

Return of Organization Exempt From Income Tax

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

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2011 calendar year, or tax year beginning **OCTOBER 01**, 2011, and ending **SEPTEMBER 30**, 2012

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

C Name of organization **MACKINAC ASSOCIATES**
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P O BOX 567
 City or town, state or country, and ZIP + 4
MACKINAW CITY MI 49701

D Employer identification number
38-2328863

E Telephone number
231-436-4100

F Name and address of principal officer **MARK MERCER, PRESIDENT**
ST IGNACE MI 49781

G Gross receipts \$ **338,726**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶

K Form of organization Corporation Trust Association Other ▶

L Year of formation **1981** **M** State of legal domicile **MI**

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PRESERVING AND SHARING MACKINAC'S HERITAGE		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	11
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	11
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	266166	328263
	9 Program service revenue (Part VIII, line 2g)	0	0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2473	1882
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-108	1060
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	268531	331205
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	149212	159189
	14 Benefits paid to or for members (Part IX, column (A), line 4)	24754	14786
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	34441	18994
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	208407	192969	
19 Revenue less expenses. Subtract line 18 from line 12	60124	138236	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	644527	761065
	21 Total liabilities (Part X, line 26)	23260	1562
	22 Net assets or fund balances. Subtract line 21 from line 20	621267	759503

Part II Signature Block

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.

Sign Here

Signature of officer: *Phil Porter* Date: **3-27-13**

Type or print name and title: **Phil Porter**

Paid Preparer Use Only

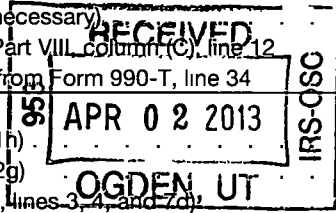
Print/Type preparer's name: _____ Preparer's signature: _____ Date: _____ Check if self-employed PTIN: _____

Firm's name: _____ Firm's EIN: _____

Firm's address: _____ Phone no: _____

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED APR 11 2013



G16 24

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:
TO PRESERVE AND SHARE MACKINAC'S HERITAGE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 41157 including grants of \$ 6838) (Revenue \$)
EDUCATION OUTREACH - MICHIGAN STUDENTS ARE PROVIDED IN CLASSROOM PROGRAMS INTERPRETING HISTORY AND NATURAL HISTORY OF THE STRAITS OF MACKINAC REGION, ADDITIONALLY FINANCIALLY STRESSED SCHOOLS ARE AWARDED GRANTS TO BRING STUDENTS ON SITE AT OUR OUTDOOR HISTORIC MUSEUMS.

4b (Code:) (Expenses \$ 39000 including grants of \$) (Revenue \$)
SUPPORT STAFFING IS PROVIDED TO DISTRIBUTE MAILINGS AND COORDINATE MEMBERSHIP EVENTS AND OTHERWISE SUPPORT THE MACKINAC ASSOCIATES MEMBERS AND BOARD OF DIRECTORS.

4c (Code:) (Expenses \$ 16787 including grants of \$) (Revenue \$)
MEMBERSHIP EDUCATION PROGRAMS - VARIOUS PROGRAMS AND EVENTS ARE DESIGNED AND PRESENTED TO MEMBERS AND GUESTS TO EDUCATE THEN ABOUT MACKINAC STRAITS REGION HERITAGE.

4d Other program services (Describe in Schedule O.)
(Expenses \$ 5493 including grants of \$) (Revenue \$)

4e Total program service expenses ► 102437

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14 a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20 a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	✓	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		✓
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		✓
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		✓
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question number, question text, sub-questions (1a-14b), and Yes/No checkboxes. Includes questions about Form 1096, Form W-2G, Form W-3, and various tax compliance requirements.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: LANA COTTON 207 WEST SINCLAIR AVENUE MACKINAW CITY MI 49701 231-436-4100

