

**THE NATHAN CUMMINGS
FOUNDATION, INC.**

**Financial Statements
For Years Ended
December 31, 2017
and
December 31, 2016**

Independent Auditor's Report

To the Board of Trustees
The Nathan Cummings Foundation, Inc.

We have audited the accompanying financial statements of The Nathan Cummings Foundation, Inc. which comprise the statements of financial position as of December 31, 2017 and December 31, 2016 and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 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 financial statements referred to above present fairly, in all material respects, the financial position of The Nathan Cummings Foundation, Inc. as of December 31, 2017 and December 31, 2016 and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Condon O'Meara McGinty & Donnelly LLP

October 31, 2018

THE NATHAN CUMMINGS FOUNDATION, INC.

Statements of Financial Position

Assets

	December 31	
	2017	2016
Cash and cash equivalents	\$ 1,007,487	\$ 867,663
Investments, at fair value	454,815,101	441,185,983
Accrued interest and dividends receivable	65,522	54,966
Prepaid expenses and other assets	506,554	377,865
Prepaid taxes	665,000	593,526
Property and equipment, net	<u>172,441</u>	<u>195,590</u>
Total assets	<u>\$457,232,105</u>	<u>\$443,275,593</u>

Liabilities and Unrestricted Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 518,838	\$ 396,317
Accrued taxes payable	29,284	17,680
Grants payable	7,342,500	5,301,350
Postretirement benefit obligation	4,975,346	4,524,230
Deferred federal excise taxes payable	<u>1,646,441</u>	<u>1,102,969</u>
Total liabilities	14,512,409	11,342,546
Net assets - unrestricted	<u>442,719,696</u>	<u>431,933,047</u>
Total liabilities and unrestricted net assets	<u>\$457,232,105</u>	<u>\$443,275,593</u>

See notes to financial statements.

THE NATHAN CUMMINGS FOUNDATION, INC.

Statements of Activities

	Year Ended December 31	
	2017	2016
Investment return		
Interest	\$ 169,093	\$ 97,947
Dividends	883,920	816,794
Realized gains on sale of investments, net	535,201	332,302
Unrealized gains on investments (net of deferred tax (expense) benefit of \$(543,472) in 2017 and \$43,541 in 2016)	26,631,794	9,692,360
Partnership and other investments, net	<u>16,771,293</u>	<u>12,123,217</u>
	44,991,301	23,062,620
Less:		
Investment expense	2,476,325	2,276,653
Federal excise and other taxes	<u>190,614</u>	<u>416,677</u>
Net investment return	<u>42,324,362</u>	<u>20,369,290</u>
Grants and expenses:		
Grants, net	24,067,117	23,494,445
Other program expenses	447,529	222,925
Administrative expenses	<u>6,982,077</u>	<u>5,646,021</u>
Total grants and expenses	<u>31,496,723</u>	<u>29,363,391</u>
Increase (decrease) in unrestricted net assets before other addition (deduction)	10,827,639	(8,994,101)
Effect of postretirement benefit obligation adjustment	51,983	497,900
(Loss) on disposal of assets	<u>(92,973)</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	10,786,649	(8,496,201)
Unrestricted net assets, beginning of year	<u>431,933,047</u>	<u>440,429,248</u>
Unrestricted net assets, end of year	<u>\$ 442,719,696</u>	<u>\$ 431,933,047</u>

See notes to financial statements.

THE NATHAN CUMMINGS FOUNDATION, INC.

Statements of Cash Flows

	Year Ended December 31	
	2017	2016
Cash flows from operating activities		
Increase (decrease) in unrestricted net assets	\$ 10,786,649	\$ (8,496,201)
Adjustments to reconcile increase (decrease) in unrestricted net assets to net cash (used in) operating activities		
Depreciation and amortization	31,439	23,821
Realized gains on sales of investments, net	(535,201)	(332,302)
Unrealized (appreciation) in fair value of investments	(27,175,266)	(9,648,819)
Deferred tax expense (benefit)	543,472	(43,541)
Loss on disposal of assets	92,973	-
Change in postretirement benefit obligation	451,116	(21,585)
Change in operating assets and liabilities:		
Accrued interest and dividends receivable	(10,556)	5,601
Prepaid expenses and other assets	(128,689)	23,131
Prepaid taxes	(71,474)	(19,026)
Accounts payable and accrued expenses	122,521	(82,784)
Accrued taxes payable	11,604	11,797
Grants payable	2,041,150	3,676,350
Net cash (used in) operating activities	<u>(13,840,262)</u>	<u>(14,903,558)</u>
Cash flows from investing activities		
Proceeds from sale of investments	38,749,476	39,602,135
Purchases of investments	(24,668,127)	(24,488,321)
Expenditures for property and equipment	<u>(101,263)</u>	<u>(13,035)</u>
Net cash provided by investing activities	<u>13,980,086</u>	<u>15,100,779</u>
Net change in cash and cash equivalents	139,824	197,221
Cash and cash equivalents, beginning of year	<u>867,663</u>	<u>670,442</u>
Cash and cash equivalents, end of year	<u>\$ 1,007,487</u>	<u>\$ 867,663</u>
Supplemental disclosure of cash flows information:		
Excise and unrelated business income taxes paid	<u>\$ 649,825</u>	<u>\$ 652,119</u>

See notes to financial statements.

