

*The
Gerber
Foundation*

2016 Annual Report



FOUNDATION
ESTABLISHED
1952

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INTRODUCTION

The Gerber Foundation was established in 1952 as the Gerber Baby Foods Fund by Daniel Gerber, Sr. and Gerber Products Company, and provided \$14,700 in support to various organizations in that first year. While the Gerber name may imply a strict interest in infant nutrition, our commitment is to a much broader range of activities significantly impacting issues facing infants and young children.

The mission of the Foundation – to enhance the quality of life of infants and young children in nutrition, care, and development – remains the guiding beacon for Foundation giving. Accordingly, priority is given to US research projects whose primary beneficiaries are young children from birth to three years of age. We are particularly interested in research that could

provide clinically useful insights and lead to positive changes in the pediatrician’s day-to-day practice.

As of the end of 2016, the Foundation has awarded nearly \$111 million in grants to individuals and institutions throughout the world. While the Foundation maintains a small grant program that reflects our ongoing commitment to West Michigan communities, the vast majority of the Foundation’s grant dollars are distributed on a competitive basis for national research focused on pediatric health and/or nutrition concerns, including the effects of environmental hazards on the well-being of infants and young children. Through our grant-making efforts, we are committed to improving the health and well-being of the youngest members of our society.



**THE GERBER FOUNDATION
BOARD OF DIRECTORS**

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*"Only those who will risk going too far
can possibly find out how far one can go."
- T.S. Elliot*

NATIONAL GRANT HIGHLIGHTS

Improving nutrition, reducing discomfort after surgery among studies funded in 2016

Researchers who study pediatric health and nutrition shared \$1.23 million in Gerber Foundation grants in 2016.

Projects designed to optimize and improve nutrition and growth for premature infants included:

- Texas Children's Hospital, where researchers are evaluating the effects of a high versus standard protein diet, utilizing targeted protein fortification, on the linear growth and body composition in premature infants who weigh less than 1,000 grams at birth.
- The University of Alabama at Birmingham, for a randomized, controlled trial that reduces the duration of minimal intestinal feeding in extremely preterm infants.
- The University of Wisconsin at Madison, where a research team is testing urine metabolites as a way to optimize intravenous protein nutrition in premature infants.
- Lucile Packard Children's Hospital at Stanford University for a study using real-time continuous glucose monitoring to detect neonatal hypoglycemia.

Two grants were made to projects that are assessing the status of children before and after surgeries:

- At the Wayne State University School of Medicine, researchers are measuring the electrical current delivered by the cautery machine during tonsillectomies to learn the optimal current needed for sealing surgical cuts while reducing the amount of pain children feel afterwards.
- At the University of Texas Southwestern Medical Center at Dallas, a study is screening children for sleep apnea prior to surgery to reduce adverse post-operative effects.

One funded study is tracking multiple medication challenges. Researchers at the University of Wisconsin

in Madison are using a systems approach to learn if there is a better way that medications can be prescribed and managed for children with medically complex diagnoses. Currently, many individuals may be prescribing medications, sometimes ones that may not be compatible or could cause unwanted side effects. Caregivers also may not be given enough information to properly manage all of the medications and dosages.

Three grants are taking aim at issues involving premature infants' cardiorespiratory systems:

- Researchers at the Children's Hospital of Philadelphia were awarded two grants. One supports a study investigating the mechanism of poor growth in infants with single ventricle heart disease, the second the impact of maintaining a continuous positive airway pressure level on infants who need noninvasive respiratory support.
- At the Children's Hospital of Richmond at Virginia Commonwealth University, the funded study is working to decrease antibiotic exposure in infants suspected of having infections associated with ventilator use.

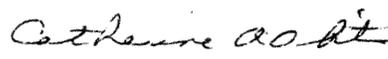
Research highlighted in this annual report

Three projects, funded in 2014 and 2015, are featured in this Annual Report.

Dr. Gregory Bashford at the University of Nebraska hopes that his work with transcranial ultrasound during bypass surgery can help to minimize neurological damage in infants. At the University of Tennessee, Dr. Mohamad Elabadi is tracking the accumulation of heavy metals in premature infants who require numerous blood transfusions during the first two weeks of life. And in California, a study by Dr. Aaron Reitman at the Children's Hospital of Los Angeles is investigating how much iron is being deposited into the organs of premature infants who require extracorporeal membrane oxygenation during heart-lung bypass surgeries.



Barbara J. Ivens
Board President



Catherine A. Obits
Program Director

NATIONAL GRANTS

Children's Hospital of Philadelphia (Monique Gardner, MD) Philadelphia PA Investigating the mechanism of poor growth in infants with single ventricle heart disease	\$80,842
University of Texas Southwestern (Amal Isaiah, MD) Dallas TX Obstructive sleep apnea screening in children undergoing general anesthesia	\$20,000
Wayne State University (Nathan Gonik, MD) Detroit MI Measuring current during adenotonsillectomy to improve postoperative pain and morbidity in children	\$8,750
Children's Hospital of Richmond at Virginia Commonwealth University (Douglas Willson, MD) Richmond VA Decreasing Antibiotic Exposure in Infants with Suspected Ventilator-Associated Infection	\$350,000
The Children's Hospital of Philadelphia (Nicholas Bamat, MD) Philadelphia PA Impact of continuous positive airway pressure (CPAP) level on ventilation/perfusion mismatch in premature infants; a phase II clinical trial	\$18,695
Texas Children's Hospital (Amy Hair, MD) Houston TX Targeted Fortification Project: Utilizing targeted fortification to evaluate the effects of a high versus standard protein diet on linear growth and body composition in infants < 1000 g birth weight	\$349,998
University of Wisconsin (Ephrem Abebe, MD) Madison WI Medication Management Challenges Associated with the Care Coordination of Children with Medical Complexity	\$19,988
University of Alabama (Ariel Salas, MD) Birmingham AL Reducing duration of minimal enteral feeding in extremely preterm infants: a randomized controlled trial	\$20,000

University of Wisconsin (De-Ann Pillers, MD)

Madison WI

Optimizing Intravenous Protein Nutrition in Premature Infants Using Urine Metabolomics

\$350,000

Lucile Packard Children's Hospital at Stanford University

(Laura Nally, MD)

Palo Alto CA

Detecting Neonatal Hypoglycemia using Real-Time Continuous Glucose Monitoring (CGM)

\$20,000

TOTAL NATIONAL GRANTS AWARDED:

\$1,238,273



Applicant: Gregory Bashford, PhD, PE

Institution: University of Nebraska

Funded Study: Neurological Consequences of Emboli Burden During Cardiopulmonary Bypass

Funded Grant: \$287,731

Transcranial ultrasound shows promise for minimizing neurological damage from bypass surgery in infants

It seems reasonable to think that what affects adults during heart bypass surgery could affect infants having a similar operation.

