

MICHIGAN JOBS & LABOR FOUNDATION

P.O. Box 12355, Lansing, MI 48901

March 2, 2016

Melissa Malerman
Election Law Specialist
Michigan Bureau of Elections

Dear Ms. Malerman,

I have signed the Conciliation Agreement with the Michigan Department of State.

This matter is a result of a mistake by a vendor, and MJLF has agreed to this conciliation agreement for the purpose of avoiding the inevitable high cost of litigation to fight a legal interpretation that we strenuously disagree with.

Critically, there was no intent by MJLF to broadcast an advertisement containing express advocacy. MJLF's intent was to produce an issue advocacy ad. It is not illegal under the Michigan Campaign Act for a candidate to appear in an issue ad (MCL 169.206). In fact, during the 2014 gubernatorial campaign, Mark Schauer appeared and spoke directly to the viewing audience in several TV issue ads produced by the Democratic Governors Association.

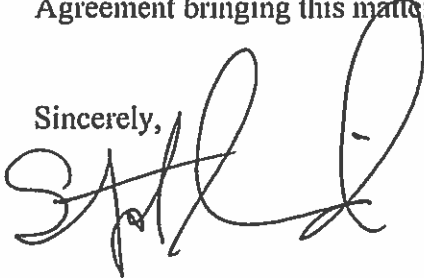
Our two TV ads briefly showed a super imposed graphic which read "for State Senate". That graphic was mistakenly, and without client authorization, added by the vendor in final production.

As soon as the ad aired and the graphic mistakenly added was brought to our attention, we pulled the ads from further broadcast and self-reported the matter to the Department of State.

Under similar circumstances the Federal Election Commission has dismissed complaints involving the unintentional inclusion of words of express advocacy. The Michigan Department of State has chosen not to follow that FEC practice.

Recognizing the costs of litigation, we accept the Michigan Department of State's decision here to impose a doctrine of strict liability without a finding of intent and have signed the Conciliation Agreement bringing this matter to a close.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Linder", with a large, stylized flourish at the end.

Stephen Linder, President



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

In the Matter of:

**Michigan Jobs and Labor Foundation
Stephen J. Linder, Treasurer
106 West Allegan Street, Suite 200
Lansing, Michigan 48901**

Committee Id. No. 517239

CONCILIATION AGREEMENT

Pursuant MCL §169.215(10) of the Michigan Campaign Finance Act (the Act), MCL §169.201 *et seq.*, the Secretary of State and Michigan Jobs and Labor Foundation (Respondent) hereby enter into a conciliation agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges that there may be reason to believe that the Respondent violated the Act by failing to timely file its statement of organization in violation of MCL 169.224(1).

The Secretary of State further alleges that there may be reason to believe that the Respondent violated the Act by failing to timely file its October 2014 quarterly campaign statement in violation of MCL 169.233(3).

The Secretary of State further alleges that there may be reason to believe that the Respondent violated the Act by making in-kind expenditures that benefitted the Ken Horn for Senate committee.

The Secretary of State further alleges that there may be reason to believe that the Respondent violated the Act by making in-kind expenditures that benefitted the Dale Zorn for Senate committee.

The Secretary of State further alleges that there may be reason to believe that the Respondent violated the Act by accepting a contribution from the Michigan Jobs and Labor Foundation, a domestic nonprofit corporation, in violation of MCL 169.254(1) and R 169.35.

Therefore, the Respondent, without admitting any issue of law or fact, except as stated herein, hereby voluntarily enters into this conciliation agreement and assures the Secretary of State that it will comply with the Act and the Rules promulgated to implement the Act.

By executing this conciliation agreement, the Respondent certifies that it has paid a civil fine in the amount of \$17,696.60 to the State of Michigan.

The Secretary of State and the Respondent further agree that this agreement is in effect and enforceable for four years from the date it is signed by the Secretary of State or her duly authorized representative.

The Secretary of State and the Respondent further agree that this agreement, unless violated, shall constitute a complete bar to any further action by the Secretary of State with respect to the alleged violation that resulted in the execution of this agreement.

The Secretary of State and the Respondent further agree that the complaint and investigation that resulted in this agreement are disposed of and will not be the basis for further proceedings, except pursuant to this agreement.

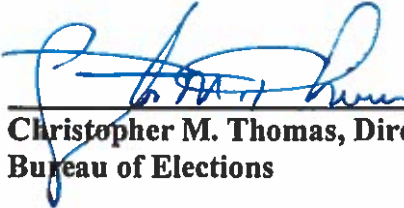
The Secretary of State and the Respondent further agree that this agreement will not prevent the Secretary of State from taking action for violations of this agreement.

The Secretary of State and the Respondent further agree that the Respondent's performance under this agreement shall be given due consideration in any subsequent proceedings.

The Secretary of State and the Respondent further agree that this agreement, when signed, shall become a part of the permanent public records of the Department of State.

The Secretary of State and the Respondent finally agree that the signatories below are authorized to enter into and bind the parties to this agreement, and have done so by signing this agreement on the date below.

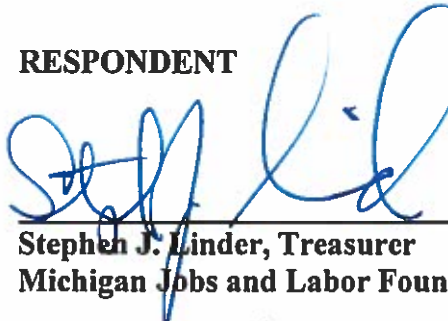
**RUTH JOHNSON
SECRETARY OF STATE**



**Christopher M. Thomas, Director
Bureau of Elections**

Date: 3/2/2016

RESPONDENT



**Stephen J. Linder, Treasurer
Michigan Jobs and Labor Foundation**

Date: 3/2/16



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

October 2, 2014

Michigan Jobs and Labor Foundation
Ellen Kletzka, Resident Agent
P.O. Box 12355
Lansing, Michigan 48901

Dear Ms. Kletzka:

The Department of State (Department) has received a complaint filed against the Michigan Jobs and Labor Foundation (MJLF) by Daniel Opsommer, alleging that MJLF violated the Michigan Campaign Finance Act (MCFA), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by MCL 169.215 and the corresponding administrative rules, R 169.51 *et seq.* Copies of Mr. Opsommer's complaint and supporting documentation are enclosed with this letter.

Mr. Opsommer alleges that MJLF violated the MCFA by failing to file a statement of organization within ten days of its formation. MCL 169.224. This registration requirement is triggered when a person¹ "receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate," in an amount that equals or exceeds \$500.00 in a calendar year. MCL 169.203(4). The words "contribution" and "expenditure" are generally defined to include anything of ascertainable monetary value that is used for the purpose of influencing or to assist or oppose a candidate's nomination or election. MCL 169.204(1), 169.206(1). With respect to political advertisements, a communication is not treated as an expenditure unless it "support[s] or oppose[s] a ballot question or candidate by name or clear inference" or unless it contains "express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for governor,' 'vote against,' 'defeat,' or 'reject.'" MCL 169.206(2)(b), (j). According to the complaint, two television advertisements that were paid for by MJLF included onscreen graphics that read, "Ken Horn for Senate" and "Dale Zorn for Senate."

Mr. Opsommer also asserts that MJLF "is required to file quarterly statements"² as required by MCL 169.233(3). Finally, he alleges that "there is coordination occurring between the Senate Republican Campaign Committee, Michigan Jobs and Labor Foundation, the various candidate committees, and the Sterling Corporation" purportedly resulting in "additional violations" of the MCFA.³ If coordination is found to exist as described in *Michigan Chamber of Commerce v*

¹ "Person" means a business, individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, of any other organization or group of persons acting jointly." MCL 169.211(2).

² See Complaint Exhibit 1, "Explain how these sections were violated," p. 3.

³ See Complaint Exhibit 1, "Explain how these sections were violated," pp. 7-8.

Michigan Jobs and Labor Foundation
Ellen Kletzka, Resident Agent
October 2, 2014
Page 2

Land, 725 F Supp 2d 665 (WD MI, 2010), potential violations could include making excess contributions or contributions from prohibited sources. MCL 169.252, 254.

The purpose of this letter is to inform you of the Department's examination of this matter and your right to respond to this allegation before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

If you wish to file a written response to the complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918 and must be received within 15 business days of the date of this notice. If you fail to submit a written response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your reply will be provided to Mr. Opsommer, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties in this matter, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]". MCL 169.215(10). Note that the Department's enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalties provided by the MCFA.

If you have any questions concerning this matter, you may contact me at (517) 335-5456.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Malerman", written over a horizontal line.

Melissa Malerman, Election Law Specialist
Michigan Bureau of Elections

c: Daniel Opsommer

**Michigan Department of State
Campaign Finance Complaint Form**

Reset Form

This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*).

Please print or type all information.

I allege that the MCFA was violated as follows:

Section 1. Complainant		
Your Name Daniel R. Opsommer	Daytime Telephone Number (517) 281-6034	
Mailing Address 849 N. Hagadorn Road		
City East Lansing	State MI	Zip 48823

Section 2. Alleged Violator		
Name Michigan Jobs and Labor Foundation		
Mailing Address P.O. Box 12355		
City Lansing	State MI	Zip 48901

Section 3. Alleged Violations (Use additional sheet if more space is needed.)
--

Section(s) of the MCFA violated: **24**

Explain how those sections were violated:

Please see attached. Additional space was needed.

