For Estate Planning Attorney Michele Mulrooney, Los Angeles County is more than just a place to live and work. It’s home. “I’ve spent my whole life in Southern California. I grew up in Hawthorne, on the same street as the Beach Boys.”

As a partner at Venable LLP, Michele helps families preserve wealth, ensure strong futures and create lasting legacies. In her three decades of experience, she’s learned that estate planning is really about planning for life. “I guide families through their lives, educating the second generation, dealing with tax planning, fulfilling goals and realizing passions,” she said. “The California Community Foundation (CCF) really helps with that.”

When clients come to Michele to create a private foundation, they’re often surprised at the amount of work involved. Legal compliance, financial audits and investment management all take effort and time. Fortunately, there are other choices. “A Donor Advised Fund at CCF is a really easy option, especially for my busier clients,” she said. “You receive greater tax benefits, without all the rules and paperwork.”

Through their Donor Advised Funds, Michele’s clients get all the benefits of a private foundation while CCF takes care of time-consuming administrative and financial tasks. Free from distribution and filing requirements, clients can make grants on their own timeline and give anonymously.

Most importantly, they gain access to CCF’s team of charitable giving experts. CCF staff support clients at every stage of the giving process, from identifying charitable vehicles and vetting organizations to sharing philanthropic values across generations. “I use CCF as my partner to help parents teach their children about giving — how to find their passion, make decisions and create the biggest impact,” Michele said.

For more than 100 years, CCF has partnered with professional advisors to create efficient and effective charitable solutions and provide services tailored to meet the specific needs of their clients. As a public charity, CCF can offer clients the most favorable tax treatment, especially when making gifts of complex assets such as closely-held stock, real estate or LLC interests. And through our Charitable Asset Management Partnership (ChAMP), clients can access CCF’s giving expertise while retaining their trusted investment advisor.

Whatever the service, Michele looks to CCF to help her clients experience the joy of giving. “When one of my clients created a fund to keep small theaters going in L.A., he was so happy,” she said. “I just feel grateful. I want to help people fulfill their hopes and dreams.”

CCF Client Services:

- **Consulting Your Investment Advisor for Management of Your CCF Fund through ChAMP**
- **Establishing or Refining Individually Tailored Giving Plans**
- **Custom Research on Local, National or International Charities**
- **Meetings with Community Leaders and Visits to Charities**
- **Engaging Family Members in Giving**
- **Identifying Charities: Giving Opportunities**
- **Continuing Education Opportunities**
- **Access to a Team of Charitable Giving Experts**
The California Community Foundation’s assets reached an all-time high of $1.68 billion as of June 30, 2017. Assets increased by $251 million, or 18 percent, for the fiscal year. This robust growth can be attributed to two factors: the goodwill of our donors, who contributed $288 million and granted $179 million to benefit communities in Los Angeles County and beyond, and the strong performance of our investments, which added $163 million during the year.

Significant gifts received this year included privately-held business interests, real estate, publicly-traded securities and art auction proceeds. CCF’s flexible structure facilitates the contribution of complex assets and offers our donors and partners a platform to accomplish a variety of philanthropic goals.

Our effective stewardship and strong financial health are upheld thanks to the commitment and expertise of our staff and partners. Our Board of Directors and professional staff work diligently to maintain sound financial controls. Our Audit Committee oversees our financial reporting and risk management. Our Investment Committee continually monitors capital markets, investment policies, asset allocation and outside investment managers. Lastly, our Budget and Development Committees ensure that we maintain efficient operations and keep watch over our long-term financial health.

Thank you for your interest and support in partnering with us to realize your philanthropic goals. In particular, we thank our donors for entrusting us with their charitable funds and visions for a better world. We are committed to accountability and transparency and welcome any questions or comments about our financial activities.

Steven J. Cobb
Chief Financial Officer

Todd Yuba
Vice President, Finance
ASSETS, CONTRIBUTIONS & GRANTS

Strong contributions and a favorable market environment led to a $351 million increase in assets from June 30, 2014. Our asset portfolio is divided into four categories that reflect the many types of partnerships between the California Community Foundation and our donors: Permanent Discretionary Funds, Donor Advised Funds, Permanent Restricted Funds and Other Funds.

PERMANENT DISCRETIONARY FUNDS are permanent gifts entrusted to CCF by individuals, families and organizations who understand the flexibility offered by unrestricted and field of interest gifts. They allow CCF to adapt grantmaking to the evolving needs of Los Angeles for generations to come. These assets represented $510 million, 30 percent of our total assets.