Doctors know, for example, that brain injuries can happen in adults during bypass surgery. An emboli¹ can float in the blood stream until lodging and plugging a vessel, leading to a partial or total blockage of blood flow. Modifying surgical protocols that produce the most emboli, then, is a logical move.

Yet does the same hold true for newborns?

Dr. Gregory Bashford at the University of Nebraska feels “three major roadblocks” have been preventing the transfer of this adult bypass surgery knowledge to pediatric patients.

First, he needed an easy-to-use, and unobtrusive, device that can measure emboli in children. With such a tool, analysis could begin to correlate emboli to specific surgical procedures. Researchers could then use the data to link neurological outcomes with changes in cardiac procedures.

His Gerber Foundation-funded observational study, now in its third year, addresses the first and second roadblocks.

Cardiac defects are the most common birth defect in infants in the United States. And brain injury during or after cardiac surgery in infants, while unknown, is “estimated to be about 50%,” he said.

His current research has its origins in transcranial Doppler ultrasound – a device that uses high frequency sound waves to measure blood flow through the arteries and veins. Dr. Bashford was using this monitoring procedure in the pediatric intensive care unit several years ago on children suffering from congenital heart defects.

¹Emboli is a blood clot, air bubble, piece of fatty deposit, or other object that is carried through the bloodstream and lodges in a vessel causing a blockage of blood flow.

Dr. Bashford said that his co-principal investigator, Dr. Ed Truemper, a pediatric intensivist, had the idea that Doppler would be a useful way to monitor these children in pediatric intensive care. “The brain can be critically impacted if blood flow is altered or interrupted,” Dr. Bashford said.

Often the impact of that lost blood flow doesn’t show up right away, “then you see these same children several years later and they are experiencing a number of developmental problems.”

The common tie, he said, was their heart repair surgery. “Something was going on during surgery that was affecting their brains.”

During an earlier study, Dr. Bashford’s team created a headset that allows for continuous transcranial ultrasound measurements, “the only way to get real-time information of blood flow in the brain,” he said.

His current challenge was to refine and miniaturize a custom unit that could be used during surgery and be capable of long-term monitoring both blood flow dynamics and emboli counts. The test device holds the Doppler’s transducers in a fixed position with a headband that looks like stereo headphones.

Making the headset wireless and able to transmit real-time feedback to a tablet computer was the next challenge, as was getting the operating room choreography right – “when to put the headset on, making sure it was operating correctly” – in a 10-minute window before surgery.

In his study, 100 infants undergoing cardiac surgery and placed on cardiopulmonary bypass are having the headset on during surgery to monitor cerebral blood flow and counts of emboli passing through vessels in the brain. The headset stays in place throughout the surgery while neurologic recovery continues to be monitored.

“We believe the cause of brain injury is the emboli blocking blood vessels in the brain,” Dr. Bashford said.

The study also is correlating the cerebral blood flow and emboli counts with any surgical maneuvers taking place - vessel clamping, insertion of intravenous lines or cardiopulmonary bypass catheters, use of drugs such as vasodilators and sedatives, cardiac repair procedures, and others.

With the first third of surgery data in-hand, the results have been “nothing short of eye-opening,” Dr. Bashford said.

“Really, the impact of monitoring appears way bigger than we thought. We can see much more than we even thought we’d be able to. Our ability to detect what’s going on is making us sit up quite a bit.

“At many time points during procedures, we often see an emboli ‘shower’ that lights up on our monitors. We can see the actions that are creating the greatest emboli burden.

For example, he said, “when the cardiopulmonary bypass machine is turned on full bypass,” he continued, “we can see what’s going on in the bloodstream. We can see little ripples in the brain from it.

“It’s not the heart, remember, because the bypass machine is at constant flow. The effect from the bypass pumps gave enough of a variation that we could see this disruptive oscillatory pattern in the brain.”

As the project continues through its final stages, Dr. Bashford and his team will compare data sets from each stage with surgeons and other clinicians to examine any effects from modifying surgical protocols.

The aim, Dr. Bashford says, is to develop an algorithm that can guide clinicians to prevent inappropriately low blood flow to the brain, and the resulting lack of oxygen from emboli formation, during bypass surgeries by transcranial Doppler monitoring.

In the longer term, he also wants to follow patients longitudinally to monitor their ongoing cognitive development.

“Certainly we hope to help bring about changes in the standard of care that repairs the damage from the heart defect without increasing the risk of cognitive deficiencies later in life,” he said of his project.

“To make a difference like that would just be so gratifying.”

Dr. Bashford presented his study at the March 2017 meeting of the American Institute of Ultrasound Medicine. He expects future papers will follow discussing the normative values found during and after surgery.

“I can’t express our appreciation enough to the Gerber Foundation for making this grant available. It is allowing us to do innovative work we before might only dream about.”

Applicant: Aaron Reitman, DO

Institution: Neonatal-Perinatal Medicine Fellow, Children's Hospital of Los Angeles

Funded Study: Evaluation of Iron overload and oxidative stress in neonates undergoing extracorporeal membrane oxygenation

Approved: \$20,000

It's a paradox that one of the most essential minerals in our bodies - iron - can also be harmful to some babies.

