

2009 Financial Report

The world economy transitioned to recovery in the second half of 2009, pulling out of one of the worst economic and financial crisis in many years. Asset markets responded accordingly, and finished 2009 up strongly across the board. The foundation's portfolio benefitted from the rebound in global markets and finished 2009 +5.9 percent.

The foundation's primary investment objective is to generate a five-percent annualized real return over the long term. For the five years ending December 31, 2009, the total return of the portfolio was +7.8 percent, with a real return of +5.3 percent, meeting this objective.

The Kresge Foundation's investment asset value at December 31, 2009 was \$3.1 billion. The table on the opposite page summarizes the foundation's investment asset balances over the past 10 years. During 2009, the Trustees made 404 awards totaling \$197 million to nonprofit groups seeking to advance the foundation's values in its six fields of interest. This includes the full value of multiyear commitments. The foundation's cash payments for grants and program-related investments that counted toward its required distributable amount for tax purposes was \$167 million.

Deloitte & Touche LLP serves as the independent auditors for the foundation. The full set of audited financial statements for the year ended December 31, 2009 is posted on our Web site at www.kresge.org. The foundation's Audit Committee of the Board reviews the results of the independent auditors' examinations and recommends them to the full Board of Trustees for approval. The Audit Committee reviews the annual operating plan and interim financial reports. All foundation staff and trustees are required to submit annual conflict of interest statements and affirm adherence to the foundation's code of ethics.



Amy B. Coleman

Vice President of Finance and Treasurer



Robert J. Manilla

Vice President and Chief Investment Officer