

Return of Organization Exempt From Income Tax

2006

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

A For the 2006 calendar year, or tax year beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
MIDLAND AREA COMMUNITY FOUNDATION

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
109 E MAIN ST., P.O. BOX 289

City or town, state or country, and ZIP + 4
MIDLAND, MI 48640-0289

D Employer identification number
38-2023395

E Telephone number
989-839-9661

F Accounting method: Cash Accrual
 Other (specify) **▶**

G Website: **▶ WWW.MIDLANDFOUNDATION.COM**

J Organization type (check only one) 501(c) (**3**) (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **▶ 6,328,997.**

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates **▶ N/A**
H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number **▶ N/A**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b	2,299,625.		
	c Indirect public support (not included on line 1a)	1c			
	d Government contributions (grants) (not included on line 1a)	1d			
	e Total (add lines 1a through 1d) (cash \$ 2,299,625. noncash \$)	1e	2,299,625.		
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			
	5 Dividends and interest from securities	5	2,420,412.		
	6 a Gross rents	6a			
	b Less: rental expenses	6b			
c Net rental income or (loss). Subtract line 6b from line 6a	6c				
7 Other investment income (describe)	7				
8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	1,583,221.	8a			
	1,383,359.	8b	194.		
	199,862.	8c	-194.		
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8d	STMT 1	STMT 2	199,668.	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ of contributions reported on line 1b)	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c				
10 a Gross sales of inventory, less returns and allowances	10a				
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c			
11 Other revenue (from Part VII, line 103)	11	25,739.			
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	4,945,444.			
Expenses	13 Program services (from line 44, column (B))	13	2,361,498.		
	14 Management and general (from line 44, column (C))	14	645,148.		
	15 Fundraising (from line 44, column (D))	15	134,716.		
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17	3,141,362.		
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	1,804,082.		
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	54,145,705.		
	20 Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3	20	3,926,982.		
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	59,876,769.		

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>			STATEMENT 6	
22b Other grants and allocations (attach schedule) (cash \$ <u>1,426,715</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>	1,426,715.	1,426,715.		
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A STMT 5	172,713.	0.	127,304.	45,409.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	185,128.		136,453.	48,675.
27 Pension plan contributions not included on lines 25a, b, and c	7,864.		5,896.	1,968.
28 Employee benefits not included on lines 25a - 27	20,080.		15,850.	4,230.
29 Payroll taxes	23,492.		17,400.	6,092.
30 Professional fundraising fees				
31 Accounting fees	12,002.		12,002.	
32 Legal fees	18,836.		18,836.	
33 Supplies	8,433.		7,928.	505.
34 Telephone	6,971.		6,971.	
35 Postage and shipping	9,693.		9,693.	
36 Occupancy	31,941.		31,941.	
37 Equipment rental and maintenance	17,273.		17,273.	
38 Printing and publications	7,766.		7,766.	
39 Travel	11,494.		11,494.	
40 Conferences, conventions, and meetings	7,590.		7,590.	
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	15,495.		15,495.	
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 4	1,157,876.	934,783.	195,256.	27,837.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,141,362.	2,361,498.	645,148.	134,716.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 7	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a COMMUNITY SERVICE ACTIVITIES AND GRANTS PAID	
(Grants and allocations \$ 1,218,259.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	2,016,464.
b COLLEGE SCHOLARSHIPS AND LOW INTEREST LOANS TO STUDENTS IN MIDLAND COUNTY	
(Grants and allocations \$ 208,456.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	345,034.
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	2,361,498.