Too much of a good thing

Iron is an important component of hemoglobin, the substance in red blood cells that carries oxygen from the lungs and transports it throughout the body. Without enough iron, the body can't make enough healthy oxygen-carrying red blood cells. Without healthy red blood cells, the body can't get enough oxygen.

Yet too much iron can be harmful, said Dr. Aaron Reitman, who conducted his research at Children's Hospital Los Angeles during his fellowship in Neonatal and Perinatal Medicine.

Dr. Reitman's co-principal investigator and mentor, Dr. Philippe Friedlich, Chief of Neonatology and Director of the Center for Fetal and Neonatal Medicine at Children's Hospital, previously reported that adolescents and young adult survivors of neonatal ECMO - extracorporeal membrane oxygenation - had increased thickness of the left carotid artery. Adults with this condition may have an increased risk for vascular disease.

While these factors suggest that neonates on ECMO are at "considerable risk" due to iron overload, Dr. Reitman is the first to investigate it.

Many babies born prematurely need help breathing. Those who develop severe cardiac and respiratory failure and have failed conventional modes of medical therapy have an 80 percent chance of dying if they do not receive ECMO, Dr. Reitman said.

ECMO is a type of heart-lung bypass that works by removing blood from the infant's body, artificially removing the carbon dioxide and oxygenating red blood cells, and then cycling it back into the infant.

Neonates and infants who require this heart-lung bypass undergo repeated transfusions and are exposed to a large

volume of red blood cells, which they need, he said, "but the bypass can break open the blood cells, releasing iron into the bloodstream."

How much iron these critically ill babies are exposed to and how much is being deposited into their organs is the focus of his study. He also will establish a normal reference range for total body iron in newborns and infants and establish the effects of ECMO on iron overload.

Iron "overload" happens when the amount entering the body exceeds the amount lost over a sustained period of time. This can lead to elevated iron levels and, in many cases, the appearance of "free iron," Dr. Reitman said. It is this free iron that can produce oxidative stress/damage, and in severe cases lead to organ damage.

MRIs - magnetic resonance images - taken during a pilot study of infants showed strong evidence of iron deposits in the liver, spleen and bone marrow, Dr. Reitman said.

His research is examining 60 infants, 40 receiving ECMO and 20 who have not received ECMO or transfusions. Blood samples are collected at four time points for measuring iron status: before ECMO, 24 hours into ECMO, 24 hours past ECMO, and on the day the MRI is obtained.

MRIs of the brain are taken as a part of the routine care of infants on ECMO. It is at this time that Dr. Reitman quantifies tissue iron in the liver, spleen, pancreas, kidneys, bone marrow, and pituitary gland.

Newborns who have not received ECMO or a transfusion, but who are receiving an MRI for other reasons, also have the MRI test for tissue iron content.

Testing to date has demonstrated extra iron infiltrating organs,



mainly the liver, kidneys, and spleen, with many patients also showing increased levels of free iron, Dr. Reitman said.

“We know the excessive iron being introduced into the blood stream is toxic,” he said. “We hope to improve long term outcomes by monitoring these iron levels and working to ensure the least amount of complications and outcomes in their later lives.”

Can this extra iron be filtered out of the body? That remains to be seen, he said, adding that interest has been expressed in devising a filtering tool. There also is potential from postponing the introduction of iron supplements, often found in infant formula and baby food. Medications are available

for older children with iron overload, but none have yet been approved for infants, he noted.

As with many research projects, Dr. Reitman believes his study will provide openings for work aimed at preventing complications secondary to ECMO therapy and a better understanding of tissue iron content in healthy newborns and infants. His work has already been presented at many conferences nationally.

“I am so happy and humbled to have been selected for a Gerber Foundation grant, and for the work it is allowing me to do,” he added.

Applicant: Mohamad Elbiad, MD

Institution: University of Tennessee

Funded Study: Pharmacokinetics of Lead, Mercury, and Cadmium in Extremely Low Birth Weight Infants after co-transfusion with packed red blood cells.

Funded Grant: \$26,818

Blood transfusions can carry risk for premature infants

Babies born extremely premature, often weighing no more than two pounds, are typically very sick. Their care requires frequent blood sample collections as one way doctors can monitor their treatment.

But when doctors take blood samples, “we reduce their blood volume,” says Dr. Mohamad Elbiad, a researcher at the University of Tennessee. So these babies typically need blood transfusions to restore the volume of blood in their bodies.

Yet those transfusions come with a price, Dr. Elbiad said, in the form of the heavy metals lead and mercury.

Red blood cells that have been collected from adult donors normally contain lead and mercury. For both the donor and the typical recipient, these amounts are considered too small to lead to any harm.

But frequent blood transfusions for critically ill infants born extremely premature are not uncommon. In these cases, “small extra doses can add up,” Dr. Elbiad said.

The main concern is that exposure to these heavy metals has been associated with a number of neurodevelopment disorders.

In his new research study, Dr. Elbiad is studying how levels of lead and mercury in donated blood affect and change these levels in the recipient infant’s blood, urine, stool, and cerebrospinal fluid.

As expected, “the babies’ levels of lead and mercury do increase,” he said.

“We can see that after one transfusion the blood levels for these metals are indeed higher than baseline levels before the transfusion, and that the levels take a minimum of two weeks to return to baseline.

“We can also see that the stool has more of these metals around the time of a blood transfusion.” The concern, Dr.

Elbiad said, is that lead and mercury do not seem to be leaving the body as rapidly as may be desired.

The key question, he noted, is the extent of the body’s ability to take in and absorb lead and mercury without causing injury to the kidneys, brain, and other organs.

“Think of it as adding blue dye to water. The dye represents the heavy metal, the water the infant’s ability to contain and quickly release these metals out of the body. The impact, the color, will differ based on the amount of dye we use and on the amount of water to drop it in,” he explained.