THE NATHAN CUMMINGS FOUNDATION, INC.**Notes to Financial Statements
December 31, 2017 and December 31, 2016****Note 1 – Nature of organization**

The Nathan Cummings Foundation, Inc. (the “Foundation”), incorporated in Illinois on May 27, 1949, is a national private grant making organization rooted in the Jewish tradition of social justice and committed to creating a more just, vibrant, sustainable and democratic society. The Foundation makes grants to address inequality and climate change with approaches that focus on transitioning an economy to be more just, clean and inclusive, advancing racial and economic justice, increasing corporate and political accountability and amplifying voice, creativity and culture to move people to act for social change. The Foundation’s office is in New York City.

The Foundation was a beneficiary of the Estate of Nathan Cummings, the founder of Consolidated Foods Corporation, which changed its name to Sara Lee Corporation in 1985. The primary source of revenue for the Foundation is derived from investment activities.

The Foundation qualifies as a tax-exempt charitable organization under Section 501(c)(3) of the U.S. Internal Revenue Code (the “Code”) and, generally, is not subject to federal income taxes. The Foundation is subject to an excise tax (as defined below) and may be subject to unrelated business income tax depending on activity of certain investments.

Note 2 – Summary of significant accounting policies**Basis of accounting**

The accompanying financial statements are presented using accounting principles generally accepted in the United States (“U.S. GAAP”). Financial statements prepared on a U.S. GAAP-basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Federal excise taxes

The Foundation is classified as a private foundation as described in Section 509(a) of the Internal Revenue Code. The Foundation is subject to an excise tax of 1 or 2 percent on net investment return, including realized gains. In accordance with Section 4940(e) of the Internal Revenue Code for the years ended December 31, 2017 and December 31, 2016, the Foundation paid a 1 percent and a 2 percent excise tax, respectively.

Cash equivalents

Cash equivalents are short-term investments with original maturities of three months or less (except for cash and cash equivalents held as part of the Foundation’s investment portfolio).

THE NATHAN CUMMINGS FOUNDATION, INC.**Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016****Note 2 – Summary of significant accounting policies (continued)****Investments**

The Foundation reports investments at fair value.

Purchases and sales of investments, as well as the related gains or losses, are recorded on a trade-date basis. Alternative investments, consisting primarily of hedge funds and Limited Partnerships, are valued based on net asset values. Values for these types of investments, which may include investments in both non-marketable and market-traded securities, are provided by the general partner and reviewed by the Foundation's management. The Foundation obtains and considers the audited financial statements of such investees when obtaining the overall reasonableness of the carrying value. The general partners' estimates and assumptions of fair value of the non-marketable investments may differ from the values that would have been used had a ready market existed and the differences could be material. The underlying cost basis of investments is the purchase price except for Limited Partnerships' cost bases, which are adjusted for recognized investment return and losses and for distributions. Values may be based on historical cost, appraisals, or other estimates that require varying degrees of judgment.

Certain of the investment funds in which the Foundation has a position enter into various financial instruments in the normal course of their operations, including derivatives held or issued for trading purposes. These investments are subject to market risk, which arises from changes in securities values and other market conditions. As part of their overall trading strategy, the investment funds may engage in the purchase and sale of index and equity options for the purpose of generating profit and/or reducing market risk. The various managers monitor their positions continuously to reduce the risk of potential loss due to the changes in market values or failure of counterparties to perform.

One of the more significant estimates contained in the financial statements relates to the reporting of the Limited Partnerships and alternative investments. Since there is no readily available markets for these types of investments, such investments are stated at fair value as estimated in an inactive market. In addition, the categorization of revenue and expense related to these investments is based on information provided by the investment managers through year end estimates or if available from Schedule K-1 (Form 1065). Due to the timing of the receipt of the aforementioned information, this could result in fluctuations of revenue and expenses reported in the Foundation's financial statements.

THE NATHAN CUMMINGS FOUNDATION, INC.**Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016****Note 2 – Summary of significant accounting policies (continued)****Investments (continued)****Fair value measurements**

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs that may be used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Observable inputs other than level 1 prices such as quoted prices of similar assets; quoted prices in markets with insufficient volume or infrequent transactions (less than active markets).

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets.