Form 990 (2006)

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	9,331.	8,318.
	46 Savings and temporary cash investments	2,816,615.	3,393,558.
	47 a Accounts receivable	47a	47c
	b Less: allowance for doubtful accounts	47b	47c
	48 a Pledges receivable	48a 1,508,349.	48c 1,508,349.
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b
	51 a Other notes and loans receivable	51a 27,740.	51c 27,740.
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 a Investments - publicly-traded securities STMT 9 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	48,452,935.	54a 53,413,573.
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55 a Investments - land, buildings, and equipment: basis STMT 8	55a	55c
	b Less: accumulated depreciation	55b	55c
	56 Investments - other SEE STATEMENT 10	1,008,841.	56 2,575,829.
57 a Land, buildings, and equipment: basis	57a 851,438.	57c 724,565.	
b Less: accumulated depreciation STMT 11	57b 126,873.	57c	
58 Other assets, including program-related investments (describe <input type="checkbox"/>)		58	
59 Total assets (must equal line 74). Add lines 45 through 58	55,817,605.	59 61,651,932.	
Liabilities	60 Accounts payable and accrued expenses	112,772.	60 27,282.
	61 Grants payable	290,034.	61 162,849.
	62 Deferred revenue		62 160,000.
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe <input type="checkbox"/> DUE TO OTHER ORGANIZATIONS)	1,269,094.	65 1,425,032.
	66 Total liabilities. Add lines 60 through 65	1,671,900.	66 1,775,163.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	50,389,652.	67 57,368,420.
	68 Temporarily restricted	2,756,053.	68 1,508,349.
	69 Permanently restricted	1,000,000.	69 1,000,000.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	54,145,705.	73 59,876,769.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	55,817,605.	74 61,651,932.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		X
82b	N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		
83b	N/A		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
84b	N/A		
85 a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
85a	N/A		
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85b	N/A		
85c	Dues, assessments, and similar amounts from members		
85c	N/A		
85d	Section 162(e) lobbying and political expenditures		
85d	N/A		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85e	N/A		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f	N/A		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85g	N/A		
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
85h	N/A		
86 a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		
86a	N/A		
86b	Gross receipts, included on line 12, for public use of club facilities		
86b	N/A		
87 a	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
87a	N/A		
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
87b	N/A		
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
88a			
88b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
88b			
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89b			
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
89c	0.		
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
89d	0.		
89e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89e			
89f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89f			
89g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
89g			
90 a	List the states with which a copy of this return is filed MI		
90b	Number of employees employed in the pay period that includes March 12, 2006		8
91 a	The books are in care of JANET M MCGUIRE, PRESIDENT AND CEO Telephone no. 989-839-9661 Located at 109 E. MAIN STREET, MIDLAND, MI ZIP + 4 48640		
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		X
91b			

Part VI Other Information (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 | N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies ...					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ...					
96 Dividends and interest from securities			14	2,420,412.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	199,668.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a REIMBURSEMENTS AND MISC			01	25,739.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		2,645,819.	0.
105 Total (add line 104, columns (B), (D), and (E))					2,645,819.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13). **N/A**

106 Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here	Signature of officer _____ JANET M. MCGUIRE, PRESIDENT AND CEO Type or print name and title	Date _____
Paid Preparer's Use Only	Preparer's signature _____ Firm's name (or yours if self-employed), address, and ZIP + 4 MANER, COSTERISAN & ELLIS, PC 544 CHERBOURG DRIVE, SUITE 200 LANSING, MI 48917-5010	Date _____ Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN (See Gen. Inst. X) _____ EIN _____ Phone no. (517) 323-7500

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2006

Name of the organization

MIDLAND AREA COMMUNITY FOUNDATION

Employer identification number

38 2023395

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	0	

Part III **Statements About Activities** (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	2d	X
e	Transfer of any part of its income or assets?	2e	X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) SEE STATEMENT 14	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a	X
b	Did the organization make any taxable distributions under section 4966?	4b	X
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c	X
d	Enter the total number of donor advised funds owned at the end of the tax year		0
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		0.
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year		0.