“We do not yet know how the body of a premature infant will handle these metals and whether these transfusions carry any extended risk to the organs,” he added.

As his study progresses, Dr. Elbiad will continue to evaluate how premature infants regulate heavy metals they receive during blood transfusions

Since these metals are neurotoxins to any age group when received in significant amounts, he said the study can impact any infant or child at risk of frequent transfusions.

“Children with congenital heart disease, and those with blood disorders like leukemia, sickle cell disease and thalassemia, also receive a number of blood transfusions” and can be impacted by the study findings, he said.

“My hope is that this will lead to new regulations on how blood transfusions are evaluated and cleared, in much the same way that donor blood is tested for infectious diseases.”

Dr. Elbiad also said he is grateful for the Gerber Foundation’s support.

“The foundation’s financial backing has been so important to this study, which I think can have a very real impact on the lives of many children.”

NATIONAL RESEARCH GRANT GUIDELINES

FOUNDATION GOALS

The Foundation's mission focuses on infants and young children. Accordingly, priority is given to projects that improve the nutrition, care and development of infants and young children from the first year before birth to three years of age.

The Foundation is particularly interested in fresh approaches to solving common, everyday problems or emerging issues within our defined program areas. Projects should be focused on issues faced by care providers that, when implemented, will improve the health, nutrition and/or developmental outcomes for infants and young children. Projects may include research on etiologic mechanisms, diagnostic procedures, reduction of side effects or symptoms, therapies or treatment, dosing (under or over) for drugs, nutrients or other therapeutics, or preventative measures. Projects may be focused on small incremental changes with defined outcome parameters.

The Foundation gives priority to projects of national or regional impact. Foundation support is not typically ongoing. Project outcomes should be of sufficient impact, if successful, to generate long-term support from other sources.

PRIMARY INTERESTS

The Foundation has three primary categories of interest in its national grant-making program:

Pediatric Nutrition. These projects respond to a long-time interest of the Foundation in assuring adequate nutrition for infants and young children. Projects include applied research that evaluates the provision of specific nutrients and their related outcomes in infants and young children.



Pediatric Health. Projects in this category respond to the Foundation's interest in promoting health and preventing disease. We are especially interested in applied research focused on preventing serious neonatal and early childhood illnesses, and on preventing the development of serious, chronic illnesses later in life. We also welcome research that evaluates or improves cognitive functioning in infants and young children, or the social and emotional aspects of development.

Environmental Hazards. Finally, we are interested in research that evaluates the effects of environmental hazards on infants and young children and, ultimately, promotes children's health and well-being. Projects might include applied research that documents the impact of, or ameliorates the effect of, environmental hazards on the development of infants and young children.

WHAT WE DO NOT FUND

While we endeavor to maintain a high degree of flexibility in our programming, we do observe several practical limitations. We do not make

grants or loans to individuals. Outside the West Michigan area, we do not support capital campaigns, operating support, event sponsorship, exclusive food or baby products giveaway programs, national child welfare programs, international based programs, or product testing for commercialization purposes.

WHO CAN APPLY

Organizations recognized as tax-exempt under Internal Revenue Code 501(c)(3) or a federal, state or municipal unit exempt from federal, state and local taxes are eligible to apply for Foundation grants. Organizations must also be determined not to be private foundations under Internal Revenue Code 509. No grants are made to individuals.

With few exceptions, only organizations with principal operations in the United States and its territories are eligible for funding. Within the United States, there is no geographic limitation to the Foundation's grant-making.

FUNDING LIMITATIONS

Projects requiring small grants (generally under \$50,000) are typically local in scope and impact, and therefore may not be within the scope of national funding initiatives, with the exception of Novice grants made to young investigators. Novice research grants are limited to \$20,000 and all other research grants are limited to \$350,000 over a maximum 3-year period. The researcher should clearly describe the impact Foundation dollars will have on the course of the project.

In some cases, projects are best funded by multiple funders to provide evidence of broad acceptance of the project concept or potential outcome. At other times, the role of single project donor is appropriate. In either instance, you should make the case for your funding plan.

HOW TO APPLY

Step One: Review Foundation interests and limitations above. In all of our grant-making, the Foundation is particularly interested in fresh approaches to solving common, everyday problems in our defined program areas, approaches that, if proven successful, can generate long-term support from other sources, research and interventions that promote the health and well-being of infants and toddlers up to the age of three, and approaches and activities that lead to systemic change. We welcome and encourage contact from researchers at any time.

Step Two: Review general application guidelines and procedures. General application guidelines and procedures can be found under the "Pediatric Research" tab on our website (www.gerberfoundation.org).



Step Three: Submit a letter of inquiry/concept paper.

The concept paper should outline the hypotheses to be examined, the methods to be used, and the type of result to be anticipated. A cover letter should provide information on the researcher and the organization. Submission is through our online system at <https://gerberfoundation.smartsimple.com>. The letter enables the Foundation staff and Trustees to determine the relevance of the proposed project to the Foundation's interests. Concept papers are due June and December 1st of each year.

Step Four: Submit full proposal.

If the concept paper is accepted, the full proposal will be submitted online. Proposal deadlines are February and August 15 of each year.

REVIEW PROCESS

Organizations seeking grants should begin the application process at least six months before the start of the proposed grant period. Concept papers are initially reviewed by program staff and select Trustees. If recommended for a full proposal, the full proposal is subject to review and approval under guidelines established by the Foundation's Board of Trustees.

Letters of inquiry are due June and December 1 with grant awards approved in November and May, respectively.

CONTACTING THE FOUNDATION

For questions, contact the Program Manager, Catherine Obits in writing at 4747 West 48th Street, Suite 153, Fremont, Michigan 49412-8119. You may phone us at (231) 924-3175. Our fax number is (231) 924-7906, and our email address is tgf@gerberfoundation.org

APPLICATION PROCEDURES

Full Proposal Format

The Full Proposal provides an in depth description of the project, enabling the Foundation to assess the scientific merit and quality of the research. Both lay and medical professionals will review the proposal. Medical jargon should be limited, where feasible. (Please use lay terminology).