Depreciation and amortization

Depreciation of property and equipment is provided over five years, using the straight-line method. The Foundation's policy is to capitalize tangible assets greater than or equal to \$50,000 with a useful life greater than one year. Capitalized leasehold improvements are amortized using the straight-line method over the remaining term of the lease. Capitalized artwork acquired by the Foundation is not depreciated.

During 2017, the Foundation wrote-off \$92,973 of previously capitalized expenditures representing partial costs to redesign the Foundation's website. The work was deemed insufficient and not aligned with the Foundation's communications strategy. The Foundation launched a new design process toward the end of the year, to be completed in 2018.

Net assets

The Foundation's net assets, which are unrestricted, represent resources available for current operations, as there are no donor restrictions as to their use.

Grants

Grants are recognized as expenses in the accompanying financial statements at the time of Foundation approval.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 2 – Summary of significant accounting policies (continued)

Subsequent events

The Foundation has evaluated events and transactions for potential recognition or disclosure through October 31, 2018, which is the date these financial statements were available to be issued.

Reclassification

Certain items in the 2016 financial statements have been reclassification for comparative purposes only.

Note 3 – Investments

At each year-end, the cost and fair value of investments were as follows:

	December 31			
	2017		2016	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Invested cash and cash equivalents	\$ 10,688,925	\$ 10,688,925	\$ 5,471,763	\$ 5,471,763
Fixed income and other	815,682	814,048	3,280,577	3,294,478
Equities	47,409,752	27,335,829	38,854,781	25,923,951
Limited partnerships and alternative investments	364,900,742	302,652,558	374,481,186	332,249,640
Redemption receivable	<u>31,000,000</u>	<u>31,000,000</u>	<u>19,097,676</u>	<u>19,097,676</u>
Total	<u>\$ 454,815,101</u>	<u>\$ 372,491,360</u>	<u>\$ 441,185,983</u>	<u>\$ 386,037,508</u>

Invested cash and cash equivalents include cash and money-market funds held by the Foundation's custodian and investment managers at December 31, 2017. Fixed income and other consists of corporate and government bonds at December 31, 2017.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017.

THE NATHAN CUMMINGS FOUNDATION, INC.**Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016****Note 3 – Investments (continued)**

- Equities are valued at the closing price reported on the active market on which the individual investments are traded.
- Limited Partnerships and alternative investments are valued by the Partnership's management at net asset value. Management determines the fair value of its investments based on quoted market prices of the underlying assets held by such funds. If quoted market prices are not available, fair value is based on other relevant factors, including dealer price quotations, price activity for equivalent instruments and valuation pricing models.

The preceding methods described for the Limited Partnerships and alternative investments may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The limited partnerships and alternative investments consist primarily of a private investment limited partnership with Global Endowment Management, LP ("GEM") which offers an endowment style investment program. The partnership invests with a long-term horizon, seeking varied and non-traditional investment opportunities in an effort to provide a diversified, single-portfolio investment strategy for its investors. The partnership invests primarily in interests in public or private investment vehicles or pooled accounts managed by unaffiliated third parties, although it may also invest directly in securities and other assets. GEM is subject to notice periods and withdrawal dates in which the Foundation has the legal right to receive redemptions of its investment. GEM's redemption provisions require a March 1st notification date to be effective as of June 30th and a September 1st notification date to be effective as of December 31st. There are limitations of redemptions as further outlined in the agreement.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 3 – Investments (continued)

The following table presents the Foundation's investments that are measured at fair value on a recurring basis as of December 31, 2017:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Invested cash and cash equivalents	\$ 10,688,925	\$ 10,688,925	\$ -	\$ -
Fixed income and other	815,682	815,682	-	-
Equities	<u>47,409,752</u>	<u>47,409,752</u>	-	-
Total investments in fair value hierarchy	\$ 58,914,359	<u>58,914,359</u>	<u>\$ -</u>	<u>\$ -</u>
Redemption receivable	31,000,000			
Investments measured at net asset value (a)	<u>364,900,742</u>			
Investments at fair value	<u>\$ 454,815,101</u>			

- (a) In accordance with recent accounting standards, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 3 – Investments (continued)

The following table presents the Foundation's investments that are measured at fair value on a recurring basis as of December 31, 2016:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Invested cash and cash equivalents	\$ 5,471,763	\$ 5,471,763	\$ -	\$ -
Fixed income and other	3,280,577	3,280,577	-	-
Equities	<u>38,854,781</u>	<u>38,854,781</u>	<u>-</u>	<u>-</u>
Total investments in fair value hierarchy	\$ 47,607,121	<u>\$ 47,607,121</u>	<u>\$ -</u>	<u>\$ -</u>
Redemption receivable	19,097,676			
Investments measured at net asset value (a)	<u>374,481,186</u>			
Investments at fair value	<u>\$ 441,185,983</u>			