Evidence that supports those allegations (attach copies of pertinent documents and other information):

Please see attached. Additional space was needed.

Section 4. Certification (Required)

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.

X


Signature of Complainant

9/30/2014

Date

Section 5. Certification without Evidence (Supplemental to Section 4)

Section 15(6) of the MCFA (MCL 169.215) requires that the signed certification found in section 4 of this form be included in every complaint. However, if, after a reasonable inquiry under the circumstances, you are unable to certify that certain factual contentions are supported by evidence, you may also make the following certification:

I certify that to the best of my knowledge, information, or belief, there are grounds to conclude that the following specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry. Those specific contentions are:

Please see attached. Additional space was needed.

X


Signature of Complainant

9/30/2014

Date

2014 SEP 30 PM 12:24

BUREAU OF ELECTIONS
MI DEPT OF STATE

Section 15(8) of the MCFA provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. The person may be required to pay a civil fine of up to \$1,000.00 and some or all of the expenses incurred by the Michigan Department of State and the alleged violator as a direct result of the filing of the complaint.

Mail or deliver the completed complaint form and evidence to the following address:

Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street
Lansing, Michigan 48918

COMPLAINT PROCESS

If you believe someone has violated the Michigan Campaign Finance Act (the MCFA), you may file a written complaint with the Department of State (the Department). The complaint must include all of the following:

- Your name, address and telephone number.
- The alleged violator's name and address.
- A description in reasonable detail of the alleged violation, including the section or sections of the MCFA you believe were violated, an explanation of how you believe the MCFA was violated, and any other pertinent information.
- Evidence which supports your allegations.
- A certification that:

To the best of your knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of the complaint is supported by evidence.

- However, in addition, if after a reasonable inquiry under the circumstances, you are unable to certify that certain specifically identified factual contentions of the complaint are supported by evidence, you may also certify that:

To the best of your knowledge, information, or belief, there are grounds to conclude that those specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry.

- Your signature immediately after the certification or certifications.

If you wish to have your complaint considered, it must include all of the above information. The Department may dismiss your complaint if any item is not included, or if the complaint is determined to be frivolous, illegible, or indefinite. If the complaint is dismissed, both you and the alleged violator will be notified.

A form for filing a complaint may be obtained from the Bureau of Elections, P.O. Box 20126, Lansing, MI 48901-0726, or on the Department's web site at <http://www.michigan.gov/sos/>.

The completed form should be sent to the following address:

Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street
Lansing, MI 48918
Telephone: (517) 373-2540

BUREAU OF ELECTIONS
MI DEPT OF STATE

2014 SEP 30 PM 12: 22

If your complaint meets the above requirements, the Department will notify the alleged violator that a complaint has been filed. The notification will include a copy of your complaint. The alleged violator will have an opportunity to file a response. You will have an opportunity to file a rebuttal to any response. You and the alleged violator will receive periodic reports about the actions taken by the Department concerning your complaint.

If the Department finds no reason to believe that your allegations are true, your complaint will be dismissed.

If the Department finds that there may be reason to believe your allegations are true, the Department must attempt to correct the violation or prevent further violations by informal methods such as a conference, conciliation, or persuasion, and may enter into a conciliation agreement with the alleged violator.

If the Department is unable to correct the violation or prevent further violations informally, an administrative hearing may be held to determine whether a civil violation of the MCFA has occurred, or the matter may be referred to the Attorney General for the enforcement of criminal penalties. An administrative hearing could result in the assessment of a civil penalty. Such a hearing would be conducted in accordance with the Michigan Administrative Procedures Act. An order issued as a result of such a hearing may be appealed to the appropriate circuit court.

WARNING: Section 15(8) of the MCFA (MCL 169.215) provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. Under section 15(14) of the MCFA (MCL 169.215), the Secretary of State may require a person who files a complaint with a false certification to:

- Pay the Department some or all of the expenses incurred by the Department as a direct result of the filing of the complaint.
- Pay the alleged violator some or all of the expenses, including, but not limited to, reasonable attorney fees, incurred by that person as a direct result of the filing of the complaint.
- Pay a civil fine of up to \$1,000.00.

If you have any questions about the complaint process, please write or call the Legal and Regulatory Services Administration.

Explain how those sections were violated:

Section 24 of the Michigan Campaign Finance Act (MCFA), P.A. 388 of 1976, requires a "person," as defined under the act:

MCL 169.211, Section 11. (2) "Person" means a business, individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, labor organization, company, corporation, association, committee, or any other organization or group of persons acting jointly.

operating within Michigan or out-of-state, to file a statement of organization with the Michigan Department of State Bureau of Elections as soon as it receives or spends \$500.00 or more in a calendar year to influence voters for or against the nomination or election of one or more candidates in Michigan:

Michigan's Campaign Finance Act (MCFA), P.A. 388 of 1976, covers a "person" operating within Michigan or out-of-state as soon as it receives or spends \$500.00 or more in a calendar year to influence voters for or against the nomination or election of one or more candidates in Michigan, the qualification, passage or defeat of one or more ballot questions in Michigan or assists a political party to obtain ballot access in Michigan. The term "person" is used to mean "a business, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, association or two or more individuals who act jointly". As soon as a person reaches the \$500.00 threshold, they have 10 calendar days to form and register a "committee" under the MCFA. A person that is covered by the MCFA, registers a committee by filing this form with the appropriate filing official. A corporation, labor organization or domestic dependent sovereign (recognized Indian tribe) must register a committee in order to receive or spend any money to influence voters for or against the nomination or election of a candidate in Michigan.

In this instance, the "person" in question, is the Michigan Jobs and Labor Foundation, a 501(c)(4) nonprofit 'social welfare organization' registered under the IRS and the Michigan Department of LARA.

The Michigan Jobs and Labor Foundation EIN number is 383331134.

To summarize the issue, the Michigan Jobs and Labor Foundation, pulled three TV ads off the air on Thursday, September 25, 2014 that were paid for by the organization. Two of the TV ads in question expressly advocated for the candidacy of two state senate candidates (i.e. Ken Horn for the 32nd State Senate District and Dale Zorn for the 17th State Senate District). The third TV ad was an issue ad on behalf of Senator Patrick Colbeck, an incumbent currently running for re-election to the State Senate. ***Please refer to the enclosed news articles by GONGWER and MIRS News that are related to this violation.***

As previously stated, section 24 of the Michigan Campaign Finance Act (MCFA), P.A. 388 of 1976, requires a "person," as defined under the act to file a statement of organization with the Michigan Department of State Bureau of Elections as soon as it receives or spends \$500.00 or more in a calendar year to influence voters for or against the nomination or election of one or more candidates in Michigan.

As soon as a "person" reaches the \$500.00 threshold, it has 10 calendar days to form and register a "committee" under the Michigan Campaign Finance Act. In this instance, you will find that the "person" has reached the \$500.00 limit, and the 10-day window has passed.

It is evident that the two TV ads in questions entered into express advocacy for the election of the previously stated candidates. Specifically, at the end of the:

pro Ken Horn TV ad, while the paid for disclaimer reading Michigan Jobs and Labor Foundation is on screen, you will see the following words displayed prominently: "Ken Horn for Senate"

pro Dale Zorn TV ad, while the paid for disclaimer reading Michigan Jobs and Labor Foundation is on screen, you will see the following words displayed prominently: "Dale Zorn for Senate"

Express advocacy communications use terms and phrases that directly advocate for the election or defeat of a candidate (i.e. Ken Horn for Senate).

Express advocacy communications are independent expenditures if they are made without the direction or control of a candidate. If a candidate exercises direction or control over an express advocacy communication, then the cost of the communication becomes an in-kind contribution to the candidate.

Express advocacy communications, under the direction or control of a candidate, must be paid for with funds subject to the limits and prohibitions of the Michigan Campaign Finance Act.

It is important to point out that Steve Linder, a partner of the Sterling Corporation, acting as an agent of the Michigan Jobs and Labor Foundation, publicly admitted to members of the media that these TV ads expressly advocated for the election of these two candidates in direct violation of Section 24 of the Michigan Campaign Finance Act on Thursday, September 25, 2014. *Please refer to the enclosed news articles by GONGWER and MIRS News that are related to this violation.*

Therefore, in accordance with section 24 of the Michigan Campaign Finance Act, the Michigan Jobs and Labor Foundation must file a statement of organization with the Michigan Department of State Bureau of Elections having entered into express advocacy for the election of Ken Horn (32nd State Senate District) and Dale Zorn (17th State Senate District).

At this immediate time, it is unknown how much money was spent in relationship to the two TV ads in question prior to being pulled off the air last Thursday.

The Bureau of Election should take all measures necessary to determine:

1. how many times each ad aired,
2. how much money was spent purchasing air time for each TV ad,
3. the production cost for each TV ad, and
4. any other applicable costs associated with these TV ads.

However, it is clear that over \$500.00 was spent in the production and media buys for these TV ads. *Please refer to the enclosed NAB (National Association of Broadcasters) form that was submitted by the Michigan Jobs and Labor Foundation for a media buy with WNEM, confirming that they have spent in excess of \$500.00.*

In accordance with section 24 of the Michigan Campaign Finance Act, the organization's ten-day window would have began 10 days after it spent or received in excess of \$500.00 to influence the elections of Ken Horn (32nd State Senate District) and Dale Zorn (17th State Senate District).