The proposal includes the following information: Each heading here refers to a tab in the application system.

PROJECT INFORMATION

1. Covering letter, signed by a senior administrative official of the applying organization, briefly describing the applicant organization and endorsing the project. Note: this carries over from the concept paper but you have the option to delete it and upload a new one if you wish
2. Synopsis/abstract of the proposal, including hypotheses, methods, and expected outcomes
3. Planned target enrollment by year and by group
4. Study design (randomized, observational, proof of concept, etc)
4. Hypothesis(es) and objective(s)
5. Uploaded proposal narrative (Limit 15 pages, double spaced in pdf format). This is the main source of proposal information and should include:
 - Goals, objectives, and methods to be used
 - Size of the population to be studied in terms of age, gender, ethnicity, the source of subjects, and the recruitment process
 - Description of evaluation measures in place or planned to assess project results and outcomes
 - Expected impact of the project nationally or regionally, potential for project replication or ways in which the project responds to the Foundation's preference for broad impact projects
6. Uploaded schedule/timeline of events (in pdf format). Include time periods for achieving enrollment targets of 25%, 50%, 75% and 100%
7. Outcomes/measures to be used
8. Plan for acknowledging Foundation support

TEAM INFORMATION

1. List of team members and contact information
2. Uploaded biosketches of principal investigator and significant support staff
3. Novice researchers should include their mentor in the team list and provide a biosketch for the mentor

BUDGET

1. Uploaded line item project budget, by year. If a multi-year project, travel to a conference is not allowed in year 1. Indirect costs are limited to 10%. Salaries: Percentage of time applied to grant for PI and Co-PI's will not exceed 30% per person. Base salaries for PI and Co-PI's will not exceed the base salary imposed for NIH grants.
2. Plan for project funding, including a description of any current or requested funding from other major donors
3. Budget narrative summary including description of duties of investigator and staff

ORGANIZATION INFORMATION

1. Pre-award contact information (Development officer)
2. Uploaded brief description of applying organization, its current programs, services, and population(s) served
3. Uploaded board roster, indicating names and affiliations of the organization's governing board
4. Uploaded most recent Independent Audited Financial Statement. This must include the balance sheet, statement of revenues, and cash flow statement from an independent auditor (not internal or governmental audit).
5. Uploaded IRS documentation indicating that the applying organization is tax exempt and is not a private foundation (for non-government agencies)

OTHER DOCUMENTS

1. Uploaded statement of collaborations with other institutions (sub-contracts, etc.)
2. Uploaded Informed Consent documentation for human subject studies. Please provide a draft if not approved yet.
3. Uploaded Scientific references
4. Optional items (uploaded)
 - Letters of support from organizations with key input or interest in the project
 - Relevant news articles
 - Organization's annual report
 - Organization newsletters

Due dates are February 15 and August 15 of each year.

Applications are submitted through <https://gerberfoundation.smartsimple.com>

Individuals seeking assistance with their proposal may contact the Foundation at any time.

*“Children are the world’s most valuable resource
and its best hope for the future.”*
- John F. Kennedy

WEST MICHIGAN GRANTS HIGHLIGHTS

Children’s museum, conservation among programs receiving foundation support in West Michigan.

Programs that serve children and youth in West Michigan are part of the mission of the Gerber Foundation.

In 2016, non-profit agencies that deliver these services to the area’s young people received more than \$238,000 in grants.

Big Brothers Big Sisters of the Lakeshore were funded for a program that matches Little Brothers and Sisters with mentors from area police, fire, emergency responders, and other community services. The children meet with their mentor’s at their mentor’s offices.

The Grand Rapids Children’s Museum received a grant to support the seventh in a series of infant/toddler exhibits, known as “Wee Discover,” to provide activities at the museum.

At the Newaygo Conservation District, the “Full STEAM Ahead” agricultural science program was awarded a grant that will help to enhance agricultural science education in the area.

Several grants were made that support summer camp scholarships; for youth programming at TrueNorth Community Services and for the Kids Food Basket; for field trips to the Newaygo County Museum, the Grand Rapids Public Museum’s “Our World, Our Habitat” exhibit, and sixth grade ballet; and to local Future Farmers of America groups to attend the Washington Leadership Conference.

Also receiving grant support was parenting education through the Newaygo County Prevention of Child Abuse and Catholic Charities.

STEM programs – an acronym for the academic disciplines of science, technology, engineering, and mathematics – were the focus of grants made to the Newaygo County Regional Educational Service Agency and to the Newaygo County Prevention of Child Abuse.



WEST MICHIGAN GRANTS

Arts Center for Newaygo County 6th Grade ballet experience	1,500
Big Brothers/Big Sisters of the Lakeshore Hometown Hero's Site Based Program	4,500
Blue Lake Fine Arts Camp Camp scholarships	4,000
Camp Casey Horsey House Calls	6,800
Camp Henry Camp scholarships	9,000
Camp Newaygo Camp scholarships	4,000
Camp Pentalouan Camp scholarships	4,000
Catholic Charities of West Michigan Muskegon Teen Parent Program	5,000
Muskegon Healthy Families	10,000
Oceana Teen Parent Program	5,000
City of Newaygo Police Department Summer Safety Presentations	1,500
Fremont Christian Schools Technology for Spanish Immersion program	1,947
Kindergarten Tower Garden project	2,000
Fremont Police Department Shop with a Cop program	500
Gerald R Ford Council Boy Scouts of America ScoutReach	4,000
Grand Rapids Children's Museum Toddler exhibit	6,925
Grand Rapids Public Museum Our World, Our Habitat scholarships	10,000
Harbor Hospice Scholarships for Camp Courage	5,000
Helen DeVos Children's Hospital 2017 Gala	5,000
Kids Food Basket Sack supper program	5,000
Local FFA Organizations (National Agricultural Science Education Organization) Scholarship Support for Washington Leadership Conference	7,500