- (a) In accordance with recent accounting standards, certain investments that were calculated at net asset value per share (NAV) (or its equivalent practical expedient) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

Note 4 – Deferred federal excise taxes payable

The Foundation provides for deferred federal excise taxes on the total unrealized appreciation in fair value over the original cost of the investments, using the 2% excise tax rate. The deferred excise tax calculation resulted in a tax (expense) benefit of \$(543,472) and \$43,541 for the years ended December 31, 2017 and December 31, 2016, respectively.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 5 – Property and equipment

At each year-end, property and equipment consisted of the following:

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
Leasehold improvements	\$ 1,336,939	\$ 1,336,939
Furniture	81,519	81,519
Website	98,852	164,757
Art	23,799	23,799
Audio visual equipment	<u>146,403</u>	<u>72,208</u>
Sub-total	1,687,512	1,679,222
Less: accumulated depreciation and amortization	<u>1,515,071</u>	<u>1,483,632</u>
Total	<u>\$ 172,441</u>	<u>\$ 195,590</u>

Note 6 – Grants payable

The changes in grants payable during 2017 and 2016 are summarized as follows:

	<u>December 31</u>	
	<u>2017</u>	<u>2016</u>
Grants payable at beginning of year	\$ 5,301,350	\$ 1,625,000
New awards	24,318,160	23,514,911
Awards withdrawn/returned	<u>(251,043)</u>	<u>(20,466)</u>
Grants expenses, net	<u>24,067,117</u>	<u>23,494,445</u>
Payments made	<u>(22,025,967)</u>	<u>(19,818,095)</u>
Grants payable at end of year	<u>\$ 7,342,500</u>	<u>\$ 5,301,350</u>

The Foundation's December 31, 2017 grants payable of \$7,342,500 are scheduled to be distributed in 2018.

Note 7 – Line of credit

The Foundation has a \$10,000,000 line of credit with no expiration date. Borrowings under the line are unsecured and will require interest at either LIBOR plus 0.45% or the bank's prime rate. The line is uncommitted and as of December 31, 2017, the Foundation had no outstanding borrowings.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 8 – Commitments

Office space lease

The Foundation leases office space under an operating lease, which is set to expire in January 2021. In addition to base rent, the Foundation is obligated to pay an additional amount based on its share of real estate taxes. At December 31, 2017, future minimum lease payments were as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 680,513
2019	694,124
2020	708,006
2021	<u>59,097</u>
Total	<u>\$ 2,141,740</u>

Rent expense for 2017 and 2016 was approximately \$714,000 and \$696,000, respectively.

Note 9 – Employee benefit plans

Pension plans

The Foundation contributes to a defined contribution money purchase retirement plan on behalf of all eligible employees. Plan expense was approximately \$397,000 and \$327,000 for 2017 and 2016, respectively. In addition, the Foundation has a tax-deferred annuity plan under Section 403(b) of the Internal Revenue Code to which employees may contribute.

Postretirement healthcare benefits

In addition to providing pension plans, the Foundation provides certain postretirement healthcare for eligible retired employees. The Foundation currently offers continuing participation in the Foundation's medical plans to eligible employees who retire. The Foundation may modify or terminate these plans at any time.

To be eligible for this program, at the time of retirement the employee must have attained the age of 55 and have been a full-time employee of the Foundation for at least 10 years. Upon leaving the Foundation for any reason, other than termination for cause, the retiree may elect to continue to participate in the Foundation's medical insurance programs on the same basis as full-time employees. This includes family coverage. As with full-time employees, the retiree will be required to reimburse the Foundation in an amount equal to premium contributions she/he would have paid as an employee.

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 9 – Employee benefit plans (continued)

Postretirement healthcare benefits (continued)

Upon becoming eligible for Medicare, the retiree must apply for Medicare. When Medicare benefits are available, the medical insurance provided by the Foundation will become secondary, supplemental coverage. Similarly, if the retiree's spouse is covered by the Foundation's insurance, she/he must apply for Medicare at the applicable age and at that time the medical insurance provided by the Foundation will become secondary, supplemental coverage.

If the retiree and/or spouse become eligible to receive medical coverage from another employer, medical insurance provided by the Foundation will become secondary, supplemental coverage.

The Foundation recognizes the postretirement benefit obligation in accordance with the accounting standards for pension plans. This standard requires organizations to recognize the over-funded or under-funded status of a postretirement benefit plan as an asset or liability in its statements of financial position.