DONOR ADVISED FUNDS are donor-directed charitable funds or foundations started by donors who choose CCF to help them realize their philanthropic visions and goals. These funds accounted for $730 million, 44 percent of our total assets.

PERMANENT RESTRICTED FUNDS are donor-designated funds for use at a specific organization through a legacy or a bequest. These assets made up $130 million, 8 percent of our total assets.

OTHER FUNDS, which include private foundation alternatives, regional affiliates, trusts, community benefit funds and charitable gift annuities, among others, constituted $307 million, 18 percent of our total assets.

The generosity and dedication of CCF’s donors and partners led to $288 million in charitable contributions this fiscal year. Permanent Restricted Fund contributions nearly tripled to $4.6 million while donors and their advisors helped us reach more than $221 million in Donor Advised Fund contributions, a 74 percent increase over the previous year.

This year, CCF made nearly 7,000 grants totaling more than $179 million, a 3 percent increase over the last fiscal year. This growth was driven by increased Other Fund grants and a $7.4 million rise in Donor Advised Fund grants. Nonprofits in Los Angeles County received $81 million, or 45 percent of total grants.

$288 Million in Charitable Contributions

$179 Million in Grants
### Financial Statements*

#### California Community Foundation and affiliates consolidated (in thousands)

#### BALANCE SHEETS

<table>
<thead>
<tr>
<th></th>
<th>6/30/17</th>
<th>6/30/16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$1,596,756</td>
<td>$1,349,021</td>
</tr>
<tr>
<td>Receivables and other assets</td>
<td>78,829</td>
<td>75,159</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,675,585</td>
<td>$1,424,180</td>
</tr>
<tr>
<td><strong>Liabilities and net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total liabilities and net assets</td>
<td>$1,675,585</td>
<td>$1,424,180</td>
</tr>
</tbody>
</table>

#### INCOME STATEMENTS

**Revenue**

<table>
<thead>
<tr>
<th></th>
<th>FYE 6/30/2017</th>
<th>FYE 6/30/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other revenue (loss)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>179,020</td>
<td>173,791</td>
</tr>
<tr>
<td>Other expenses</td>
<td>26,979</td>
<td>23,842</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>205,999</td>
<td>197,633</td>
</tr>
<tr>
<td>Change in net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets all beginning of year</td>
<td>1,481,964</td>
<td>1,262,250</td>
</tr>
<tr>
<td>Net assets at end of year</td>
<td>$1,481,964</td>
<td>$1,262,250</td>
</tr>
</tbody>
</table>

The California Community Foundation maintains operating expenses at less than 1% of assets. We are committed to efficiency in order to maximize the impact of our donor’s charitable contributions.

*CCF works with an independent public accounting firm to examine an audit of its historical and financial statements. A full copy of the audited financial statements is available online at [CaliforniaFoundation.org](http://www.CaliforniaFoundation.org) or by calling 213-1087. The Giving Associated Financial Reports are unaudited.

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### Investment Pools and Strategy

The California Community Foundation has served Los Angeles for over 100 years. To ensure we continue making an impact in the next century and beyond, our investments are focused on the long term in a tumultuous environment, we de-emphasize short-range noise and maintain a disciplined long-term investment strategy. We invest across asset classes to reduce volatility and better control the aggregate risk and return of our portfolio.

Recent Endowment Pool returns have been excellent. For the one-year period ended June 30, 2017, the Endowment Pool returned 13.1 percent. This was partly attributable to a slight overallocation to equities in general and non-U.S. equities in particular, two segments of the capital markets which have experienced sustained gains. Moving forward, we intend to adjust our asset allocation as part of an overall effort to reduce volatility and meet targeted returns.

Steven J. Cobb  
Chief Financial Officer

Anabel Giron  
Investment Director

We focus on achieving investment strategies to the charitable goals of our donors and serving the people of Los Angeles County today and in perpetuity. Prudent fiscal stewardship of our donors’ funds and legacies is our highest priority.

Under the leadership of our Investment Committee and guided by strong economic principles, we endeavor to ensure that investment pools are structured to meet our donors’ diverse needs – from short-term guaranteeing to the creation of a permanent endowment.