Luther Area Public Library Preschool Story Hour program	1,710
Michigan State University Osteochamps scholarships	3,000
Muscular Dystrophy Association MDA Summer Camp scholarships	6,900
Newaygo Conservation District Full STEaM Ahead-2 program at Wessling Observatory	8,696
Newaygo County 4-H Council 4-H Exploration Days	2,500
Newaygo County Agricultural Fair Purchase of meat for donation to local food pantries	10,000
Newaygo County Historical Museum Kids Connect with Newaygo County History	2,930
Newaygo County Prevention of Child Abuse ACT Parenting Classes	1,000
STEM Summer activities	6,067
Safe Sleep program (FACF Fund)	5,050
Newaygo County Regional Educational Service Agency FIRST Robotics Program	7,500
STEM Expo	2,100
Early Literacy Initiative	10,000
Pathfinders Afterschool program	5,000
Summer program	8,000
Reeths Puffer Education Inc Camp Shout Out scholarships	1,560
Rose Lake Youth Camp Camp Scholarships for Lake County	2,960
Tipi outdoor adventure program	1,623
Salvation Army Fresh Start Baby Pantry	5,000
Camp Scholarships	7,665
Stage Door Players Children's summer production	1,500
TrueNorth Community Services Youth programming	22,000
United Way of the Lakeshore Lights On After School Program	4,000
Dolly Parton Imagination Library	5,000
West Michigan Community Help Net Youth mentorship program	3,000
TOTAL WEST MICHIGAN GRANTS AWARDED:	237,933

Scholarships

Scholarships are provided to students graduating from select high schools in Newaygo, Muskegon, or Oceana Counties in Michigan. In 2016, 83 students received scholarship awards from the Foundation.

The Daniel Gerber Sr. Medallion Scholarship is awarded in Newaygo County only. This scholarship provides \$9,200 for post-secondary education. In 2016, 21 students received this award while 60

continued in the program from prior years. Total scholarship payments were \$182,790.

The Gerber Foundation Merit Scholarship is awarded to students in all 3 counties. The scholarship provides \$2,300 towards the first year of post secondary education. Fifty one students received this scholarship. Total payments were \$115,479.

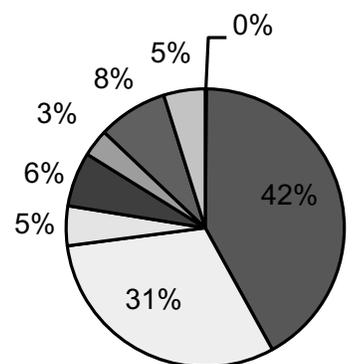
A new program, the Newaygo

County Career-Tech Center scholarships began in 2015. This program provides scholarships for each of 10 programs at the Newaygo County Career-Tech Center and amounts of the scholarships vary by program and can be used to purchase tools or equipment required for further study in their field. In 2016, 11 students were awarded scholarships under this program. Total payments were \$3,488.



Summary of 2016 Grants Paid

	(Current and Prior Year Commitments)	
Special Initiatives	\$ 5,800	0%
Pediatric Health	\$ 1,556,733	42%
Pediatric Nutrition	\$ 1,151,862	31%
Nutrient Competitors	\$ 171,900	5%
West Michigan	\$ 235,767	6%
Matching Grants	\$ 118,783	3%
Scholarships	\$ 301,757	8%
Discretionary Grants	\$ 179,500	5%
	\$ 3,722,102	100%



THE GERBER FOUNDATION

FINANCIAL STATEMENTS - MODIFIED CASH BASIS

Years Ended December 31, 2016 and 2015

THE GERBER FOUNDATION

STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS

December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash	\$ 225,329	\$ 77,382
Investments at fair value	70,380,538	69,393,294
Office equipment and software	90,598	90,598
Accumulated depreciation	<u>(33,426)</u>	<u>(18,680)</u>
	<u>57,172</u>	<u>71,918</u>
TOTAL ASSETS	<u><u>\$ 70,663,039</u></u>	<u><u>\$ 69,542,594</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Amounts withheld from employees	\$ 3,216	\$ 3,093
Net Assets - Unrestricted	<u>70,659,823</u>	<u>69,539,501</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 70,663,039</u></u>	<u><u>\$ 69,542,594</u></u>

See accompanying notes.

BeeneGarter^{LLP}

THE GERBER FOUNDATION

STATEMENTS OF REVENUE, EXPENSES, AND OTHER CHANGES IN NET ASSETS - MODIFIED CASH BASIS

Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenue		
Interest and dividends on investments	\$ 453,226	\$ 484,954
Net gain (loss) on investments	<u>4,741,664</u>	<u>(2,998,203)</u>
TOTAL REVENUE	5,194,890	(2,513,249)
Expenses		
Program services		
Grants and scholarships paid	3,722,102	3,547,972
Support services		
Other operating expense	<u>352,466</u>	<u>394,876</u>
TOTAL EXPENSES	<u>4,074,568</u>	<u>3,942,848</u>
CHANGE IN UNRESTRICTED NET ASSETS	1,120,322	(6,456,097)
Unrestricted Net Assets at Beginning of Year	<u>69,539,501</u>	<u>75,995,598</u>
UNRESTRICTED NET ASSETS AT END OF YEAR	<u><u>\$ 70,659,823</u></u>	<u><u>\$ 69,539,501</u></u>