The benefit obligation, plan assets, contributions, payments, and funded status for the post-retirement benefit program as of and for the years ended December 31, 2017 and December 31, 2016 are summarized as follows:

	<u>2017</u>	<u>2016</u>
Benefit obligation	\$ (4,975,346)	\$ (4,524,230)
Fair value of plan assets	<u>-</u>	<u>-</u>
Funded status	<u>\$ (4,975,346)</u>	<u>\$ (4,524,230)</u>
Items not yet recognized as a component of net periodic benefit cost		
Prior service cost	\$ 1,161,061	\$ 1,323,675
Net loss	<u>478,062</u>	<u>367,431</u>
Total	<u>\$ 1,639,123</u>	<u>\$ 1,691,106</u>

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 9 – Employee benefit plans (continued)

Postretirement healthcare benefits (continued)

The estimated net loss and prior service cost for the post-retirement benefits program that will be amortized from unrestricted net assets into net periodic benefit cost over the next year is \$162,614.

	<u>2017</u>	<u>2016</u>
Net periodic benefit cost	\$ 314,651	\$ 570,671
Employer contributions	111,552	94,356
Benefits paid	(111,552)	(94,356)

Weighted average assumption to determine
benefit obligation and benefit cost for year ended
December 31:

Discount rate (benefit obligation)	3.6%	4.1%
Discount rate (benefit costs)	3.6%	4.1%

The healthcare cost trend rate was assumed to be 7.0% for the year ended December 31, 2017. This trend rate is assumed to decrease gradually to 5% by the year ended December 31, 2021 and thereafter.

Expected benefit payments for the postretirement healthcare benefits are summarized as follows:

<u>Year</u>	<u>Projected Benefit Payments</u>
2018	\$ 139,502
2019	145,847
2020	151,518
2021	156,395
2022	160,356
2023-2027	948,439

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 10 – Administrative expenses

During each year, administrative expenses were as follows:

	Year Ended December 31	
	<u>2017</u>	<u>2016</u>
Personnel and related benefits	\$ 4,758,013	\$ 3,768,873
Other staff expenses	320,054	245,515
Operating expenses	1,468,164	1,171,475
Trustees meeting expenses	332,654	156,405
Professional and consulting fees	658,904	650,516
Events/projects	<u>859</u>	<u>27,418</u>
Sub-total	7,538,648	6,020,202
Depreciation and amortization	31,439	23,821
Allocation to investment expenses	(315,305)	(175,077)
Allocation to other program expenses	<u>(272,705)</u>	<u>(222,925)</u>
Total	\$ 6,982,077	\$ 5,646,021

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity

The Foundation's grant activity for 2017 was as follows:

	<u>Grants Payable 12/31/2016</u>	<u>2017 Awards</u>	<u>2017 Payments</u>	<u>Grants Payable 12/31/2017</u>
350.org	\$ -	\$ 200,000	\$ 100,000	\$ 100,000
A Place Called Home	-	15,000	15,000	-
Access Living of Metropolitan Chicago	-	15,000	15,000	-
Action Center on Race and the Economy Institute	-	100,000	100,000	-
Advancement Project	-	200,000	100,000	100,000
African Services Committee	-	1,000	1,000	-
AgitArte	-	9,000	9,000	-
Allied Media Projects	100,000	-	100,000	-
Alternate ROOTS	-	400,000	200,000	200,000
American Councils for International Education	-	1,000	1,000	-
American Friends of Batsheva Dance Company	-	5,000	5,000	-
American Friends of Ma'agalim	-	10,000	10,000	-
American Friends of the Heschel Center	-	10,000	10,000	-
American Friends of the Israel Museum	-	8,000	8,000	-
American-Israel Cultural Foundation	-	5,000	5,000	-
Anna Claussen	-	150,000	100,000	50,000
Anti-Defamation League	-	150,000	150,000	-
Arkansas Public Policy Panel	-	1,000	1,000	-
Artis Contemporary Israeli Art Fund	-	6,500	6,500	-
Artists for Peace and Justice	-	500	500	-
Artists Striving To End Poverty	-	5,000	5,000	-
As You Sow	-	5,000	5,000	-
Asian American Writers Workshop	-	150,000	150,000	-
Astraea Lesbian Foundation for Justice	-	5,000	5,000	-
Auburn Theological Seminary	150,000	200,000	350,000	-
Ayni Institute	-	75,000	75,000	-
Baby2Baby	-	40,000	40,000	-
Bend The Arc - A Jewish Partnership For Justice	400,000	260,000	535,000	125,000
Black Alliance for Just Immigration	-	7,000	7,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	<u>Grants Payable 12/31/2016</u>	<u>2017 Awards</u>	<u>2017 Payments</u>	<u>Grants Payable 12/31/2017</u>
Board of Trustees of the Leland Stanford Junior University	\$ -	\$ 25,000	\$ 25,000	\$ -
Board of Trustees of the University of Illinois	-	5,000	5,000	-
Borealis Philanthropy	-	200,000	100,000	100,000
Brady Center to Prevent Gun Violence	-	29,000	29,000	-
Brave New Films	-	10,000	10,000	-
Brown University	-	20,000	20,000	-
Business and Professional People for the Public Interest	-	10,000	10,000	-
Business Forward Foundation	-	150,000	150,000	-
ByKids	-	500	500	-
Cambodian Coordinating Council	-	15,000	15,000	-
Catholic Climate Covenant	-	150,000	150,000	-
Catholic Relief Services	-	2,000	2,000	-
Center for Community Change	250,000	-	250,000	-
Center for Investigative Reporting	-	200,000	100,000	100,000
Center for Media Justice	200,000	-	200,000	-
Center for Political Accountability	-	200,000	100,000	100,000
Center for Popular Democracy	-	206,000	106,000	100,000
Center for Rural Strategies	-	200,000	100,000	100,000
Center for Whole Communities	-	2,500	2,500	-
Ceres	-	350,000	225,000	125,000
CFLeads	-	25,000	25,000	-
Childcare Vietnam	-	4,000	4,000	-
Children's Aid Society	-	1,000	1,000	-
Church World Services, Inc	-	100,000	100,000	-
Citizen University	-	100,000	100,000	-
Claremont McKenna College	-	40,000	40,000	-
Clean Energy Group	-	150,000	150,000	-
Coalition of Immokalee Workers	-	75,000	75,000	-
Coleman Center Board of the City of York Term	-	7,500	7,500	-
ColorOfChange.Org Education Fund	-	800,000	400,000	400,000
Community Initiatives	-	100,000	50,000	50,000