CCF also offers the Charitable Asset Management Partnership (ChAMP), a customized investment solution that allows donors whose funds meet certain criteria to recommend a registered investment advisor of their choosing to manage the assets of their Donor Advised Fund.
Endowment Pool
Investment Assets: $923,580
Seeks to achieve long-term growth, preserving the purchasing power of assets over an indefinite time horizon and providing a relatively predictable, stable stream of distributions that keep pace with inflation over time. Invested with the goal of long-term appreciation across multiple investments. Our Investment Committee, our financial partner Meketa Investment Group and many external investment managers oversee this pool.

Social Impact Endowment Pool
Investment Assets: $15,884
Aims to achieve long-term growth over an indefinite time horizon, but also adds rigorous environmental, social and governance (ESG) analysis as an additional mandate. Invested in a mutual fund with multiple social screens and a long-term objective. This pool is managed by PAX World Investments, a socially responsible investment manager.

Conservative Balanced Pool
Investment Assets: $11,665
Offers diversified exposure to investment-grade fixed income with maturities from 1-5 years, and to the entire U.S. equity market for purposes of grantmaking over an intermediate horizon, generally 3-7 years. Invested to seek moderate growth while providing the liquidity needed for grantmaking over the intermediate term. Management for this pool is provided by Vanguard.

Short Duration Bond Pool
Investment Assets: $6,653
Offers diversified exposure to investment-grade fixed income with maturities from 1-5 years for purposes of distribution over a horizon of 1-4 years. Strives to provide liquidity as well as to potentially offer additional yield through a bond portfolio. Invested in a bond mutual fund to offer liquidity and modest returns for near-term grantmaking. This pool is managed by Vanguard.

Capital Preservation Pool
Investment Assets: $128,397
Endeavors to preserve principal, ensure liquidity and provide working funds for present and future needs through investment in high-quality, short-term fixed income and cash instruments. Invested to meet the needs of funds with short-term objectives or goals. Structured to ensure maximum liquidity for grantmaking while also seeking to preserve principal. This pool is managed by our long-term partner, City National Bank.

Investment Performance

<table>
<thead>
<tr>
<th>Pool</th>
<th>1 YEAR</th>
<th>3 YEAR</th>
<th>5 YEAR</th>
<th>10 YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment Pool</td>
<td>13.1%</td>
<td>2.9%</td>
<td>7.4%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Total Fund Benchmark*</td>
<td>9.2%</td>
<td>1.6%</td>
<td>6.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Colonial Consulting &amp; FAOG Community Foundation Survey</td>
<td>13.0%</td>
<td>3.9%</td>
<td>7.8%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Social Impact Endowment Pool</td>
<td>9.6%</td>
<td>6.8%</td>
<td>8.7%</td>
<td>4.2%</td>
</tr>
<tr>
<td>60% S&amp;P 500 / 40% BCAgg**</td>
<td>10.3%</td>
<td>6.9%</td>
<td>9.4%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Conservative Balanced Pool</td>
<td>5.4%</td>
<td>3.7%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>30% CRSP U.S. Total Market Index / 70% Barclays U.S. 1-5 Year Government/Credit Float Adjusted Index</td>
<td>5.2%</td>
<td>3.7%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Short Duration Bond Pool</td>
<td>0.1%</td>
<td>1.3%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Barclays U.S. 1-5 Year Government/Credit Float Index</td>
<td>0.1%</td>
<td>1.3%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital Preservation Pool</td>
<td>0.5%</td>
<td>0.3%</td>
<td>0.2%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Bank of America M, 91-Day T-Bills</td>
<td>0.5%</td>
<td>0.2%</td>
<td>0.1%</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

* Total Fund Benchmark is a combination: 50% MSCI ACWI, which provides a benchmark for global indices, 35% FTSE 490 Index, which provides a benchmark for mid-sized stocks around the world, 15% MSCI EM Asia ex Japan Index, which provides a benchmark for the mid-cap, small-cap and emerging market segments of the MSCI Emerging Markets Index, and 5% Citigroup Government Bond Index, which provides a benchmark for mid-term government bonds.

** In April 2010, CCI moved from the Dimensional Fund to the PAX World Balanced Fund. The ACWI was applied to pools within the index.
Every year, we and our donors help transform tens of thousands of lives in Los Angeles County and around the world. We are proud to achieve this impact while remaining committed to efficient and effective service, managing more than $600 charitable funds and maintaining overhead expenses of less than 1 percent of assets. The charts below provide a snapshot of grants for the fiscal year ended June 30, 2017.