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MARK MERCER PRESIDENT	1	✓					0	0	0	
(2) MARY JANE BARNWELL VICE PRESIDENT	1	✓					0	0	0	
(3) KATIE DARROW SECRETAR/TREASURER	1	✓					0	0	0	
(4) JACK BARNWELL TRUSTEE	1	✓					0	0	0	
(5) BRIAN DUNNIGAN TRUSTEE	1	✓					0	0	0	
(6) KELLY COOPER TRUSTEE	1	✓					0	0	0	
(7) WESLEY MAURER TRUSTEE	1	✓					0	0	0	
(8) ANN PARISH TRUSTEE	1	✓					0	0	0	
(9) PETE PELLERITO TRUSTEE	1	✓					0	0	0	
(10) KATHY PETERSEN TRUSTEE	1	✓					0	0	0	
(11) LINN SHEPPARD TRUSTEE	1	✓					0	0	0	
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										

1b Sub-total	▶			
c Total from continuation sheets to Part VII, Section A	▶			
d Total (add lines 1b and 1c)	▶			

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b	125914			
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	202349			
	g Noncash contributions included in lines 1a-1f. \$					
	h Total. Add lines 1a-1f			328263		
Program Service Revenue	2a _____	Business Code				
	b _____					
	c _____					
	d _____					
	e _____					
	f All other program service revenue .					
	g Total. Add lines 2a-2f					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1882			
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross rents	(i) Real				
		(ii) Personal				
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
	b Less: cost or other basis and sales expenses					
	c Gain or (loss)					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a	15680			
	b Less: direct expenses	b	14620			
	c Net income or (loss) from fundraising events		1060			
	9a Gross income from gaming activities. See Part IV, line 19	a				
b Less: direct expenses		b				
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11a _____						
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions.			331205			

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	159189	159189		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members	14786	14786		
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	877		877	
12 Advertising and promotion	2319		2319	
13 Office expenses	14318		8161	6157
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	1480		1480	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a _____				
b _____				
c _____				
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	192969	173975	12837	6157
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	5184	1	13269
	2 Savings and temporary cash investments	567023	2	671563
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b		10c
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11	72320	13	76233
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	644527	16	761065	
Liabilities	17 Accounts payable and accrued expenses	23260	17	1562
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	23260	26	1562
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	621267	33	759503	
34 Total liabilities and net assets/fund balances	644527	34	761065	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	331205
2	Total expenses (must equal Part IX, column (A), line 25)	2	192969
3	Revenue less expenses. Subtract line 2 from line 1	3	138236
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	621267
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	759503

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		✓
2b	Were the organization's financial statements audited by an independent accountant?		✓
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		✓
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		✓
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		✓

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

MACKINAC ASSOCIATES

Employer identification number

38-2328863

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 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 exempt 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)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III—Functionally integrated d Type III—Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
11g(iii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(ii)		
11g(iii)		
- h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
16b 33 1/3% support test—2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17b 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	159096	713866	76166	266166	328236	1543557
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	159096	713866	76166	266166	328263	1543557
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6	159096	713866	76166	266166	328263	1543557
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						1882
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						1882
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						1545439

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ►

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	99.87 %
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	99.81 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	.12 %
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	.10 %

19a 33 1/3% support tests—2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Lined area for supplemental information with horizontal dashed lines.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

MACKINAC ASSOCIATES

Employer identification number

38-2328863

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b** If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

- | | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|---|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |
- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment %
 - b** Permanent endowment %
 - c** Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|---------------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other -----		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) MUTUAL FUNDS	68224	END OF YEAR MARKET VALUE
(2) STOCKS	6619	END OF YEAR MARKET VALUE
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►	76233	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV.)	8
9	Total adjustments (net). Add lines 4 through 8	9
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	2a
b	Donated services and use of facilities	2b
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Other losses	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

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Part XIV Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Employer identification number

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) MACKINAC STATE HISTORIC P P O BOX 873 MACKI.CITY MI 49701	38-6031991	MSHP	32000				EDUCATION OUTREACH
(2) MACKINAC STATE HISTORIC P P O BOX 873 MACKI.CITY MI 49701	38-6031991	MSHP	39000				SUPPORT STAFFING
(3) MACKINAC STATE HISTORIC P P O BOX 873 MACK CITY MI 49701	38-6031991	MSHP	43696				EXHIBITS AND INTERPRET
(4) MACKINAC STATE HISTORIC P P O BOX 873 MACK CITY MI 49701	38-6031991	MSHP	10000				FRENCH TRANSLATION PR
(5) MACKINAC STATE HISTORIC P P O BOX 873 MACK CUTY MI 49701	38-6031991	MSHP	19906				BUILDING UPGRADES
(6) MACKINAC STATE HISTORIC P P O BOX 873 MACK CITY MI 49701	38-6031991	MSHP	2500				DESIGN SOFTWARE
(7) 15 SCHOOLS IN MICHIGAN			6838				SITE VISIT SUBSIDY
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
- 3 Enter total number of other organizations listed in the line 1 table 16