Schedule A (Form 990 or 990-EZ) 2006

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 7 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 7 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	4,806,243.	3,541,786.	2,368,280.	2,628,918.	13,345,227.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose		0.	0.	0.	
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1,980,848.	1,337,636.	715,468.	992,622.	5,026,574.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	142,841.	34,662.	SEE STATEMENT 15 53,588.	116,461.	347,552.
23 Total of lines 15 through 22	6,929,932.	4,914,084.	3,137,336.	3,738,001.	18,719,353.
24 Line 23 minus line 17	6,929,932.	4,914,084.	3,137,336.	3,738,001.	18,719,353.
25 Enter 1% of line 23	69,299.	49,141.	31,373.	37,380.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 374,387.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 109,986.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 18,719,353.
d Add: Amounts from column (e) for lines: 18 5,026,574. 19 _____ 22 347,552. 26b 109,986.					26d 5,484,112.
e Public support (line 26c minus line 26d total)					26e 13,235,241.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 70.7035%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2005) _____ (2004) _____ (2003) _____ (2002) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2005) _____ (2004) _____ (2003) _____ (2002) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) _____ _____ _____		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____	32d	
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
	If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h .)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2006

Name of organization

Employer identification number

MIDLAND AREA COMMUNITY FOUNDATION

38-2023395

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SALE OF INVESTMENT SECURITIES	1,583,221.	1,383,359.	0.	199,862.
TO FORM 990, PART I, LINE 8	<u>1,583,221.</u>	<u>1,383,359.</u>	<u>0.</u>	<u>199,862.</u>

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
OFFICE EQUIPMENT	VARIOUS	12/31/06	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
UNRELATED/SCRAPPED	0.	27,582.	0.	27,388.	-194.
TO FM 990, PART I, LN 8		27,582.	0.	27,388.	-194.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	3
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DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	3,926,982.
TOTAL TO FORM 990, PART I, LINE 20	3,926,982.

FORM 990

OTHER EXPENSES

STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
INVESTMENT				
MANAGEMENT FEES	45,984.		45,984.	
MISCELLANEOUS	1,593.		1,593.	
EDUCATION /TRAINING	335.		335.	
EVERGREEN	17,560.		8,780.	8,780.
PUBLIC RELATIONS & ADVERTISING	16,054.		8,027.	8,027.
DUES & SUBSCRIPTIONS	2,745.		2,745.	
WEB SITE DEVELOPMENT	2,648.		1,324.	1,324.
OFFICE INSURANCE	8,810.		8,810.	
BANK FEES	42,627.		42,627.	
DEVELOPMENT	9,706.			9,706.
PROPERTY TAXES	3,916.		3,916.	
MEALS & ENTERTAINMENT	1,930.		1,930.	
BUILDING MAINTENANCE	4,892.		4,892.	
PROJECT EXPENSES	750,949.	750,949.		
CONTRACTING SERVICES	184,550.	120,257.	64,293.	
CONSULTING SERVICES	26,324.	26,324.		
FIREWORKS	15,248.	15,248.		
COMMUNICATIONS	15,937.	15,937.		
COLLECTION EXPENSE	789.	789.		
PROGRAM EXPENSES	5,279.	5,279.		
TOTAL TO FM 990, LN 43	1,157,876.	934,783.	195,256.	27,837.

FORM 990 OFFICER COMPENSATION ALLOCATION STATEMENT 5
PART II, LINE 25A

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
DENISE K. SPENCER	132,000.	6,992.		138,992.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	97,295.	5,154.		102,449.
C. FUNDRAISING	34,705.	1,838.		36,543.

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
NICOLE CHARLES	29,568.	4,153.		33,721.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	21,794.	3,061.		24,855.
C. FUNDRAISING	7,774.	1,092.		8,866.

TOTAL PROGRAM SERVICES				
TOTAL MANAGEMENT AND GENERAL				127,304.
TOTAL FUNDRAISING				45,409.
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PART II, LINE 25A				172,713.

FORM 990

CASH GRANTS AND ALLOCATIONS
TO OTHERS

STATEMENT 6

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
PUBLIC EDUCATION SEE ATTACHED DETAIL OF GRANTS AVAILABLE UPON REQUEST VARIOUS, XX 00000	1,218,259.
PUBLIC EDUCATION SEE ATTACHED DETAIL OF SCHOLARSHIPS AVAILABLE UPON REQUEST VARIOUS, XX 00000	208,456.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B	<u>1,426,715.</u>

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 7
PART III

EXPLANATION

VISION: THE MIDLAND AREA COMMUNITY FOUNDATION PROMOTES AND ENABLES PHILANTHROPIC GIVING TO ENRICH AND IMPROVE THE LIVES OF PEOPLE IN OUR COMMUNITIES. MISSION: WE ACCOMPLISH OUR VISION BY: 1. ATTRACTING AND HOLDING PERMANENT ENDOWMENT FUNDS FROM A WIDE RANGE OF DONORS, 2. IDENTIFYING AND ADDRESSING COMMUNITY NEEDS THROUGH A STRONG GRANTMAKING PROGRAM, AND 3. PROVIDING LEADERSHIP AS A COLLABORATOR/CONVENOR ON IMPORTANT COMMUNITY ISSUES AND PROJECTS.