The previously mentioned NAB form is dated Monday, September 8, 2014, meaning the Michigan Jobs and Labor Foundation clearly failed to file the necessary paperwork (i.e. statement of organization) with the Michigan Department of State Bureau of Elections in accordance with the ten-day window permitted under section 24 of the Michigan Campaign Finance Act.

In this instance, we don't know when the Michigan Jobs and Labor Foundation raised the money it expended to influence the elections of Ken Horn (32nd State Senate District) and Dale Zorn (17th State Senate District) because they are not required to file and disclose donor information publicly as a 501(c)(4) organization.

The 10-day window may very well have begun prior to the Monday, September 8, 2014, as it is unclear when they first spent or received in excess of \$500 to influence these elections. The revenue used to produce and air these TV ads could very well have been received months ago. The Bureau of Elections will need to audit the Michigan Jobs and Labor Foundation to determine when the money was received. The Bureau of Election should take all measures necessary to determine this information in order to enforce the Michigan Campaign Finance Act.

Moreover, having entered into express advocacy for the election of the previously mentioned candidates and having spent in excess of \$500 to influence those respective elections, the Michigan Jobs and Labor Foundation is required to file quarterly statements in accordance with section 26 of the Michigan Campaign Finance Act. The Bureau of Election should take all measures necessary to determine any information that should have previously been reported and disclose it publicly in accordance with the Michigan Campaign Finance Act.

Any and all fines stemming from these violations should be issued in accordance with the Michigan Campaign Finance Act.

The Michigan Department of State Bureau of Elections should also issue a notice to the Michigan Jobs and Labor Foundation to cease and desist all paid and public communications until a thorough investigation is conducted to determine the nature, legal status, and authorization of the Michigan Jobs and Labor Foundation, as 501(c)(4) nonprofit social welfare organizations are not permitted to enter into express advocacy for or against the election of candidates, and as the "person" in question is in direct violation of the Michigan Campaign Finance Act.

Contextual/background information concerning the Michigan Jobs and Labor Foundation:

The phone number provided on the Michigan Jobs and Labor Foundation's IRS 990 is (517) 371-2006, which is the phone number for the Senate Republican Campaign Committee's office. *Please refer to the attached copy of the Michigan Jobs and Labor Foundation's 2012 IRS 990 form.*

It should also be noted that the Michigan Jobs and Labor Foundation's officers are former Republican Senate Caucus members (i.e. former Senators Phil Hoffman and Alan Sanborn) and employees of the Sterling Corporation (i.e. Ellen Kletzka, an executive at the Sterling Corporation serves as the treasurer).

The Sterling Corporation, a Lansing-based political consulting firm, is the lead consulting firm to the Senate Republican Campaign Committee and their candidates. In this capacity, the Sterling Corporation conducts campaign and political consulting work for the Senate Republican Campaign Committee and Republican candidates for the State Senate, while also playing an executive and client-based role to the Michigan Jobs and Labor Foundation.

Furthermore, questions regarding the Michigan Jobs and Labor Foundation (if you were to call the Senate Republican Campaign Committee offices in an attempt to reach the Michigan Jobs and Labor Foundation) are being directed to Mr. Steve Linder, a partner of the Sterling Corporation. *Please refer to the enclosed news articles by GONGWER and MIRS News that are related to this violation.*

Evidence that supports those allegations (attach copies of pertinent documents and other information):

The TV Ad in question, supporting Ken Horn's candidacy for State Senate (32nd District), can be viewed at the following URL: <http://mms.tveyes.com/PlaybackPortal.aspx?SavedEditID=13e4cc82-0248-4e41-ad1e-7539f8c35fc4>

At the end of the TV ad, while the paid for disclaimer reading Michigan Jobs and Labor Foundation is on screen, you will see the following words displayed prominently: "Ken Horn for Senate"

We have also included screen shots from Ken Horn and Patrick Colbeck's Facebook pages for your review.

GONGWER: Senate GOP Under Fire On Ads

Ads for several Senate Republican candidates are coming under fire for a potential campaign finance violation, as they state they're paid for by a group named the Michigan Jobs and Labor Foundation, a registered domestic nonprofit, yet they engage in apparently unlawful express election advocacy.

Nonprofits can only conduct issue advocacy that offers positive or negative information about a candidate, provided that the information never mentions the fact that person is a candidate.

The ads in question feature **Sen. Patrick Colbeck** (R-Canton Township), running for re-election in the 7th Senate District; Republican former Rep. Ken Horn of Frankenmuth, running in the 32nd District; and **Rep. Dale Zorn** (R-Ida), running in the 17th District.

While the ads discuss the work of the men and do not vocally urge viewers to vote for each individual, they all end with a logo saying, for example, "Ken Horn for Senate", and noting the Jobs and Labor Foundation paid for the ads.

The same was true of the Zorn ad. However, Mr. Colbeck's ad did not appear to feature the same logo advocating his election.

The Michigan Campaign Finance Act defines the use of the term "for" as express advocacy that unequivocally constitute a campaign expenditure (such as Smith for Governor). Under the Supreme Court's ruling Citizens United, corporations can engage in express advocacy, but Michigan Jobs and Labor Foundation is not a corporation per its **status with both the state** of Michigan and the IRS.

Lon Johnson, the Michigan Democratic Party chair, said he would file a formal complaint with the Internal Revenue Service and the Michigan Bureau of Elections.

"The information that's already been uncovered about this organization has raised serious questions about whether the Michigan Senate Republicans are flagrantly violating Michigan's campaign laws," said Johnson. "I would expect both the state and the IRS to follow up immediately with a thorough investigation into this organization's finances so the people of Michigan can know the truth."

Who runs the foundation was less clear as of late Thursday. As the foundation is registered with the state, it lists Sterling Corporation executive Ellen Klentzka as its resident agent. But the Foundation's IRS 990 form shows the telephone number associated with the foundation is that of the state Senate Republican Campaign Committee. However, Steve Linder, partner at The Sterling Corporation, a huge player in the Senate Republican electoral operation, insists the foundation and the SRCC are not related.

"I want to be clear: There is no connection between SRCC and foundation," he said in a phone interview. Mr. Linder acknowledged that the foundation cannot collaborate with candidates or engage in express advocacy, and that the ads will be redone. He was unsure how soon they would go up again.

"They were not intended to be express advocacy," Mr. Linder said. "They were intended to be issue ads." Mr. Linder said the foundation rented space many years ago when it formed (in 1997, according to the 990) and got a phone number, but now it no longer has a phone number. "That space ended up being rented by the SRCC," Mr. Linder said.

But Dan Opsommer, spokesperson for the campaign for **Rep. Stacy Erwin Oakes** (D-Saginaw), who is running against Mr. Horn in the 32nd Senate District, said otherwise.

"The Sterling Corporation controls this so-called 'nonprofit' while simultaneously overseeing the campaigns of each state Senate candidate and their caucus campaign committee. They control the entire show," he said. "Buy Senate Seats at all Costs' should be their Senate GOP's campaign slogan."

As to the issue of express advocacy in the ads, Mr. Linder said it was "a production problem." The ads have since been removed from YouTube.

"It had inadvertently put the wrong verbiage on the bottom of the ad. It had the likeness of the logo of the candidate," he said. "There was a production problem where one (Candidate for Senate) got inserted for the other (a call to action)."

But Mr. Opsommer, also addressing this aspect, said the ads were "no mistake," but rather a "calculated effort by professional consultants hiding behind a so-called 'nonprofit' in an effort to deceive voters.

"The Sterling Corporation deliberately produced illegal TV ads under the veil of this 'social welfare organization' for the Senate candidates that were too arrogant to request contributions from the people they desire to serve," he said. "The facts paint a clear picture and a lack of regard for the democratic process."

But records with the National Association of Broadcasters also **show** a media buy with at least WNEM, a television station in the Saginaw area, and expenditures in excess of the \$500 minimum that, by state law, mandates any entity must register with the department and file reports. The foundation is not registered with the Department of State.

It was not immediately clear if the ads had already aired on TV. If they did, Democrats or any opponents to the ads may have grounds to file a formal complaint with the Bureau of Elections, though as of late Thursday it was unclear if that option would be pursued.

"You can't put the genie back in the bottle on this one because they've already spent tens of thousands attempting to buy these elections," Mr. Opsommer said of the ad buys. "But they can start by taking equal measures to retract their illegal advertisements."

But Mr. Linder also insisted the expenses for the television buys were not independent expenditures.

MIRS News: Pro-Senate Republican Fund Pulls Ad Over Advocacy Issue

A nonprofit 501(c)4 traditionally used to advance issues popular with Senate Republicans pulled a pair of TV ads in the Saginaw-based 32nd District and the Monroe/Lenawee-based 17th Senate District this afternoon because they used the words "for State Senate" for the politicians they were promoting.

The Jobs and Labor Foundation was running ads supporting Ken **HORN** and Rep. Dale **ZORN** (R-Ida), but due to an "inadvertent technical problem" the ads printed wording on the screen that has been ruled to be expressing advocacy.

Steve **LINDER**, a consultant for The Jobs and Labor Foundation, said the second the issue was discovered, it was corrected.

Both ads were up on Youtube this morning, but had been taken off by the evening.

But a spokesperson for the campaign of Horn opponent, Rep. Stacy Erwin **OAKES** (D-Saginaw) said these ads were no mistake, but rather a calculated effort by professional consultants hiding behind a so-called "nonprofit" in an effort to deceive voters.