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

2011

**Open to Public
Inspection**

Name of the organization

MACKINAC ASSOCIATES

Employer identification number

38-2328863

PART III -4D \$5493 CURIOSITIES NEWSLETTER - EDUCATIONAL AND INFORMATIVE NEWSLETTER TO SHARE MACKINAC HERITAGE

AND CURRENT MACKINAC REGION EVENTS TO 3500+ MEMBERS AS WELL AS GENERAL PUBLIC

PART V1 - 19 MACKINAC ASSOCIATES GOVERNING DOCUMENTS ARE KEPT ON FILE AT 207 WEST SINCLAIR AVENUE, MACKINAW CITY

MI AND ARE AVAILABLE FOR REVIEW UPON REQUEST

Mackinac Associates

Balance Sheet

9/30/2012

ASSETS

UNRESTRICTED ASSETS

0-000 -1000-000	Cash - Checking	13,269 35
0-000 -1010-000	Cash - Savings	537,301 47
0-000 -1025-000	Stocks	1,389.00
0-000 -1027-000	Stocks - Unrestricted	2,524.16

TOTAL UNRESTRICTED ASSETS	554,483.98
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RESTRICTED ASSETS

TEMPORARILY RESTRICTED

0-000 -1040-000	Education Endowment (B)	6,917 17
0-000 -1040-001	Education Endowment (B) Savings	2,138 30

PERMANENTLY RESTRICTED

0-000 -1039-000	Education Endowment (D)	116,157.21
0-000 -1039-001	State St. Bank & Trust (Ed.Endowment)	21,909.22
0-000 -1039-002	T Rowe Price Equity (Ed Endowment)	26,226 51
0-000 -1039-003	Vanguard Portfolio (Ed Endowment)	20,089.25
0-000 -1026-000	Stocks - Restricted(Ed.Endowment)	4,095 00
0-000 -1041-000	Hazel DeRosa Mem Fund	3,070 98
0-000 -1035-001	Library Acquisition Fund	185.13
0-000 -1035-002	Dwightwood Spring Memorial Fund	5,792.29

TOTAL RESTRICTED ASSETS	206,581.06
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TOTAL ASSETS	761,065.04
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LIABILITIES & EQUITY

0-000 -2000-000	Accounts Payable	1,562.40
0-000 -3000-000	Retained Earnings	621,266 92

NET CHANGE FOR THE PERIOD	138,235 72
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TOTAL LIABILITIES AND FUND BALANCE	(761,065.04)
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Mackinac Associates