FORM 990

NON-GOVERNMENT SECURITIES

STATEMENT 8

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
CORPORATE STOCKS - VARIOUS	FMV	5,367,132.			5,367,132.
CORPORATE BONDS	FMV		1,426,290.		1,426,290.
EQUITY MUTUAL FUNDS	FMV			44867241.	44867241.
TO FORM 990, LINE 54A, COL B		5,367,132.	1,426,290.	44867241.	51660663.

FORM 990 GOVERNMENT SECURITIES STATEMENT 9

DESCRIPTION	COST/FMV	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
US GOVERNMENT OBLIGATIONS	FMV	1,752,910.		1,752,910.
TOTAL TO FORM 990, LINE 54A, COL B		1,752,910.		1,752,910.

FORM 990

OTHER INVESTMENTS

STATEMENT 10

DESCRIPTION	VALUATION METHOD	AMOUNT
CERTIFICATES OF DEPOSIT	MARKET VALUE	1,527,744.
BANK LOAN FUND	MARKET VALUE	1,048,085.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		2,575,829.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 11

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
PARKS & IMPROVEMENTS	697,908.	29,261.	668,647.
LEASEHOLD IMPROVEMENTS	33,264.	4,452.	28,812.
FURNITURE & FIXTURES	47,594.	26,452.	21,142.
OFFICE EQUIPMENT	40,776.	37,212.	3,564.
SOFTWARE	31,896.	29,496.	2,400.
TOTAL TO FORM 990, PART IV, LN 57	<u>851,438.</u>	<u>126,873.</u>	<u>724,565.</u>

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, STATEMENT 12
TRUSTEES AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DENISE K. SPENCER 109 E. MAIN MIDLAND, MI 48640	PRESIDENT AND CEO 40.00	132,000.	6,992.	0.
NICOLE CHARLES 109 E. MAIN MIDLAND, MI 48640	VICE PRESIDENT AND CFO 40.00	29,568.	4,153.	0.
BRIAN RODGERS 109 E. MAIN MIDLAND, MI 48640	CHAIR 4.00	0.	0.	0.
MAUREEN DONKER 109 E. MAIN MIDLAND, MI 48640	VICE CHAIR 2.00	0.	0.	0.
MARTY MCGUIRE 109 E. MAIN MIDLAND, MI 48640	SECRETARY 2.00	0.	0.	0.
CHRIS VELASQUEZ 109 E. MAIN MIDLAND, MI 48640	TREASURER 2.00	0.	0.	0.
LINDA CLINE 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
CAROLE DENNINGS 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
RICHARD DOLINSKI 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
CAROLE DONAGHY 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
THOMAS ERICKSON 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.

MIDLAND AREA COMMUNITY FOUNDATION

38-2023395

L. SCOTT GOVITZ 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 2.00	0.	0.	0.
BRIDGETTE GRANSDEN 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
NEIL HAWKINS 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 2.00	0.	0.	0.
JIM HOP 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
LINDA OWEN 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 2.00	0.	0.	0.
DONNA RAPP 109 E. MAIN MIDLAND, MI 48640	TRUSTEE 2.00	0.	0.	0.