"You can't put the genie back in the bottle on this one because they've already spent tens of thousands attempting to buy these elections, but they can start by taking equal measures to retract their illegal advertisements," said Oakes spokesperson Dan **OPSOMMER**.

Michigan Campaign Finance Network executive director Rich **ROBINSON** said that since money has already been spent, the Jobs and Labor Foundation has to either file a campaign finance report with the state or with the county if they are claiming to be a "corporate personhood."

"The horse has left the barn," Robinson said. "They have to report it."

The Michigan Jobs and Labor Foundation has traditionally advocated for Republican Senate candidates. According to the most recent IRS filing for the group, in 2012, former Republican Sen. Phil **HOFFMAN** was the president and director with former Republican Sen. Alan **SANBORN** serving as vice president. Ellen **KLETZKA**, an executive at the Sterling Corporation--a paid consultant for the Senate Republicans--was listed as the Treasurer and Secretary.

The phone number attached to its 2012 filing with the Internal Revenue Service, however, connects to the Senate Republicans' office with any questions about the Foundation referred to the Sterling Corporation, of which Linder is president.

The Sterling Corporation is the paid consultant for the Senate Republican Campaign Committee, but Linder insists that the Foundation's mission is research and advocacy on issues and not about advocacy for campaigns.

"We're talking to voters about issues," he said.

The Foundation, he said, does not have a concrete office or a phone number. The information put on the IRS filing was simply repeated from past filings, of which there have been many, Linder said.

Opsommer dismissed the Foundation as being in clear coordination with the Senate Republican campaign operation given the phone number published on its 990 forms.

"The Sterling Corporation controls this so-called 'nonprofit' while simultaneously overseeing the campaigns of each state senate candidate and their caucus campaign committee," Opsommer said. "They control the entire show. 'Buy Senate Seats at all Cost' should be their Senate GOP's campaign slogan."

Michigan Democratic Party Chair Lon **JOHNSON** late this evening called into an investigation into the Jobs and Labor Foundation to see if the organization is violating its nonprofit status and whether the organization is being run out of the Senate Republican Campaign Committee.

"The information that's already been uncovered about this organization has raised serious questions about whether the Michigan Senate Republicans are flagrantly violating Michigan's campaign laws," Johnson said. "There is seemingly no reasonable explanation as to why the phone number for this organization that's listed on file with the IRS is the same phone number used by the Senate Republicans' campaign committee. I would expect both the state and the IRS to follow up immediately with a thorough investigation into this organization's finances so the people of Michigan can know the truth."

Section 15(6) of the MCFA (MCL 169.215) requires that the signed certification found in section 4 of this form be included in every complaint. However, if, after a reasonable inquiry under the circumstances, you are unable to certify that certain factual contentions are supported by evidence, you may also make the following certification:

I certify that to the best of my knowledge, information, or belief, there are grounds to conclude that the following specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry. Those specific contentions are:

By outward appearance, it appears that the Michigan Jobs and Labor Foundation is a shell organization founded, funded, and operated by the Sterling Corporation and the Senate Republican Campaign Committee.

It is also important to note that the pro Ken Horn and Dale Zorn express advocacy ads, as well as, the pro Colbeck issue ad, which were all produced by the Sterling Corporation and paid for by the Michigan Jobs and Labor Foundation, were uploaded to the Senate Republican Campaign Committee's YouTube Channel last week. However, the Michigan Jobs and Labor Foundation does not have a digital or public presence of any kind; therefore, the Senate Republican Campaign Committee could not have acquired the digital files for these TV ads through public means. By outward appearance, it appears they coordinated through their mutual consultant, the Sterling Corporation, to acquire digital files of these TV ads for social and multi media purposes.

TV ads for Margaret O'Brien (Republican candidate for the 20th State Senate District), and Geoff Hansen (Republican candidate for the 34th State Senate District), paid for by their respective candidate committees, went on air last week as well and were also uploaded to the Senate Republican Campaign Committee's YouTube Channel.

By outward appearance, given the intricate timing involved and the fact that the Sterling Corporation conducts consulting work for the Senate Republican Campaign Committee, the Michigan Jobs and Labor Foundation, and Republican candidates for State Senate, it appears that the consultants at the Sterling Corporation selectively chose which vehicle to use in producing TV ads for each candidate based on the financial resources of the various vehicles.

Additionally, when you examine the three TV ads paid for by the Michigan Jobs and Labor Foundation, you find that they did not enter into express advocacy for the TV ad produced for the incumbent state senator; however, they did enter into express advocacy for the two ads produced for Ken Horn (former state representative) and Dale Zorn (current state representative). By outward appearance, this appears to be a calculated decision since the pro incumbent ad references his work as a state senator, while the other two ads could not do this because the candidates are not incumbents; therefore, they chose to include "for Senate" and entered into express advocacy.

By outward appearance, there is coordination occurring between the Senate Republican Campaign Committee, Michigan Jobs and Labor Foundation, the various candidate committees, and the Sterling Corporation.

These are very serious questions that have been raised regarding coordination between the Senate Republican Campaign Committee, the Michigan Jobs and Labor Foundation, and the Sterling Corporation.

Furthermore, because the Michigan Jobs and Labor Foundation entered into express advocacy, and due to the specific nature of the TV ads in question (i.e. direct candidate participation where coordination, control, and direction are present), there may also be additional violations of the Michigan Campaign Finance Act.

For instance, if the "person" in question were to file as an Political PAC under the Michigan Campaign Finance Act, the candidates clearly exerted "control" and/or "direction" over the Michigan Jobs and Labor Foundation in the production of the ad, which means these communications must be recorded as an in-kind donation to the candidate and are subject to the limits, disclosure requirements, and prohibitions of the Michigan Campaign Finance Act.

Additionally, if the "person" in question files as an Independent Expenditure PAC, otherwise known as a Super PAC, there would be a violation for directly coordinating with the candidates in question. For instance, Super PACs are organized exclusively for the purpose of making independent expenditures that are not in any way directly or indirectly "coordinated" with any candidate, candidate committee, political party, or political party committee. These ads are in violation of this stated purpose as the "person" in question has already attested publicly to coordinating with the candidates.

It is also unknown at this time if corporate donations have been received by the Michigan Jobs and Labor Foundation, as this may also have significant implications under the Michigan Campaign Finance Act.

Due to the violations that have occurred, additional questions that have been raised, and the nature and severity of the situation, the Michigan Department of State Bureau of Elections should issue a notice to the Michigan Jobs and Labor Foundation to cease and desist all paid and public communications until a thorough investigation is conducted to determine the nature, legal status, and authorization of the Michigan Jobs and Labor Foundation as it relates to these previously stated issues.

CONTRACT**WNEM.COM**

www.wnem.com

WNEM-TV5
107 N. Franklin Street - 48607
Saginaw, MI 48607
(989)755-8191

And:

Strategic Media Services
3299 K Street NW, Suite 200
Washington, DC 20007
USA

Contract / Revision 607421 /		Alt Order # 07389944
Product MI JOBS & LABOR FNDN		
Contract Dates 09/23/14 - 09/29/14		Estimate #
Advertiser Michigan Jobs And Labor Foundation		Original Date / Revision 09/22/14 / 09/22/14
Billing Cycle EOM/EOC	Billing Calendar Broadcast	Cash/Trade Cash
Station WNEM	Account Executive Jared Kelhart	Sales Office TELEREP-PHIL
Special Handling		
Demographic Adults 35+		
IDB#	Advertiser Code	Product Code
Agency Ref		Advertiser Ref

*Line	Ch	Start Date	End Date	Description	Start/End Time	Days	Length	Spots/Week	Rate	PCode	Rtn	Type	Spots	Amount
N 1	WNEM	09/25/14	09/26/14	Wakeup 5-6a	5-6am		:30			FNP		NM	2	\$600.00
		<u>Start Date</u>	<u>End Date</u>	<u>Weekdays</u>				<u>Spots/Week</u>	<u>Rate</u>					
Week:		09/22/14	09/28/14	---TF--				2	\$300.00					
N 2	WNEM	09/23/14	09/26/14	Wakeup 6-7a	6-7a		:30			FNP		NM	2	\$1,200.00
		<u>Start Date</u>	<u>End Date</u>	<u>Weekdays</u>				<u>Spots/Week</u>	<u>Rate</u>					
Week:		09/22/14	09/28/14	-T--F--				2	\$600.00					
N 3	WNEM	09/23/14	09/23/14	TV-5 News at 6pm	6-630pm		:30			FNP		NM	1	\$1,500.00
		<u>Start Date</u>	<u>End Date</u>	<u>Weekdays</u>				<u>Spots/Week</u>	<u>Rate</u>					
Week:		09/22/14	09/28/14	-1-----				1	\$1,500.00					
N 4	WNEM	09/29/14	09/29/14	TV-5 News at 6pm	6-630pm		:30			FNP		NM	1	\$1,500.00
		<u>Start Date</u>	<u>End Date</u>	<u>Weekdays</u>				<u>Spots/Week</u>	<u>Rate</u>					
Week:		09/29/14	10/05/14	1-----				1	\$1,500.00					
N 5	WNEM	09/27/14	09/27/14	Wakeup (Sa) 8-9am	8-9am		:30			FNP		NM	1	\$300.00
		<u>Start Date</u>	<u>End Date</u>	<u>Weekdays</u>				<u>Spots/Week</u>	<u>Rate</u>					
Week:		09/22/14	09/28/14	-----1-				1	\$300.00					
Totals													7	\$5,100.00

Time Period	# of Spots	Gross Amount	Agency Comm.	Net Amount
09/01/14 - 09/28/14	6	\$3,600.00	(\$540.00)	\$3,060.00
09/29/14 - 09/29/14	1	\$1,500.00	(\$225.00)	\$1,275.00
Totals	7	\$5,100.00	(\$765.00)	\$4,335.00

Signature: _____ **Date:** _____

(* Line Transactions: N = New, E = Edited, D = Deleted)

Notwithstanding to whom bills are rendered, advertiser, agency and service, jointly and severally, shall remain obligated to pay to station the amount of any bills rendered by station within the time specified and until payment in full is received by station. Payment by advertiser to agency or to service or payment by agency to service, shall not constitute payment to station. Station will not be bound by conditions, printed or otherwise contracts, insertion orders, copy instructions or any correspondence when such conflict with the above terms and conditions. Two week advance cancellation notice is required unless otherwise specified.

