ -	\$ 246,914,074	\$ 223,590,534
Liabilities and Net Assets (Deficit)							
Liabilities							
Accounts payable and accrued expenses	\$ 574,321	\$ -	\$ 1,824	\$ 1,000	\$ -	\$ 577,145	\$ 322,880
Grants payable	435,583	-	95,000	-	-	530,583	1,415,229
Liability to life beneficiaries of planned gifts	100,570	-	-	-	-	100,570	98,392
Funds held on behalf of nonprofit endowments	2,701,767	-	-	-	-	2,701,767	2,371,255
Notes payable	-	-	-	15,082,739	-	15,082,739	15,063,951
Total Liabilities	3,812,241	-	96,824	15,083,739	-	18,992,804	19,271,707
Net Assets (Deficit)							
Without donor restrictions	18,006,671	-	448,513	(1,247,992)	-	17,207,192	16,657,619
With donor restrictions	165,352,129	24,222,613	21,139,336	-	-	210,714,078	187,661,208
Total Net Assets (Deficit)	183,358,800	24,222,613	21,587,849	(1,247,992)	-	227,921,270	204,318,827
Total Liabilities and Net Assets (Deficit)	\$ 187,171,041	\$ 24,222,613	\$ 21,684,673	\$ 13,835,747	\$ -	\$ 246,914,074	\$ 223,590,534

See accompanying independent auditor's report on supplementary information.

Community Foundation of Greater Flint and Supporting Organizations

Combining Statements of Activities and Changes in Net Assets Year Ended December 31, 2019 (With Comparative Totals for 2018)

	Community Foundation of Greater Flint	Foundation for Flint Cultural Center	Foundation for Flint	Flint Kids Learn	Eliminating Entries	2019 Combined Total	2018 Combined Total
Revenues, Gains (Losses) and Other Support							
Gifts and pledges	\$ 2,693,425	\$ -	\$ 310,990	\$ 112,004	\$ (113,504)	\$ 3,002,915	\$ 3,156,891
Grants	3,994,526	4,000,000	-	-	-	7,994,526	1,533,336
Net investment activity	21,534,853	3,097,947	1,456,267	791	-	26,089,858	(19,281,177)
Management fees	365,006	-	-	-	(341,381)	23,625	22,810
Change in value of liability to life beneficiaries	(23,783)	-	-	-	-	(23,783)	(459)
Other revenue (loss)	(1,553)	-	106,218	155,000	(155,000)	104,665	106,254
Total Revenues, Gains (Losses) and Other Support	28,562,474	7,097,947	1,873,475	267,795	(609,885)	37,191,806	(14,462,345)
Expenses							
Program services:							
Grants	6,334,084	900,495	1,908,396	-	(113,504)	9,029,471	10,015,073
Programs and grants administration	1,559,144	66,228	199,198	-	(155,000)	1,669,570	1,924,336
Total program services	7,893,228	966,723	2,107,594	-	(268,504)	10,699,041	11,939,409
Support services:							
Development	759,218	-	47,260	-	-	806,478	939,459
Management and general	1,243,774	42,784	312,658	821,009	(341,381)	2,078,844	1,666,260
Total support services	2,002,992	42,784	359,918	821,009	(341,381)	2,885,322	2,605,719
Total Expenses	9,896,220	1,009,507	2,467,512	821,009	(609,885)	13,584,363	14,545,128
Change in Net Assets	18,666,254	6,088,440	(594,037)	(553,214)	-	23,607,443	(29,007,473)
Net Assets (Deficit), beginning of year	164,697,546	18,134,173	22,181,886	(694,778)	-	204,318,827	233,307,128
Agency Funds Adjustment							
Funds held on behalf of nonprofit endowments reclassified	(5,000)	-	-	-	-	(5,000)	19,172
Net Assets (Deficit), end of year	\$ 183,358,800	\$ 24,222,613	\$ 21,587,849	\$ (1,247,992)	\$ -	\$ 227,921,270	\$ 204,318,827

See accompanying independent auditor's report on supplementary information.