### Geographic Distribution of Grants** (in thousands)

<table>
<thead>
<tr>
<th>Region</th>
<th>Total L.A. County Grants</th>
<th>SoCal, outside of L.A. County</th>
<th>U.S., outside of SoCal</th>
<th>Outside of U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>L.A. County-wide</td>
<td>$81,103</td>
<td>$13,203</td>
<td>$52,884</td>
<td>$32,901</td>
</tr>
<tr>
<td>L.A. County</td>
<td>$81,103</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SoCal, outside of L.A.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S., outside of SoCal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside of U.S.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Total includes adjustments to grants approved in prior years.

### Discretionary Grants* (in thousands)

* Discretionary grants depicted above include grants from Permanent Discretionary Funds as well as certain other grants made at the discretion of CCF.

### Total L.A. County Grants

- Metro L.A. $20,994
- South Bay $15,779
- San Fernando Valley $4,220
- East L.A. $3,033
- South L.A. $5,823
- Antelope Valley $657
- San Gabriel Valley $2,686
- West L.A. $21,734
- San Gabriel Valley $6,369
- South L.A. $5,823
- San Fernando Valley $4,220
- Metro L.A. $20,994
- San Gabriel Valley $6,369
- South L.A. $5,823
- Antelope Valley $657
- San Gabriel Valley $2,686
- West L.A. $21,734
- San Fernando Valley $4,220
- East L.A. $3,033
- South L.A. $5,823
- Antelope Valley $657

### SoCal, outside of L.A. County

- San Gabriel Valley $6,369
- South L.A. $5,823
- South Bay $15,779

### U.S., outside of SoCal

- San Gabriel Valley $6,369
- South L.A. $5,823
- Antelope Valley $657
- San Gabriel Valley $2,686
- West L.A. $21,734
- San Fernando Valley $4,220
- East L.A. $3,033
- South L.A. $5,823
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- San Gabriel Valley $2,686
- West L.A. $21,734
- San Fernando Valley $4,220
- East L.A. $3,033
- South L.A. $5,823
- Antelope Valley $657

### Outside of U.S.

- San Gabriel Valley $6,369
- South L.A. $5,823
- East L.A. $3,033
- South L.A. $5,823
- Antelope Valley $657
- San Gabriel Valley $2,686
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- San Fernando Valley $4,220
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- East L.A. $3,033
- South L.A. $5,823
- Antelope Valley $657

### Summary

- **Total L.A. County Grants:** $81,103
- **SoCal, outside of L.A. County:** $13,203
- **U.S., outside of SoCal:** $52,884
- **Outside of U.S.:** $32,901

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### 2016-17 Board of Directors

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**Chair Elect**
- Patrick S. Donohue, MD, MPH, Chair, Department of Family Medicine, David Geffen School of Medicine at UCLA

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- Melanie Stigas, Advisory Board, Goodsearch LLC
- Robert Sun, President & Chief Executive Officer, America-China CEO Society
- Peter J. Taylor, President, ECAM Foundation
- Therese Tucker, CEO and Chairman, Blackjack Systems
- Preston L.C. Johnson, President and Founder, Hispanic Scholarship Fund
- Sonia Marie De Leon de Vega, Director, Santa Cecilia Orchestra

**General Counsel**
- William C. Chi, General Counsel, Robinson, Horst, Cho, and Cattalini, LLP

**Staff Leadership**
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- Executive Officer
- Steven J. Cobb, Chief Financial Officer
- John E. Kormak, Chief Operating Officer
- Carol Bradford, Senior Counsel and Chancellor Advisor
- Efrain Escobar, Vice President, Education & Innovation
- Paul Sehnal, Vice President, Development & Steward Relations
- Ann Selig, Vice President, Health & Housing
Every year, mothers from all walks of life come to Proyecto Mariposa to motivate, inspire and empower each other, lifting up themselves and their families. Gloria Lazalde founded the organization to honor the memory of her mother and sister, and today their spirit lives on in the thousands of women who have developed strength, self-reliance and better futures through its workshops.

By giving, we change the world and ourselves. We honor those who came before us and elevate those who will come after. We invite you to join the California Community Foundation to help realize your charitable passions.

Whether you want to support Proyecto Mariposa or the causes of your choice in L.A. County, out-of-state or around the world, our staff can help you maximize the impact of your generosity. We have more than a century of experience in investing charitable dollars, changing lives and making dreams for change come true.

"together, we can do this, and we’re doing it for our children.”

Join us and be a part of building tomorrow, together. Learn more at calfund.org/donors