See accompanying notes

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THE GERBER FOUNDATION

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

Years Ended December 31, 2016 and 2015

	2016	2015
Cash Flows from Operating Activities		
Change in unrestricted net assets	\$ 1,120,322	\$ (6,456,097)
Adjustment to reconcile change in unrestricted net assets to net cash used by operating activities		
Depreciation and amortization	14,521	603
Realized gain on sale of investments	(1,701,911)	(7,101,729)
Unrealized (gain) loss on investments	(3,245,942)	9,895,918
Changes in operating liabilities		
Amounts withheld from employees	123	371
NET CASH USED BY OPERATING ACTIVITIES	(3,812,887)	(3,660,934)
Cash Flows from Investing Activities		
Purchase of fixed assets	-	(70,139)
Proceeds from sale and maturities of investments	13,276,773	16,819,457
Purchase of investments	(9,315,939)	(13,164,053)
NET CASH PROVIDED BY INVESTING ACTIVITIES	3,960,834	3,585,265
NET INCREASE (DECREASE) IN CASH	147,947	(75,669)
Cash at Beginning of Year	77,382	153,051
CASH AT END OF YEAR	\$ 225,329	\$ 77,382
 Supplemental Information		
Cash paid during the year for federal income and excise taxes	\$ 65,129	\$ 130,000

See accompanying notes

THE GERBER FOUNDATION
NOTES TO FINANCIAL STATEMENTS

December 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

The Gerber Foundation (Foundation) was established in 1952 as an independent private foundation governed by a Board of Trustees who serve without compensation. Income is derived from a diversified portfolio and is used to award grants to qualified applicants in furtherance of the Foundation's mission to enhance the quality of life of infants and young children through nutrition, care and development. Grants from the Foundation are made to organizations recognized as exempt under Section 501(c)(3) of the Internal Revenue Code.

Basis of Accounting

The Foundation's financial statements are prepared on the modified cash basis of accounting which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Under the modified cash basis of accounting, revenues are recognized when collected rather than when earned, and expenditures generally are recognized when paid rather than when incurred. Accrued expenses and grant commitments are not recorded in the financial statements. Purchased assets with estimated useful lives of more than one year are capitalized and depreciated or amortized over the assets' estimated useful lives.

Basis of Presentation

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Foundation has no temporarily or permanently restricted net assets.

Cash

The Foundation maintains its cash at one financial institution. The operating cash account is maintained at a bank that is insured by the Federal Deposit Insurance Corporation (FDIC). From time to time during the year, the Foundation may have cash on deposit in excess of the respective insured limits.

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

Investments

The Foundation maintains its investments at one financial institution. The accounts at this institution are insured up to \$500,000 by the Securities Investor Protection Corporation. Up to \$100,000 of this coverage may be applied toward uninvested cash (see Note 2). Realized and unrealized gains and losses and other investment earnings are included in the statement of revenue, expenses, and other changes in net assets-modified cash basis.

Derivative Accounting for Hedge Funds

The Foundation has investments with several hedge funds that seek higher returns than fixed income funds, have similar volatility, and also have a low correlation with traditional equity and fixed income assets.

The investment objectives of this fund are two-fold. The primary objective is to generate over a full market cycle returns higher than the "market" as represented by a style index or mix of indexes reflective of the Foundation's return objectives and risk tolerance. The secondary objectives are to produce a real return goal of inflation plus 5%, to have the dollar weighted average return exceed a long-term return of 8%, and to outpace the style index return and real return market, each measured on a compound average annual return basis after the deduction of investment management fees and annualized over a three to five year rolling time period and a full market cycle. There is no assurance that these objectives will be achieved.

Fair Value Measurements

Fair value measurement accounting standards establish a common definition of fair value, provide a framework for measuring fair value based on inputs used to value the Foundation's investments, and require disclosure about such fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). In determining fair value, various valuation approaches are used. A hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 other significant inputs including quoted prices of similar assets or liabilities, interest rates, credit risk, etc.
- Level 3 significant unobservable inputs which may include the Foundation's own assumptions in determining fair value.

Office Equipment

Office equipment, including computer software, is stated at cost, if purchased, or at fair value on date of acquisition, if donated. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

Income Taxes

The Internal Revenue Service has determined the Foundation is a tax-exempt private foundation as defined by Section 501(c)(3) of the Internal Revenue Code (IRC), but is subject to a federal excise tax on net investment income, including realized gains as defined in the IRC.

The IRC requires that certain minimum distributions be made in accordance with a specified formula. According to this formula, the Foundation must distribute currently for charitable purposes 5% of the average fair value of its nonoperating assets in each tax year. Failure to distribute the required amount by the last day of the following year may result in excise taxes on the Foundation's undistributed income within the tax year or within the next succeeding tax year.

As permitted, management intends to distribute sufficient amounts to cover IRC required distribution in the subsequent tax year.

In addition, the Foundation files a 990-T form to report certain taxable investment activity.

Tax positions taken are assessed for uncertainty and a provision may be recorded if a tax position is not likely to be sustained upon examination.

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

Subsequent Events

Management has evaluated significant events or transactions occurring subsequent to December 31, 2016 for potential recognition or disclosure in these financial statements. The evaluation was performed through June 19, 2017, the date the financial statements were available for issuance.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The Foundation utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in market values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Recently Issued Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. The main provisions of this pronouncement include:

- Two categories of net assets: net assets with donor restrictions and net assets without donor restrictions (versus the previous three categories)

- Provide enhanced disclosures on board designated funds

- Changes in accounting for underwater endowment funds

- Requirement for all types of nonprofit organizations to report expenses by both their natural classification and their functional classification (previously only voluntary health and welfare organizations had this requirement)

- New requirement to present both qualitative information on how the organization manages liquid resources and quantitative information that identifies assets available to meet cash needs for general operating expenditures within one year of the statement of financial position date

The ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017.

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

In May 2014 and in subsequent amendments, the Financial Accounting Standards Board (FASB) issued ASU No. 2014-09 which amended *Revenue from Contracts with Customers* (Topic 606) of the Accounting Standards Codification. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The guidance will be effective for the Foundation for annual periods beginning after December 15, 2018.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases* (Topic 842), which provides guidance for accounting for leases. The new guidance requires organizations to recognize the assets and liabilities for the rights and obligations created by leased assets, initially measured at the present value of the lease payments. The accounting guidance for lessors is largely unchanged. The ASU is effective for annual periods beginning after December 15, 2019.

The Foundation is currently evaluating the impact these items have on its financial statements.