FINANCIAL STATEMENT

PAGE

9/30/2012

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	CURRENT	BUDGET	VARIANCE	Y-T-DATE	BUDGET	VARIANCE	ANNUAL BUDGET
INCOME							
Membership Income							
Friend Memberships	2,080 00	2,000 00	80 00	13,983 50	16,575 00	(2,591 50)	16,575 00
Mackinac Heritage Memberships	6,288 00	2,350 00	3,938 00	22,686 50	28,800 00	(6,113 50)	28,800 00
Voyager Memberships	13,260 00	4,462.50	8,797 50	46,504 50	40,375 00	6,129 50	40,375 00
Sentinel Memberships	2,275 00	2,500 00	(225 00)	24,415.50	24,500 00	(84 50)	24,500 00
Explorer Memberships	800 00	1,000.00	(200 00)	9,085 00	8,800.00	285 00	8,800 00
Commandants Circle Memb	1,800 00	1,200 00	600 00	15,600 00	15,000 00	600 00	15,000 00
Steward Memberships	1,085 00	1,000 00	85 00	17,180 00	13,000 00	4,180 00	13,000 00
Business Memberships	0 00	0 00	0 00	0 00	0 00	0.00	0 00
Guardian Membership	0 00	0 00	0 00	5,000 00	5,000 00	0 00	5,000 00
PAY PAL CONTRA ACCOUNT	0 00	0 00	0 00	(7,098 84)	0 00	(7,098 84)	0 00
TOTAL MEMBERSHIP INCOME	27,588 00	14,512 50	13,075 50	154,455 00	152,050 00	2,405 00	152,050 00
Other Operating Income							
Interest Income	442 33	1,000 00	(557 67)	1,425 94	3,000 00	(1,574 06)	3,000 00
Investments Unrealized Gain/(Lo:	0 00	0 00	0 00	0.00	0 00	0 00	0 00
Special Events Revenue	0.00	0 00	0 00	3,211 00	0 00	3,211 00	0 00
GMW Celeb. - Dinner	0 00	0 00	0 00	11,099 00	13,500 00	(2,401 00)	13,500 00
Annual Meeting	24 00	0 00	24 00	1,370 00	1,500 00	(130 00)	1,500 00
Special Events - Golf Fundraiser	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Special Events - 25th Anniversar	0 00	0 00	0 00	0 00	0 00	0.00	0 00
Other events	0 00	0 00	0 00	0 00	2,000 00	(2,000 00)	2,000 00
Detroit/Mackinac Event Income	0 00	0 00	0.00	0 00	0 00	0 00	0 00
Detroit/Mackinac Sponsors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Special Events Contrib	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Contributions - General	21,395 42	1,000 00	20,395 42	87,679.42	30,000 00	57,679 42	30,000 00
GMW Celeb - Contrib	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Contributions - Annual Appeal Pr	5,250 00	0 00	5,250 00	8,250 00	0 00	8,250 00	0 00
Contributions - Lighthouse Restor	0 00	0 00	0 00	330 00	0 00	330 00	0 00
Contributions - PRINTING PROJ	0 00	0 00	0 00	0 00	0.00	0 00	0 00
Contributions - Special Purchase	0 00	0.00	0 00	17,800 00	0 00	17,800 00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0.00	0 00	650 00	0.00	650 00	0 00
Pledge Income	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Donation Expense	0 00	0.00	0 00	0 00	0 00	0 00	0 00
Grant Income	2,500 00	0.00	2,500 00	4,000 00	10,000 00	(6,000 00)	10,000 00
	43,000 00	0 00	43,000 00	48,000 00	0 00	48,000 00	0 00
	0 00	0 00	0.00	0 00	0 00	0.00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0 00	0 00	0 00	0 00	0 00	0 00
	0 00	0 00	0 00	0 00	0.00	0 00	0 00

Mackinac Associates

FINANCIAL STATEMENT

9/30/2012

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	CURRENT	BUDGET	VARIANCE	Y-T-DATE	BUDGET	VARIANCE	ANNUAL BUDGET
TOTAL OTHER OPERATING IN	72,611 75	2,000 00	70,611.75	183,815 36	60,000.00	123,815.36	60,000 00
TOTAL OPERATING INCOME	100,199 75	16,512 50	83,687 25	338,270 36	212,050 00	126,220 36	212,050 00

Mackinac Associates

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FINANCIAL STATEMENT

9/30/2012

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	CURRENT	BUDGET	VARIANCE	Y-T-DATE	BUDGET	VARIANCE	ANNUAL BUDGET
- Invitations Printed	0 00	0 00	0 00	0 00	400 00	(400 00)	400 00
- Postage	0 00	0 00	0 00	0 00	400 00	(400 00)	400 00
- Food/Dray	0 00	0 00	0 00	2,821 72	3,200 00	(378 28)	3,200 00
- Decorations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
- Music/Ad/Other	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Invitations Printed	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Postage	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Food/Beverages	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Flowers/Music	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Other Event Expenses	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Other Event Expenses	0 00	0 00	0 00	33 20	2,000 00	(1,966 80)	2,000 00
Total Special Events	0 00	0 00	0 00	2,854 92	6,000 00	(3,145 08)	6,000 00