Meredith Broadcasting does not accept advertising sales agreements that impermissibly discriminate on the basis of race or ethnicity. This non-discrimination provision is a condition of each advertising sales agreement with Meredith Broadcasting, whether verbal or written.

AGREEMENT FORM FOR NON-CANDIDATE/ISSUE ADVERTISEMENTS

Station and Location:	Date:
Wnem TV5 Saginaw MI	9-22-14

I, Benjamin Rheault

do hereby request station time concerning the following issue:

Michigan Jobs and Labor Foundation

Broadcast Length	Time of Day, Rotation or Package	Days	Class	Times per Week	Number of Weeks

This broadcast time will be used by: Michigan Jobs and Labor Foundation

**THIS PAGE MUST BE COMPLETED FOR PROGRAMMING THAT
"COMMUNICATES A POLITICAL MATTER OF NATIONAL IMPORTANCE."
FOR ALL OTHER ISSUE ADS, PLEASE GO TO PAGE 3.**

Programming that "communicates a political matter of national importance" includes (1) references to legally qualified candidates (presidential, vice presidential or congressional); (2) any election to Federal office (e.g., any references to "our next senator", "our person in Washington" or "the President"); and (3) a national legislative issue of public importance (e.g., Affordable Care Act, revising the IRS tax code, federal gun control or any federal legislation).

Does the programming (in whole or in part) communicate "a message relating to any political matter of national importance?"

☒ Yes

☐ No

For programming that "communicates a message relating to any political matter of national importance," list the name of the legally qualified candidate(s) the programming refers to, the offices being sought, the date(s) of the election(s) and/or the issue to which the communication refers (if applicable):

MI SD-17
MI SD-32
MI SD-34

I represent that the payment for the above described broadcast time has been furnished by (name and address):

Michigan Jobs and Labor Foundation
PO BOX 12355
Lansing, Michigan 48901
(517) 371-2006

and you are authorized to announce the time as paid for by such person or entity (hereinafter referred to as the "sponsor").

List the chief executive officers or members of the executive committee or the board of directors below (or attach separately):

Treasurer: Ellen Kletzka

For programming that "communicates a message relating to any political matter of national importance," attach Agreed Upon Schedule (Page 5)

**THIS PAGE MUST BE COMPLETED FOR PROGRAMMING THAT
DOES NOT "COMMUNICATE A POLITICAL MATTER OF NATIONAL
IMPORTANCE"**

I represent that the payment for the above described broadcast time has been furnished
by (name and address):

--

and you are authorized to announce the time as paid for by such person or entity
(hereinafter referred to as the "sponsor").

List the chief executive officers or members of the executive committee or the board of
directors below (or attach separately):

--

TO BE COMPLETED FOR ALL ISSUE ADVERTISEMENTS

THIS STATION DOES NOT DISCRIMINATE OR PERMIT DISCRIMINATION ON THE BASIS OF RACE OR ETHNICITY IN THE PLACEMENT OF ADVERTISING.

The Sponsor agrees to indemnify and hold harmless the station for any damages or liability, including reasonable attorney's fees, that may ensue from the broadcast of the above-requested advertisement(s). **For the above-stated broadcast(s), the sponsor also agrees to prepare a script, transcript, or tape, which will be delivered to the station at least _____ before the time of the scheduled broadcasts.**

TO BE SIGNED BY ISSUE ADVERTISER (SPONSOR)

9/8/2014

Date

Benjamin Rheault

Signature

Digitally signed by Benjamin Rheault
DN: cn=Benjamin Rheault, o, ou,
email=brheault@strategicmediaservices.com, c=US
Date: 2014.09.08 14:04:03 -0400

202-337-5700

Contact Phone Number

TO BE SIGNED BY STATION REPRESENTATIVE

☒ Accepted

☐ Accepted in Part

☐ Rejected



Signature

JEFF Guilbert

Printed Name

General Sales Manager

Title

AGREED UPON SCHEDULE

For All Issue Advertisements That Communicate a Message Relating to Any Political Matter of National Importance

Broadcast Length	Time of Day, Rotation or Package	Days	Class	Times per Week	Number of Weeks

Attach proposed schedule with charges (if available):

AFTER AIRING OF BROADCASTS:

Attach invoices or Schedule Run Summary to this Form showing:

- (1) actual air time and charges for each spot;
- (2) the date(s), exact time(s) and reason(s) for Make-Good(s), if any; and
- (3) the amount of rebates given (identify exact date, time, class of broadcast and dollar amount for each rebate), if any.

Note: Because the FCC requires that the political file contain the actual time the rate for spots "communicating a political matter of national importance" air, that information should be included in the file as soon as possible. If that information is only generated monthly, the file should include the name of a contact person who can provide the times that and rates for specific spots aired. The FCC's online political files include a folder for "Terms and Disclosures." NAB suggests that, for stations subject to the online public file rule, the names of contact person(s) be placed in that folder.

REP HEADLINE# 7389944
*** ORIGINAL REV#0 ***

REP: TEL# 610-293-4111 FAX# 610-225-1191
CREDIT ADVISORY: AGENCY CREDIT RISK !!!
ORDER WORKSHEET HARRIS REPORT FROM REP

SEP22/14 12.51
*** WNEM-TV ***

ADV # _____ ADV. NAME ISS/MI JOBS & LABOR FOUND 607421 REP.# _____ OFF.# 1584 SALESMAN # _____
AGY # 1204 AGY. NAME STRATEGIC MEDIA SERVICES BUYER NAME BEN RHEAULT
1911 NORTH FT. MYER DRIVE #400 SALES PRSN PH- JARED KELHART
ARLINGTON, VA 22209
ORDER # _____ CONTRACT # 7389944 CLASS: NATL. LOCAL REGIONAL
PRDCT MI JOBS & LABOR FNDN EST# _____ COMMENTS: (LINE, ORDER, INVOICE) _____
FLIGHT DATES SEP23/14 SEP29/14 WK-1
CITY TAX _____ STATE TAX _____ CO-OP BILLING NEEDED _____ DATE SEP22/14 12.51

REP: TO KELLY
FR JARED
NEW ORDER - MI JOBS AND LABOR FOUNDATION
TOTAL \$5100
PLS CNF THANKS

CON CM ***** THIS IS A CASH IN ADVANCE SCHEDULE *****
MICHIGAN JOBS AND LABOR FOUNDATION

:LINE#	:REP	:CD	:TIME PERIOD	:LGTH	:SEC	:RATE	:START	:END	:SPTS	:WEEK	:DAYS	:TOTL
:	:LINE#	:	:	:	:	:	:DATE	:DATE	: /WK	:INVT	:	:SPTS
1			500A-600A	30	1	\$300.00	9/25	9/26	2		TH-F	2
PROGRAM : NEWS CON COM1: NEWS CON COM2: 1X MAX/DAY												
2			600A-700A	30	1	\$600.00	9/23	9/26	2		TU,F	2
PROGRAM : NEWS CON COM1: NEWS CON COM2: 1X MAX/DAY												
3			600P-630P	30	1	\$1,500.00	9/23	9/23	1		TUE	1
PROGRAM : NEWS CON COM1: NEWS												

REP: TEL# 610-293-4111 FAX# 610-225-1191
 CREDIT ADVISORY: AGENCY CREDIT RISK !!!
 ORDER WORKSHEET HARRIS REPORT FROM REP

REP HEADLINE# 7389944
 *** ORIGINAL REV#0 ***

SEP22/14 12.51
 *** WNEM-TV ***

LINE#	REP	CD	TIME PERIOD	LGTH	SEC	RATE	START DATE	END DATE	SPTS /WK	WEEK INVT	DAYS	TOTL SPTS
-------	-----	----	-------------	------	-----	------	------------	----------	----------	-----------	------	-----------

4			600P-630P	30		\$1,500.00	9/29	9/29	1		MON	1
---	--	--	-----------	----	--	------------	------	------	---	--	-----	---

PROGRAM : NEWS
 CON COM1: NEWS

5			800A-900A	30		\$300.00	9/27	9/27	1		SAT	1
---	--	--	-----------	----	--	----------	------	------	---	--	-----	---

PROGRAM : NEWS
 CON COM1: NEWS

SEP/14	\$3,600.00	OCT/14	\$1,500.00					CONTRACT TOTAL	\$5,100.00
								TOTAL SPOTS	7

MARKET TOTALS \$10,851 WT 0%

SVC- NSI
 DEMOS- RA35+*

Form

990**Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2012**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