TOTALS INCLUDED ON FORM 990, PART V-A

161,568.	11,145.	0.
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FORM 990

EXPLANATION OF RELATIONSHIP
PART V-A, LINE 75B

STATEMENT 13

INDIVIDUAL'S NAME

TITLE OR ROLE

DONNA RAPP

TRUSTEE

INDIVIDUAL'S NAME

TITLE OR ROLE

BRIAN RODGERS

VICE CHAIR

EXPLANATION OF RELATIONSHIP

MID-MICHIGAN MEDICAL CENTER

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 14
PART III, LINE 3A

ON THE BASIS OF FACTS AVAILABLE, THE FOUNDATION TRUSTEES SEEK TO MAKE A FAIR DETERMINATION OF THOSE 501(C)(3) ORGANIZATIONS AND INDIVIDUALS (I.E. STUDENTS FOR SCHOLARSHIPS) BEST QUALIFIED TO RECEIVE GRANTS AND SCHOLARSHIPS FROM THE FOUNDATION IN ACCORDANCE WITH ITS EXEMPT PURPOSE.

SCHEDULE A	OTHER INCOME			STATEMENT 15
DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
MISCELLANEOUS	142,841.	34,662.	20,740.	83,976.
OTHER INVESTMENT INCOME	0.	0.	32,848.	32,485.
TOTAL TO SCHEDULE A, LINE 22	<u>142,841.</u>	<u>34,662.</u>	<u>53,588.</u>	<u>116,461.</u>

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING
December 31, 2006

Prepared for	Janet McGuire, President and CEO Midland Area Community Foundation 109 E Main St., P.O. Box 289 Midland, MI 48640-0289
Prepared by	Maner, Costerisan & Ellis, PC 544 Cherbourg Drive, Suite 200 Lansing, MI 48917-5010
Amount due or refund	No amount is due.
Make check payable to	No amount is due.
Mail tax return and check (if applicable) to	Internal Revenue Service Center Ogden, UT 84201-0027
Return must be mailed on or before	November 15, 2007
Special Instructions	The return should be signed and dated.

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

2006

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury Internal Revenue Service

For calendar year 2006 or other tax year beginning , and ending

Header section containing organization name (MIDLAND AREA COMMUNITY FOUNDATION), address (109 E MAIN ST., P.O. BOX 289, MIDLAND, MI 48640-0289), and other identifying information.

H Describe the organization's primary unrelated business activity. SEE STATEMENT 16

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? No

J The books are in care of JANET M MCGUIRE, PRESIDENT AND CEO Telephone number 989-839-9661

Table with 4 columns: Part I Unrelated Trade or Business Income, (A) Income, (B) Expenses, (C) Net. Rows 1a-13 detailing various income sources and their net amounts.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

Table with 4 columns: Line number, Description, Sub-column, Total. Rows 14-34 detailing various deductions and the final unrelated business taxable income.

Part III Tax Computation

Table with 3 columns: Description, Line Number, Amount. Includes rows for Organizations Taxable as Corporations (35), Trusts Taxable at Trust Rates (36), Proxy tax (37), Alternative minimum tax (38), and Total (39).

Part IV Tax and Payments

Table with 3 columns: Description, Line Number, Amount. Includes rows for Foreign tax credit (40a-40e), Other taxes (41-42), Total tax (43), Payments (44a-44g), Estimated tax penalty (46), Tax due (47), Overpayment (48), and Refunded (49).

Part V Statements Regarding Certain Activities and Other Information (See instructions on page 18)

Table with 3 columns: Question, Yes, No. Includes questions about foreign accounts, foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

Table with 3 columns: Description, Line Number, Amount. Includes rows for Inventory at beginning/end of year, Purchases, Cost of labor, Additional section 263A costs, and Do the rules of section 263A apply?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here section with fields for Signature of officer, Date, Title (PRESIDENT AND CEO), and a checkbox for IRS discussion.

Paid Preparer's Use Only section with fields for Preparer's signature, Date, Firm's name (MANER, COSTERISAN & ELLIS, PC), EIN (38-2157642), and Phone number ((517) 323-7500).

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instr. on pg 20)

Table for Schedule C: Rent Income. Includes columns for Description of property, Rent received or accrued (a) and (b), Deductions directly connected with the income, and Total income vs Total deductions.