THE NATHAN CUMMINGS FOUNDATION, INC.

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	Grants Payable 12/31/2016	2017 Awards	2017 Payments	Grants Payable 12/31/2017
Confluence Philanthropy	\$ -	\$ 7,500	\$ 7,500	\$ -
Congregation Beth Elohim	-	4,000	4,000	-
Consultative Group on Biological Diversity	-	5,000	5,000	-
Council on Foundations	-	23,100	23,100	-
Dance Service New York City	-	2,000	2,000	-
Democracy Collaborative Foundation	200,000	-	200,000	-
Demos: A Network For Ideas And Action	-	200,000	200,000	-
Dream Corps	-	100,000	100,000	-
Duke University	-	150,000	150,000	-
Earth Day Network	-	50,000	50,000	-
Earth House	-	25,000	25,000	-
Economic Policy Institute	-	100,000	100,000	-
EcoPeace Middle East Environmental NGO Forum	-	10,000	10,000	-
Efforts of Grace	-	200,000	200,000	-
El Puente de Williamsburg	-	75,000	75,000	-
Ella Baker Center For Human Rights in California	-	150,000	150,000	-
Emerald Cities Collaborative	-	135,000	135,000	-
Ensemble Studio Theatre	-	10,000	10,000	-
Environmental Grantmakers Association	-	10,980	10,980	-
Esperanza Education Fund	-	1,000	1,000	-
Faith in Public Life	-	334,000	184,000	150,000
Faithworks	-	25,000	25,000	-
Firelight Media	-	200,000	100,000	100,000
First Peoples Fund	-	100,000	100,000	-
FJC	-	20,000	20,000	-
Foundation Center	-	10,000	10,000	-
Fractured Atlas	-	251,000	251,000	-
Francisca Porchas	-	150,000	100,000	50,000
Funders Network for Smart Growth and Livable Communities	-	15,000	15,000	-
Garrison Institute	-	5,000	5,000	-
George Family Foundation	-	21,000	21,000	-
Georgia Strategic Alliance for New Directions and Unified Policies	-	45,000	45,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	<u>Grants Payable 12/31/2016</u>	<u>2017 Awards</u>	<u>2017 Payments</u>	<u>Grants Payable 12/31/2017</u>
Girls Educational and Mentoring Services	\$ -	\$ 10,000	\$ 10,000	\$ -
Grantmakers for Effective Organizations	-	6,380	6,380	-
Grantmakers in the Arts	-	32,500	32,500	-
Green Diversity Network	-	150,000	75,000	75,000
Green Latinos	-	150,000	75,000	75,000
Greenfaith	-	100,000	100,000	-
Habitat for Humanity International	-	10,000	10,000	-
Haitian Education & Leadership Program	-	2,500	2,500	-
Harmony Labs	-	100,000	100,000	-
Hartley Film Foundation	-	13,000	13,000	-
House Foundation for the Arts	-	10,000	10,000	-
Hunger Free America	-	500	500	-
Insight Center for Community Economic Development	-	20,000	20,000	-
Institute for Local Self-Reliance	-	200,000	100,000	100,000
Institute for Policy Studies	-	90,000	90,000	-
Interfaith Center on Corporate Responsibility	-	107,500	107,500	-
International Documentary	-	5,000	5,000	-
ISALAH	-	150,000	150,000	-
Israel On Campus Coalition	-	10,000	10,000	-
Jasiri Smith	-	150,000	100,000	50,000
Jerusalem Foundation	-	44,000	44,000	-
Jewish Funders Network	101,350	626,600	527,950	200,000
Jews For Racial and Economic Justice	-	200,000	100,000	100,000
Jobs with Justice Education Fund	150,000	450,000	375,000	225,000
JOIN for Justice	350,000	35,000	385,000	-
Jolt Initiative	-	100,000	100,000	-
Just Adopt	-	2,000	2,000	-
Just Capital Foundation	-	155,000	155,000	-
JustLeadershipUSA	-	260,000	160,000	100,000
KCRW Foundation	-	10,500	10,500	-
Kentucky Coalition	175,000	-	175,000	-
LA Voice	-	100,000	100,000	-
Learning Tree Cultural Center	-	4,000	4,000	-
Liberty Hill Foundation	-	150,000	150,000	-
Life After Hate	-	1,000	1,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	Grants Payable <u>12/31/2016</u>	2017 <u>Awards</u>	2017 <u>Payments</u>	Grants Payable <u>12/31/2017</u>
Living Cities - The National				
Community Development Initiative	\$ -	\$ 100,000	\$ 100,000	\$ -
Los Angeles Alliance for a New Economy	-	250,000	150,000	100,000
Los Angeles Review of Books	-	5,000	5,000	-
Make the Road New York	-	150,000	150,000	-
MAP Fund	-	2,000	2,000	-
Maplight	-	250,000	150,000	100,000
MAPP International Productions	100,000	-	100,000	-
Marcus Graham Project	-	1,000	1,000	-
Marin Agricultural Land Trust	-	10,000	10,000	-
Masorti Foundation for Conservative Judaism in Israel	-	23,000	23,000	-
Massachusetts Institute of Technology	-	250,000	150,000	100,000
Media Impact Funders	-	5,000	5,000	-
Miami Foundation	-	75,000	75,000	-