Mackinac Associates

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FINANCIAL STATEMENT

9/30/2012

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	CURRENT	BUDGET	VARIANCE	Y-T-DATE	BUDGET	VARIANCE	ANNUAL BUDGET
Mill Creek Directional Signs	0 00	0.00	0 00	0 00	0 00	0 00	0 00
Fort Mackinac Restroom Upgrade	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Depeyster Bowl	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Bark Chapel Exhibit	0 00	0 00	0 00	0 00	0 00	0 00	0 00
National Archives Research Project	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Old Mackinac Point Lighthouse D	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Arch Rock Interpretive Panels	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Mackinac Geography Inter. Panels	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Mackinac Natural History Inter. Panels	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Mill Creek History Inter. Panels	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Children's Discovery Room	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Collections Intern	0 00	0 00	0 00	0 00	0 00	0 00	0 00
St. Anne Research Project	0 00	0.00	0 00	0 00	0 00	0 00	0 00
Adult Uniform Costumes	0 00	0 00	0 00	0 00	0 00	0 00	0 00
British Officer Sign	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Archaeology Treasures Book	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Paddle with the Voyagers Program	0 00	0 00	0 00	0 00	0 00	0 00	0 00
North Blockhouse Exhibit	0 00	0 00	0 00	0 00	0 00	0 00	0 00
French Translation Project	0 00	0 00	0 00	10,000 00	0 00	10,000 00	0 00
MANNOGIAN ART MUSEUM	0 00	0 00	0 00	0 00	0 00	0 00	0 00
FORT MACKINAC CANNON CASE	14,600 00	15,000 00	(400 00)	14,600 00	15,000 00	(400 00)	15,000 00
EAST BLOCKHOUSE EXHIBIT	10,000 00	10,000 00	0 00	10,000 00	10,000 00	0 00	10,000 00
REPLACEMENT CANNON WHEELS	4,495 69	5,350 00	(854 31)	4,495 69	5,350 00	(854 31)	5,350 00
WAR OF 1812 POSTERS	5,250 00	5,250 00	0 00	5,250 00	5,250 00	0 00	5,250 00
WAR OF 1812 UNIFORMS & WEAPONS	14,600 00	14,600 00	0 00	14,600 00	14,600 00	0 00	14,600 00
EXHIBIT DESIGNER SOFTWARE	2,500 00	2,500 00	0 00	2,500 00	2,500 00	0 00	2,500 00
AVENUE OF FLAGS BOOTH	8,600 00	8,600 00	0 00	8,600 00	8,600 00	0 00	8,600 00
GAZEBO UPGRADES	1,250 00	1,250 00	0 00	1,250 00	1,250 00	0 00	1,250 00
BL RESTROOM RENOVATIONS	10,055 80	12,800 00	(2,744 20)	10,055 80	12,800 00	(2,744 20)	12,800 00
Total Special Projects	71,351 49	75,350 00	(3,998 51)	81,351 49	83,450 00	(2,098 51)	83,450 00
TOTAL EXPENSES	137,469 10	96,850 00	40,619 10	207,589 19	227,050 00	(19,460 81)	227,050 00
TOTAL OPER. PROFIT/(LOSS)	37,269 35	80,337 50	(43,068 15)	(137,780 01)	15,000 00	(152,780 01)	15,000 00

Mackinac Associates

FINANCIAL STATEMENT

9/30/2012

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	CURRENT	BUDGET	VARIANCE	Y-T-DATE	BUDGET	VARIANCE	ANNUAL BUDGET
NON-OPERATING INCOME							
ENDOWMENT INCOME							
Endow Dividend Income (D)	0 00	0 00	0 00	6 75	0 00	6 75	0 00
Dividend Income - Rest	0 00	0 00	0 00	29 40	0 00	29 40	0 00
Endow Unrealized Gain/(Loss)(C)	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Endow Interest-Rest (D)	419 56	0 00	419 56	419 56	0 00	419 56	0 00
Endow Contributions-Rest (D)	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Endow Interest-Rest (B)	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Interest - Other Donor Rest	0 00	0 00	0 00	0 00	0 00	0 00	0 00
TOTAL NON-OPERATING INCO	419 56	0 00	419 56	455 71	0 00	455 71	0 00
Net Change for the Period	(36,849 79)	(80,337 50)	43,487 71	138,235 72	(15,000 00)	153,235 72	(15,000 00)