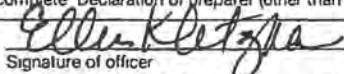
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

A For the 2012 calendar year, or tax year beginning , 2012, and ending , 20	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization MICHIGAN JOBS & LABOR FOUNDATION Doing Business As _____ Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 12355 City, town or post office, state, and ZIP code LANSING, MI 48901 D Employer identification number 38-3331134 E Telephone number 517-371-2006 G Gross receipts \$ 632,291 H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶ _____ F Name and address of principal officer Ellen Kletzka PO Box 12355 Lansing, MI 48901 I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) (4) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ _____ K Form of organization <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ _____ L Year of formation 1997 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: The organization's primary exempt purpose is to research and promote issues that concern jobs and labor in the State of Michigan. The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market through polling and used this information to further its exempt purposes.		
	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	3
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	2
	5 Total number of individuals employed in calendar year 2012 (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)	253,500	632,250
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		41
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	253,500	632,291	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		14,000
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	135,167	560,789
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	135,167	574,789
19 Revenue less expenses. Subtract line 18 from line 12	118,333	57,502	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	218,865	202,222
	21 Total liabilities (Part X, line 26)	0	0
	22 Net assets or fund balances. Subtract line 21 from line 20	144,720	202,222

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
Ellen Kletzka, Treasurer
 Type or print name and title

Paid Preparer Use Only
 Print/Type preparer's name _____ Preparer's signature _____
 Firm's name ▶ _____
 Firm's address ▶ _____

May the IRS discuss this return with the preparer shown above? ()

For Paperwork Reduction Act Notice, see the separate instructions.

SCANNED MAY 31 2013

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐

- 1 Briefly describe the organization's mission:
 The organization's primary exempt purpose is to research and promote issues that concern jobs and labor in the State of Michigan.
 The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market through polling and used this information to educate the public and further its exempt purposes.
- 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 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 \$ 317,758 including grants of \$) (Revenue \$)
 The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market through polling and used this information for purposes of conducting educational seminars to discuss issues

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

4e Total program service expenses 317,758

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)? If "Yes," complete Schedule A	1	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	
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? If "Yes," complete Schedule C, Part II	4	
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? If "Yes," complete Schedule C, Part III	5	
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? If "Yes," complete Schedule D, Part I	6	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	
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? If "Yes," complete Schedule D, Part VI	11a	
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? If "Yes," complete Schedule D, Part VII	11b	
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? If "Yes," complete Schedule D, Part VIII	11c	
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? If "Yes," complete Schedule D, Part IX	11d	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	
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)? If "Yes," complete Schedule D, Part X	11f	
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	
14 a Did the organization maintain an office, employees, or agents outside of the United States?	14a	
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? If "Yes," complete Schedule F, Parts I and IV	14b	
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? If "Yes," complete Schedule F, Parts II and IV	15	
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? If "Yes," complete Schedule F, Parts III and IV	16	
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? If "Yes," complete Schedule G, Part I (see instructions)	17	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	
20 a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

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? If "Yes," complete Schedule I, Parts I and II	21	
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? If "Yes," complete Schedule I, Parts I and III	22	
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? If "Yes," complete Schedule J	23	
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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
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? If "Yes," complete Schedule L, Part I	25a	
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? If "Yes," complete Schedule L, Part I	25b	
26 Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	
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? If "Yes," complete Schedule L, Part III	27	
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? If "Yes," complete Schedule L, Part IV	28a	
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	
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? If "Yes," complete Schedule L, Part IV	28c	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	
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? If "Yes," complete Schedule R, Part I	33	
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	
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? If "Yes," complete Schedule R, Part VI	37	
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 0		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 0		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		
b If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?	9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 3		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 3		
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?	2		
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?	3		
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		
6 Did the organization have members or stockholders?	6		
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?	7a		
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a		
b Each committee with authority to act on behalf of the governing body?	8b		
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	9		

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

		Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a		
b 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?	10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		
b 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	12a		
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b		
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c		
13 Did the organization have a written whistleblower policy?	13		
14 Did the organization have a written document retention and destruction policy?	14		
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?			
a The organization's CEO, Executive Director, or top management official	15a		
b Other officers or key employees of the organization	15b		
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
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?	16a		
b 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?	16b		

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.
☐ Own website ☐ Another's website ☐ Upon request ☐ Other (explain in Schedule O)

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: ► Ellen Kletzka, 112 E Allegan, Ste 700, Lansing, MI 48933 571-267-9012

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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 (list any hours for related organizations below dotted line)	(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) Phil Hoffman President/Director	1							0	0	0
(2) Ellen Kletzka Treasurer/Secretary/Director	1							0	0	0
(3) Alan Sanborn VP/Director	1							0	0	0
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(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 (list any hours for related organizations below dotted line)	(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								0	0	0
c Total from continuation sheets to Part VII, Section A								0	0	0
d Total (add lines 1b and 1c)								0	0	0

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

- | | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | |
| 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? If "Yes," complete Schedule J for such individual | | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | |

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
STERLING CORP, 106 W ALLEGAN, STE 200, LANSING, MI 48933	FUNDRAISING/CONSULTING	112,139
	EVENT PLANNING/	
	REIMBURSE FOR EVENT	
	COSTS	
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	1	

Part VIII Statement of RevenueCheck if Schedule O contains a response to any question in this Part VIII. ☐

			(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			
	c	Fundraising events	1c	632,250		
	d	Related organizations	1d			
	e	Government grants (contributions)	1e			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f		632,250		
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)		41	
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			
b		Less: direct expenses	b			
c		Net income or (loss) from fundraising events				
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.		632,291			

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).

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				
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				
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	2,080		2,080	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17	14,000			14,000
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	46,000	46,000		
12 Advertising and promotion				
13 Office expenses				
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				
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 Political Donation	235,000		235,000	
b Fundraising costs	4,205			4,205
c Travel	1,494		1,494	
d Program/Education expenses	271,758	271,758		
e All other expenses Bank fee/Postage	252		252	
25 Total functional expenses. Add lines 1 through 24e	574,789	317,758	238,826	18,205
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 SheetCheck if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	144,720	1	52,181
	2 Savings and temporary cash investments		2	150,041
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other 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). Complete Part II of Schedule L		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		13	
	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)	144,720	16	202,222	
Liabilities	17 Accounts payable and accrued expenses		17	
	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 Loans and other 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	0	26	0
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), 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 (ASC 958), check here <input 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	144,720	33	202,222	
34 Total liabilities and net assets/fund balances	144,720	34	202,222	

Part XI Reconciliation of Net AssetsCheck 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	632,291
2	Total expenses (must equal Part IX, column (A), line 25)	2	574,789
3	Revenue less expenses. Subtract line 2 from line 1	3	57,502
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	144,720
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	202,222

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☐ Accrual ☐ 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? . . .
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? . . .
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis
- c** 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.
- 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? . . .
- b** 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

	Yes	No
2a		
2b		
2c		
3a		
3b		

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No 1545-0047

2012

**Open to Public
Inspection**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization

MICHIGAN JOBS & LABOR FOUNDATION

Employer identification number

38-3331134

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ 235,000
- 3 Volunteer hours ▶

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ 235,000
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1) SENATE MAJORITY PAC	PO BOX 14061 LANSING, MI 48933		235,000	0
(2)				
(3)				
(4)				
(5)				
(6)				

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

Part IV Supplemental Information (continued)

Lined area for supplemental information.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

MICHIGAN JOBS & LABOR FOUNDATION

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 8a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public
Inspection

Employer identification number

38-3331134

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|--|---|
| a <input type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No
- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1 STERLING CORP 112 E ALLEGAN, STE 700, LANSING, MI 48933	FUNDRAISING			632,250	14,000	618,250
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total				632,250	14,000	618,250

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

MICHIGAN

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 Personal Contact (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	632,250			632,250
	2 Less: Contributions				
	3 Gross income (line 1 minus line 2)	632,250			632,250
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	3,902			
	8 Entertainment				
	9 Other direct expenses	303			
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				(4,205)
11 Net income summary. Combine line 3, column (d), and line 10 ▶				628,045	

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				()
	8 Net gaming income summary. Combine line 1, column d, and line 7 ▶				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

- Address ►

- Address ►

- Name ▶ _____

Gaming manager compensation ► \$ _____

Description of services provided ▶

☐ Director/officer☐ Employee☐ Independent contractor

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

MICHIGAN JOBS & LABOR FOUNDATION

Compensation Information
For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

**Open to Public
Inspection**

Employer identification number
38-3331134

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

--	--	--

1b		
----	--	--

2		
---	--	--

--	--	--

4a		
----	--	--

4b		
----	--	--

4c		
----	--	--

--	--	--

5a		
----	--	--

5b		
----	--	--

--	--	--

6a		
----	--	--

6b		
----	--	--

--	--	--

7		
---	--	--

8		
---	--	--

9		
---	--	--

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	(i)							
	(ii)							
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

This image shows a full page of a document template. It consists of a white background with approximately 20 horizontal dashed lines spaced evenly apart, resembling a piece of lined paper. There are no margins, text, or other markings present.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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.