Miami Workers Center	-	150,000	75,000	75,000
Mission Investors Exchange	-	7,500	7,500	-
Mount Shasta Bioregional Ecology Center	-	5,000	5,000	-
Movement Strategy Center	-	610,000	360,000	250,000
Mr. Holland's Opus Foundation	-	10,000	10,000	-
Museum of Contemporary Art	-	20,000	20,000	-
MusicianShip	-	5,000	5,000	-
NAACP	-	300,000	150,000	150,000
National Association of Latino Arts and Culture	-	150,000	150,000	-
National Association of State Energy Officials	-	100,000	100,000	-
National Center for Family Philanthropy	-	10,000	10,000	-
National Committee for Responsive Philanthropy	-	60,000	30,000	30,000
National Conference of Black Lawyers	-	10,000	10,000	-
National Council of Jewish Women, Incorporated	-	25,000	25,000	-
National Day Laborer Organizing Network	-	100,000	100,000	-
National Domestic Workers Alliance	275,000	900,000	762,500	412,500
National People's Action	150,000	125,000	275,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	Grants Payable <u>12/31/2016</u>	2017 <u>Awards</u>	2017 <u>Payments</u>	Grants Payable <u>12/31/2017</u>
National Trust for Historic Preservation in U.S.	\$ -	\$ 150,000	\$ 150,000	\$ -
Neighborhood Funders Group	-	10,000	10,000	-
NEO Philanthropy	-	364,000	314,000	50,000
NEST M Parent Teacher Association	-	1,000	1,000	-
New Israel Fund	-	619,000	619,000	-
New Orleans Workers' Center for Racial Justice	100,000	-	100,000	-
New Venture Fund	-	800,000	450,000	350,000
No Longer Empty	-	80,000	80,000	-
Northeastern University	-	4,000	4,000	-
Northwestern University	-	50,000	50,000	-
Not An Alternative	-	150,000	75,000	75,000
Occidental College	-	2,500	2,500	-
Ocean Foundation	-	15,000	15,000	-
Ojai Foundation	-	7,200	7,200	-
One Voice	-	150,000	150,000	-
Pardes Institute of Jewish Studies North America	-	10,000	10,000	-
PeacePlayers International	-	20,000	20,000	-
Peak Grantmaking	-	3,000	3,000	-
Pennsylvania Horticultural Society	-	2,000	2,000	-
Petey Greene Program	-	10,000	10,000	-
Philanthropy New York, Inc.	-	18,100	18,100	-
PICO National Network	250,000	375,000	500,000	125,000
Picture the Homeless	-	2,000	2,000	-
Pillars Fund	-	100,000	100,000	-
Pioneer School of Drama	-	10,800	10,800	-
PolicyLink	100,000	-	100,000	-
Political Research Associates	-	200,000	100,000	100,000
Pratt Area Community Council	-	2,000	2,000	-
Praxis Project	-	3,000	3,000	-
President and Fellows of Harvard College	-	25,000	25,000	-
PTA New Jersey Congress of Parents & Teachers	-	7,500	7,500	-
Public Employees for Environmental Responsibility	-	100,000	100,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	<u>Grants Payable 12/31/2016</u>	<u>2017 Awards</u>	<u>2017 Payments</u>	<u>Grants Payable 12/31/2017</u>
Public Policy and Education Fund of New York	\$ -	\$ 150,000	\$ 150,000	\$ -
Public Policy and International Affairs Program	-	5,000	5,000	-
Public Religion Research Institute	-	350,000	250,000	100,000
Puente Human Rights Movement	-	100,000	50,000	50,000
Rabbinical Assembly of America	-	10,000	10,000	-
Race Forward	-	300,000	150,000	150,000
Ranken-Jordan Home for Convalescent Crippled Children	-	25,000	25,000	-
Reconstructionist Rabbinical College	-	30,000	30,000	-
Refugees International	-	25,000	25,000	-
Repair the World	-	100,000	100,000	-
Resource Media	-	1,000	1,000	-
Resources Legacy Fund	-	400,000	250,000	150,000
Restaurant Opportunities Centers United	150,000	450,000	375,000	225,000
Revolutions Per Minute	-	100,000	100,000	-
Rockefeller Philanthropy Advisors	1,000,000	110,000	585,000	525,000
Rocky Mountain Institute	-	200,000	200,000	-
Roland Park Country School	-	5,000	5,000	-
Saint Ann's School	-	20,000	20,000	-
Sarah Lawrence College	-	30,000	30,000	-
SaveNature.Org	-	5,000	5,000	-
Seva Foundation	-	20,000	20,000	-
Sick Kids Need Involved People of New York	-	15,000	15,000	-
Skirball Cultural Center	-	5,000	5,000	-
Smithsonian Institution	-	26,500	26,500	-
Social Venture Network	-	3,000	3,000	-
Sojourners	-	100,000	100,000	-
Solidago Foundation	-	200,000	100,000	100,000
The Solutions Project	150,000	130,000	280,000	-
Southeast Asia Resource Action Center (SEARAC)	-	10,000	10,000	-
Spark	-	5,000	5,000	-
Special Olympics	-	4,000	4,000	-