Schedule E - Unrelated Debt-Financed Income (See instructions on page 20)

Table for Schedule E: Unrelated Debt-Financed Income. Includes columns for Description of debt-financed property, Gross income from or allocable to debt-financed property, Deductions directly connected with or allocable to debt-financed property, and various calculated amounts.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (See instructions on page 21)

Table for Schedule F: Exempt Controlled Organizations. Includes columns for Name of Controlled Organization, Employer Identification Number, Net unrelated income (loss), Total of specified payments made, Part of column 4 that is included in the controlling organization's gross income, and Deductions directly connected with income in column (5).

Table for Schedule F: Nonexempt Controlled Organizations. Includes columns for Taxable Income, Net unrelated income (loss), Total of specified payments made, Part of column 9 that is included in the controlling organization's gross income, and Deductions directly connected with income in column 10.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions on page 22)

Table with 5 columns: 1 Description of income, 2 Amount of income, 3 Deductions directly connected, 4 Set-asides, 5 Total deductions and set-asides. Totals row shows 0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions on page 22)

Table with 7 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected, 4 Net income (loss), 5 Gross income from activity, 6 Expenses attributable, 7 Excess exempt expenses. Totals row shows 0.

Schedule J - Advertising Income (see instructions on page 23)

Part I: Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or loss, 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Totals row shows 0.

Part II: Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or loss, 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Totals row shows 0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 23)

Table with 4 columns: 1 Name, 2 Title, 3 Percent of time devoted to business, 4 Compensation attributable to unrelated business. Total row shows 0.

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

MIDLAND AREA COMMUNITY FOUNDATION

FORM 990 PAGE 2

38-2023395

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	108,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	430,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2005 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2007. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2006	17	13,159.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

Section B - Assets Placed in Service During 2006 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs.		S/L	
h	Residential rental property	/		27.5 yrs.	MM	S/L	
		/		27.5 yrs.	MM	S/L	
i	Nonresidential real property	/		39 yrs.	MM	S/L	
		/			MM	S/L	

Section C - Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs.		S/L	
c	40-year	/		40 yrs.	MM	S/L	

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	13,159.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with columns (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Special allowance for qualified New York Liberty or Gulf Opportunity Zone property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with columns for percentage and other details.

27 Property used 50% or less in a qualified business use: Table with columns for percentage and other details.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with columns (a) through (f) Vehicle. Rows 30-36 covering miles driven and personal use availability.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with rows 37-41 regarding policy statements and requirements for vehicle use by employees.

Part VI Amortization

Table for Part VI with columns (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year.

42 Amortization of costs that begins during your 2006 tax year: Table with columns for percentage and other details.

43 Amortization of costs that began before your 2006 tax year 43 2,336.

44 Total. Add amounts in column (f). See the instructions for where to report 44 2,336.

FOOTNOTES

STATEMENT 17

LINE 31, NET OPERATING LOSS DEDUCTION

GENERATED YEAR ENDED 12/31/00	89,268.
UTILIZED YEAR ENDED 12/31/02	-30,194.
UTILIZED YEAR ENDED 12/31/03	-11,510.
REMAINING 2000 NOL CARRYOVER TO 12/31/04	47,564.
GENERATED YEAR ENDED 12/31/01	33,687.
TOTAL NOL CARRYOVER TO 12/31/05	81,251.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization MIDLAND AREA COMMUNITY FOUNDATION	Employer identification number 38-2023395
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 109 E MAIN ST., P.O. BOX 289	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MIDLAND, MI 48640-0289	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **JANET M MCGUIRE, PRESIDENT AND CEO**
Telephone No. ▶ **989-839-9661** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until **AUGUST 15, 2007**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2006** or
▶ tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ▶
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- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

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Type or print	Name of Exempt Organization MIDLAND AREA COMMUNITY FOUNDATION	Employer identification number 38-2023395
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 109 E MAIN ST., P.O. BOX 289	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MIDLAND, MI 48640-0289	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--------------------------------------|---|------------------------------------|
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| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
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Telephone No. ▶ **989-839-9661** FAX No. ▶ _____
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1 I request an automatic 3-month (6-months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until **NOVEMBER 15, 2007**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2006** or
▶ tax year beginning _____, and ending _____.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.