

2014 Financial Report

COMMUNITY

Robert J. Manilla

Vice President and
Chief Investment
Officer

THE KRESGE
FOUNDATION



Amy B. Robinson

Vice President and
Chief Financial Officer

THE KRESGE
FOUNDATION

The Kresge Foundation endowment generates the funding that we make available to nonprofit organizations.

In 2014, the Board of Trustees approved 408 awards totaling \$242.5 million. A total of \$138.1 million was paid out to grantees over the course of the year. Our Social Investment Practice made another \$20.4 million available to organizations whose efforts support our goals through program-related investments.

During the year, we also contributed \$100 million to the Foundation for Detroit's Future, a fund created to soften the impact of the city's bankruptcy on pensioners and safeguard cultural assets at the Detroit Institute of Arts. Along with contributions from other philanthropic partners and the state of Michigan, the fund helped move the community through municipal bankruptcy with a speed and relative harmony that have helped rebuild confidence in the city – locally, regionally and nationally.

Kresge's commitment to the fund, also commonly referred to as the Grand Bargain, will not impinge on future grantmaking. We stand committed to support those most in need. The investment team and its partners will continue to work diligently to generate top quartile investment returns to fund these worthy causes.

For the five years ending Dec. 31, 2014, the endowment has returned 10.5 percent per annum. The return in 2014 was 12.0 percent.

The accompanying chart shows fluctuations in the endowment and annual qualified distributions. The latter include grants, program-related investments and IRS-qualified exempt expenditures.

Year	Endowment	Annual Qualified Distributions as Percentage of Endowment
2010	\$3.2 billion	5%
2011	\$2.9 billion	5%
2012	\$3.2 billion	5.5%
2013	\$3.4 billion	4.8%
2014	\$3.56 billion	5%