NOTE 2 - INVESTMENTS

Investments consist of the following:

	2016			2015		
	Cost	Unrealized Gain (Loss)	Fair Value	Cost	Unrealized Gain (Loss)	Fair Value
Cash and cash equivalents	\$ 3,874,672	\$ -	\$ 3,874,672	\$ 4,320,531	\$ -	\$ 4,320,531
Alternative investments						
Limited liability corporations	2,674,255	(412,173)	2,262,082	2,679,867	(119,298)	2,560,569
Limited partnerships	20,892,959	8,688,824	29,581,783	24,297,538	7,642,693	31,940,231
Equity securities						
Commodities precious metals	1,537,639	(468,174)	1,069,465	1,537,639	(547,694)	989,945
Emerging markets funds	4,505,519	(161,020)	4,344,499	5,186,214	(1,101,286)	4,084,928
Natural resources	2,716,618	(384,818)	2,331,800	3,916,274	(1,596,285)	2,319,989
World index funds	11,769,725	3,703,926	15,473,651	8,082,736	3,409,094	11,491,830
Moderate Allocation	4,369,686	(138,311)	4,231,375	3,174,553	(257,091)	2,917,462
Fixed income funds	7,542,215	(331,004)	7,211,211	8,946,634	(178,825)	8,767,809
	<u>\$59,883,288</u>	<u>\$ 10,497,250</u>	<u>\$70,380,538</u>	<u>\$62,141,986</u>	<u>\$ 7,251,308</u>	<u>\$ 69,393,294</u>

BeeneGarter^{LLP}

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

Net gain (loss) on investments consists of the following:

	2016	2015
Realized gains	\$ 1,701,911	\$ 7,101,729
Unrealized gains (losses)	3,245,942	(9,895,918)
Investment fees	(206,189)	(204,014)
	\$ 4,741,664	\$ (2,998,203)

The Foundation invests in certain alternative investments which include investments in hedge funds. Market values represent the Foundation's pro rata interest in the net assets of each alternative investment as of December 31, 2016 and 2015, as provided by the fund managers. Market values as of December 31, 2016 and 2015 may be based on audited financial information or on financial data supplied by the general partner or manager of the funds. Management reviews monthly valuations provided by the general partner or manager of the funds and assesses the reasonableness of the fair values provided at the interim dates and included in the financial statements.

The tables that follow set forth information about the level within the fair value hierarchy at which the Foundation's investments are measured at December 31, 2016 and 2015:

	2016 - Based on			Total
	Level 1	Level 2	Level 3	
	Quoted Prices in Active Markets	Other Observable Inputs	Unobservable Inputs	
Cash and cash equivalents	\$ 3,874,672	\$ -	\$ -	\$ 3,874,672
Alternative investments				
Limited liability corporations	-	-	2,262,082	2,262,082
Limited partnerships	-	-	29,581,783	29,581,783
Equity securities				
Commodities precious metals	1,069,465	-	-	1,069,465
Emerging markets funds	1,485,511	2,858,988	-	4,344,499
Natural resources	2,331,800	-	-	2,331,800
World index funds	8,423,300	7,050,351	-	15,473,651
Moderate Allocation	4,231,375	-	-	4,231,375
Fixed income funds	7,211,211	-	-	7,211,211
	\$ 28,627,334	\$ 9,909,339	\$ 31,843,865	\$ 70,380,538

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

	2015 - Based on			Total
	Level 1	Level 2	Level 3	
	Quoted Prices in Active Markets	Other Observable Inputs	Unobservable Inputs	
Cash and cash equivalents	\$ 4,320,531	\$ -	\$ -	\$ 4,320,531
Alternative investments				
Limited liability corporations	-	-	2,560,569	2,560,569
Limited partnerships	-	-	31,940,231	31,940,231
Equity securities				
Commodities precious metals	989,945	-	-	989,945
Emerging markets funds	3,167,646	917,282	-	4,084,928
Natural resources	2,319,989	-	-	2,319,989
World index funds	3,668,889	7,822,941	-	11,491,830
Moderate Allocation	2,917,462	-	-	2,917,462
Fixed income funds	8,767,809	-	-	8,767,809
	\$ 26,152,271	\$ 8,740,223	\$ 34,500,800	\$ 69,393,294

Following is a reconciliation of activity for assets measured at fair value based on significant unobservable (Level 3) information:

	Level 3 Investments	
	2016	2015
Balance, beginning year	\$ 34,500,800	\$ 30,995,300
Realized gains included in change in net assets	1,453,452	1,389,244
Unrealized (losses) gains included in change in net assets	(413,221)	2,702,117
Purchases	2,091,245	845,353
Sales	(5,788,411)	(1,431,214)
Balance, end of year	\$ 31,843,865	\$ 34,500,800

THE GERBER FOUNDATION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2016 and 2015

NOTE 3 - COMMITMENTS FOR GRANTS

As of December 31, 2016, trustees of the Foundation have authorized the payment of grants in future periods as follows:

Year ending December 31:

2017	\$ 2,345,025
2018	1,094,052
2019	234,200
2020	20,000
	<u>\$ 3,693,277</u>

NOTE 4 - LEASE

The Foundation leases office space in Fremont, Michigan under an operating lease agreement from an unrelated party that expires on December 31, 2025. The agreement calls for monthly payments of \$1,500. Total lease expense for this office space was \$18,000 in 2016 and 2015.

Future minimum lease payments under this non-cancelable lease are as follows:

2017	\$ 18,000
2018	18,000
2019	18,000
2020	18,000
2021	18,000
Thereafter	72,000
	<u>\$ 162,000</u>

NOTE 5 - RETIREMENT SAVINGS PLAN

The Foundation maintains a retirement savings plan under Internal Revenue Code Section 401(k) for eligible employees which allows for deferrals up to the maximum allowed under the Internal Revenue Code. The Foundation can make matching contributions at the discretion of the Board of Directors. Employer matching contributions which vest immediately, were \$16,819 and \$16,620 in 2016 and 2015, respectively.

The Gerber Foundation
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