OMB No 1545-0047

2012

**Open to Public
Inspection**

Name of the organization
MICHIGAN JOBS & LABOR FOUNDATION

Employer identification number
38-3331134

PART VI, LINE 3 MANAGEMENT COMPANY

MJ&L Foundation has hired a firm to fund raise, plan and execute educational events, conduct labor market surveys, and other tasks

The Board of Directors monitors the activities of MJ&L Foundation

PART VI, LINE 11b REVIEW OF 990

The Treasurer of the Organization prepared and approved the 990. The Directors review the 990 and approve before filing

PART VI, LINE 12c CONFLICT OF INTEREST POLICY

Conflict of interest statements are completed annually and reviewed by the Board of Directors

PART VI, LINE 15b COMPENSATION POLICY

The Organization does not have any employees. All services are provided through consultants and volunteers

PART VI, LINE 19 AVAILABILITY OF DOCUMENTS

Upon request, the Organization will make available to the public its organizational documents, policies, and financial statements

This image shows a full page of handwriting practice paper. It features multiple sets of horizontal dashed lines spaced evenly down the page, providing a guide for letter height and placement. The background is white, and there are no other markings or text present.



Colbeck for MI Senate shared a link

September 24

On the list of things that I never thought I would do when I graduated from the University of Michigan with Bachelors and Masters degrees in Aerospace Engineering is appear in a TV commercial. Many thanks to the Senate Republican Campaign Committee for pushing me out of my engineering comfort zone! I think that Doug and crew did a great job pulling this together!

Many more thanks goes out to the folks at MIAT (Tim Kissel, Tony Wade, John Corina, Andrew Winzeler, Troy Hammond, Charles Hawes), the Yankee Air Museum (Dennis Norton, Paul Hakala, Hank Koski), veterans (Duane Zantop, Tom Castello, Reg Kozub, Phil Stargell, Gordon Cole, Howard Rundell), Marketplace Homes (Mike Kalis, Amber O'Leary), Mayor Jack Kirksey, Judy Hansel, Paula Ford, George's Senate Coney Island (George Dimopoulos, Debbi Baxter, Andrew Kurt, Brandon Baxter, David Fitch, Sarah Patino, Hiraku Foley), Judy Johnston Draplin, Diana Noble, and the Jobs and Labor Foundation!

P.S. Now I know why movie credits go on for so long 😊



Colbeck "Rocket Scientist" - Patrick Colbeck
Michigan Senate

Like Comment Share

5 Shares

18 people like this.

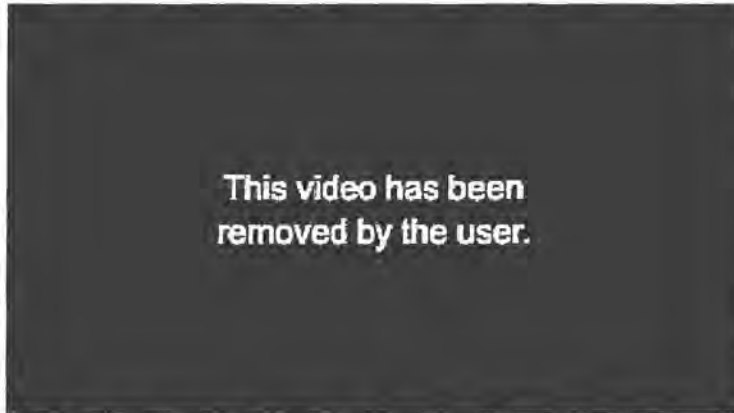


Patrick Colbeck

September 25 at 8:31pm · Edited

On the list of things that I never thought I would do when I graduated from the University of Michigan with Bachelors and Masters degrees in Aerospace Engineering is appear in a TV commercial. Many thanks to the Senate Republican Campaign Committee for pushing me out of my engineering comfort zone! I think that Doug and crew did a great job pulling this together!

Many more thanks goes out to the folks at MIAT (Tim Kessler, Tony Wado, John Corina, Andrew Winzeler, Troy Hamm... See More



Colbeck "Rocket Scientist" - Patrick Colbeck Michigan Senate

[YOUTUBE.COM](#)
[Like](#) [Comment](#) [Share](#)

36 people like this.

2 shares

View 6 more comments



Fillippo Stargell Great Ad, Great St. Senator, Great For Michigan

September 25 at 5:00pm · [Like](#) 1



GIGI Positivity it won't play. Says it was removed by user

September 26 at 1:19am · [Like](#)



Patrick Colbeck Stay tuned...seeing if I can find another link to it. I need to rely upon others to post it on the web. Our campaign committee does not have access to the video file.

September 26 at 3:03am · [Like](#)



Minesh Baxi <http://www.foxnews.com/.../white-house-to-host...>

September 26 at 7:12pm · [Like](#)



Patrick Colbeck

September 24 at 7:21pm · Edited ·

On the list of things that I never thought I would do when I graduated from the University of Michigan with Bachelors and Masters degrees in Aerospace Engineering is appear in a TV commercial. Many thanks to the Senate Republican Campaign Committee for pushing me out of my engineering comfort zone! I think that Doug and crew did a great job pulling this together!

Many more thanks goes out to the folks at MIAT (Tim Kissel, Tony Wade, John Corina, Andrew Winzeler, Troy Hamm... See More



Colbeck "Rocket Scientist" - Patrick Colbeck Michigan Senate

Like · Comment · Share

👍 36 people like this.

↪ 2 shares

🗨 View 6 more comments



Fillippo Stargell Groat Ad, Groat St. Senator, Groat For Michigan.

September 25 at 5:00pm · Like · 👍 1



GIGi Positivity it won't play. Says it was removed by user

September 26 at 1:18pm · Like



Patrick Colbeck Stay tuned...seeing if I can find another link to it. I need to rely upon others to post it on the web. Our campaign committee does not have access to the video file.

September 26 at 9:08am · Like



Minesh Baxi [http://www.foxnews.com/.../white-house-to-host.../...](http://www.foxnews.com/.../white-house-to-host.../)

September 26 at 7:24pm · Like



Colbeck for MI Senate shared a link
September 24 · · ·

On the list of things that I never thought I would do when I graduated from the University of Michigan with Bachelors and Masters degrees in Aerospace Engineering is appear in a TV commercial. Many thanks to the Senate Republican Campaign Committee for pushing me out of my engineering comfort zone! I think that Doug and crew did a great job pulling this together!

Many more thanks goes out to the folks at MIAT (Tim Kissel, Tony Wade, John Corina, Andrew Winzeler, Troy Hammond, Charles Hawes), the Yankee Air Museum (Dennis Norton, Paul Hakala, Hank Koski), veterans (Duane Zantop, Tom Castello, Reg Kozub, Phil Stargell, Gordon Cole, Howard Rundell), Marketplace Homes (Mike Kalis, Amber O'Leary), Mayor Jack Kirksey, Judy Hansel, Paula Ford, George's Senate Coney Island (George Dimopoulos, Debbi Baxter, Andrew Kurt, Brandon Baxter, David Fitch, Sarah Patino, Hiraku Foley), Judy Johnston Draplin, Diana Noble, and the Jobs and Labor Foundation!

P.S. Now I know why movie credits go on for so long 😊


This video has been removed by the user.

Colbeck "Rocket Scientist" - Patrick Colbeck Michigan Senate



Ken Horn @KenHornMI · 12h

Horn "Hard Work" - Ken Horn Michigan Senate fb.me/6ObNa0V6k

 YouTube



Horn "Hard Work" - Ken Horn Michigan Senate


[View on web](#)

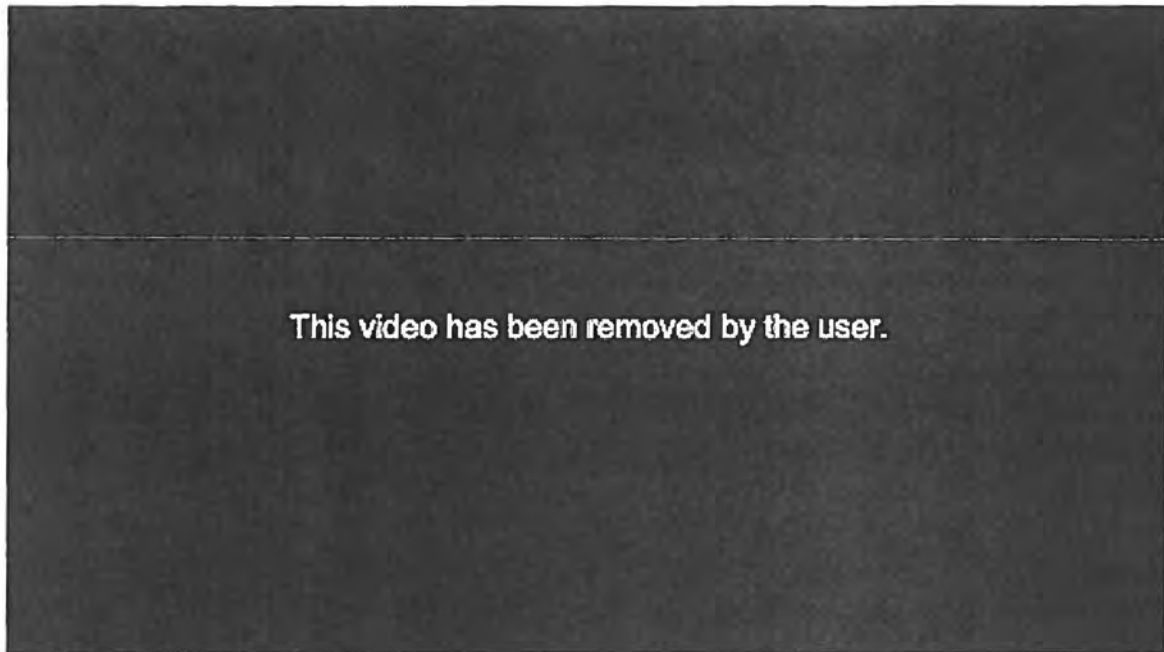
 Expand



Ken Horn @KenHornMI · 12h

Horn "Hard Work" - Ken Horn Michigan Senate fb.me/6ObNa0V6k

 YouTube



Horn "Hard Work" - Ken Horn Michigan Senate

[View on web](#)

 Expand

 Reply  Retweet  Favorite ... More

**Ken Horn**

11 hrs · Edited ·

When I tell you that Michigan is on the right track, BUT... we have a lot of work to do... this following article, I just came across in the Capitol Press "MIRS", gives you an idea of what I mean.