THE NATHAN CUMMINGS FOUNDATION

Notes to Financial Statements (continued)
December 31, 2017 and December 31, 2016

Note 11 – Grant activity (continued)

	Grants Payable 12/31/2016	2017 Awards	2017 Payments	Grants Payable 12/31/2017
St. Jude Children's Research Hospital	\$ -	\$ 1,500	\$ 1,500	\$ -
Sustainable Markets Foundation	-	175,000	175,000	-
T'ruah	-	250,000	125,000	125,000
TakeAction Minnesota Education Fund	-	200,000	100,000	100,000
Tides Center	-	505,000	280,000	225,000
Toniic Institute	-	10,000	10,000	-
Treatment Advocacy Center	-	10,000	10,000	-
Trisha Brown Company	-	5,000	5,000	-
Trustees of Columbia University	-	4,000	4,000	-
Trustees of the University of Pennsylvania	-	5,000	5,000	-
UBW	200,000	-	200,000	-
Union for Reform Judaism	400,000	1,100,000	1,000,000	500,000
Union Theological Seminary	-	100,000	100,000	-
Unite Foundation	-	1,000	1,000	-
United States Artists	-	12,500	12,500	-
United States Conference of Catholic Bishops	-	30,000	30,000	-
University of Central Arkansas Foundation	-	1,000	1,000	-
V-Day	-	50,000	50,000	-
Vera Institute of Justice	100,000	-	100,000	-
Victory Gardens Theater	-	5,000	5,000	-
Vineyard Theatre and Workshop Center	-	5,000	5,000	-
We Own It	-	150,000	150,000	-
West Side Justice Center	-	10,000	10,000	-
WITNESS	-	5,000	5,000	-
Women's Prison Association and Home	-	5,000	5,000	-
Workers Defense Project	-	300,000	150,000	150,000
Working Classrooms	-	7,500	7,500	-
World Resources Institute	-	300,000	150,000	150,000
Writers Without Margins	-	25,000	25,000	-
Year Up	-	10,000	10,000	-
Sub-total	5,051,350	24,318,160	22,027,010	7,342,500
Awards Withdrawn/Returned	250,000	(251,043)	(1,043)	-
Total	<u>\$ 5,301,350</u>	<u>\$ 24,067,117</u>	<u>\$ 22,025,967</u>	<u>\$ 7,342,500</u>