In 2012 we were 47th most competitive state to do business, out of all fifty states... then 39th... today we're 30th! A long row to hoe, yet.

SO...Let's get 'er done!!! ... See More



Share

👍 Mike Polston and 31 others like this.

**Ken Horn**

23 hrs · 18

I kept hearing about this ad. Just found it for my sisters in Germany and Midland 😊 — with Heidi Sartor and 2 others.



Horn "Hard Work" - Ken Horn Michigan Senate

[YOUTUBE.COM](#)[Share](#)

36 people like this.

4 shares

[View 12 more comments](#)**Susan Cribbins Borchers** nice

7 hrs

**US-Projects Sprachdienstleistungen** @Ken.... The Video Is gone!!! Can't access it!

5 hrs

**US-Projects Sprachdienstleistungen** Wanted to show it to Danny 😊

5 hrs

**Karen Martin** Like

34 mins

**Ken Horn**

Yesterday at 10:04pm · 🌐

I kept hearing about this ad. Just found it for my sisters in Germany and Midland (🇺🇸) — with Heidi Sartor and 2 others.

This video has been removed by
the user.

Horn "Hard Work" - Ken Horn Michigan Senate

YOUTUBE.COM

Share

👍 36 people like this.

↻ 5 shares

💬 View 13 more comments



US-Projects Sprachdienstleistungen @Ken.... The Video is gone!!! Can't access it!

5 hrs



US-Projects Sprachdienstleistungen Wanted to show it to Danny (🇺🇸)

5 hrs



Karen Martin Liko

1 hr



Ken Horn Suzie · I don't see it either

22 mins



Ken Horn for Michigan State Senate shared Ken Horn's status.
Yesterday

Liam Kenneth was a real trooper today, as we filmed a new TV spot. Apparently, he wasn't feeling all that well. He's resting well now, after his big debut 😊

Like · Comment · Share



Ken Horn for Michigan State Senate shared a link via Ken Horn.
12 hours ago



Horn "Hard Work" - Ken Horn Michigan Senate

Like Comment Share

1 Share

6 people like this.



Write a comment...



Carol Michalski Jansen OOOOH! Liam's a STAR!

Like · Reply · 6 hours ago



Ken Horn for Michigan State Senate shared a link via Ken Horn.
12 hours ago

This video has been removed by the user.

Horn "Hard Work" - Ken Horn Michigan Senate

Like · Comment · Share

1 Share

6 people like this.

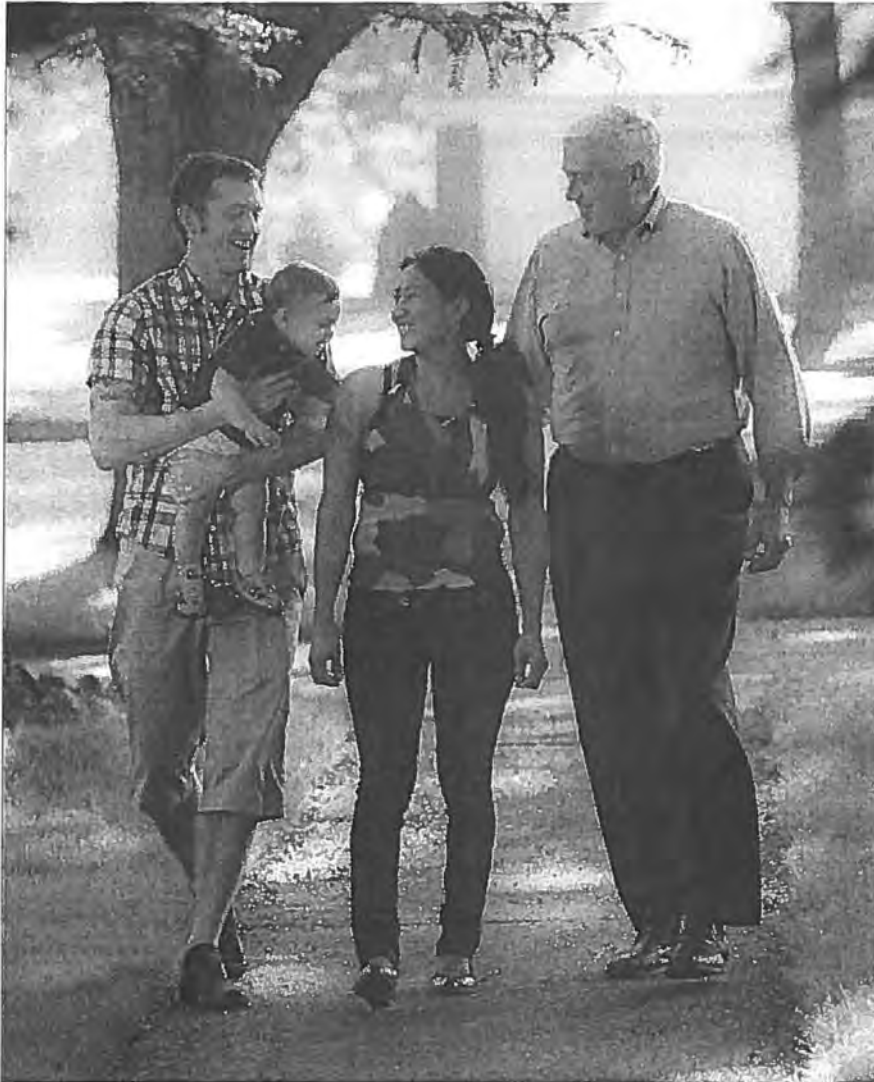


Write a comment...



Carol Michalski Jansen OOOOH! Liam's a STAR!

Like · Reply · 6 hours ago



Ken Horn for Michigan State Senate

September 13 · 1

Like · Comment · Share

Joe Graves and 132 others like this.

Top Comments ·

1 share



Heidi Sartor My family, miles away in Frankenmuth but close in my heart in Hamburg, Germany.

Like · Reply · 1 · September 24 at 2:50am



Krisanne Waske Cool pic

Like · Reply · 1 · September 14 at 6:35am



Brigitte Markey Great picture Ken!

Like · Reply · 1 · September 13 at 9:15am



Terisa Talamantez So awesome your Including them. So glad you have them all close now.

Like · Reply · September 14 at 3:17am



Tammy Schildgreff Hermosa mi prima...saludos.

Like · Reply · September 13 at 12:56pm



Kurt Zimmerman This is an extremely well done shot. Very nice!

Like · Reply · September 13 at 12:21pm

View 4 more comments



Write a comment...



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

November 25, 2014

Daniel R. Opsommer
849 North Hagadorn Road
East Lansing, Michigan 48823

Dear Mr. Opsommer:

The Department of State received a response to the complaint you filed against the Michigan Jobs and Labor Foundation, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

Melissa Malerman, Election Law Specialist
Michigan Bureau of Elections

c: Charles R. Spies
Andrew C. Richner

CLARK HILL

Charles R. Spies
T 202.572.8663
F 202.572.8683
Email: cspies@clarkhill.com

Clark Hill PLC
601 Pennsylvania Avenue NW
North Building, Suite 1000
Washington, DC 20004
T 202.772.0909
F 202.772.0919

clarkhill.com

November 14, 2014

Christopher Thomas, Elections Director
Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
Lansing, MI 48918

Re: Michigan Jobs & Labor Foundation Response to Complaint filed by Daniel R. Opsommer.

Dear Mr. Thomas,

On behalf of Michigan Jobs & Labor Foundation (“MJLF”), we are filing this letter to respond to the Complaint filed by Daniel R. Opsommer. The Complaint alleges MJLF violated the Michigan Campaign Finance Act (the “Act”) by failing to register as a political committee because it paid for advertisements that contained express advocacy. In addition, the Complaint appears to allege that there was coordination. As set forth below, the advertisements were not intended to influence any election. Any express advocacy was due to vendor error and was unintentional. Moreover, MJLF did not coordinate the advertisements with any candidate or committee. The Complaint is purely speculative and should be dismissed.

I. MJLF Advertisements Inadvertently Contained Express Advocacy

MJLF is a 501(c)(4) nonprofit organization that has a long history of promoting issues and policies that concern jobs and labor in the State of Michigan. MJLF does not intervene in elections for public office or otherwise attempt to influence the election, selection, nomination, or appointment of any individual to federal, state or local office. As such, MJLF has never been required to register as a Michigan political committee.

In September 2014, MJLF aired two television ads regarding the policy positions of two members of the Michigan legislature. The ads were produced and began airing simultaneously. The ads focused solely on policy issues and were not intended to influence any election. Due to a technical error, the ads contained an on-screen graphic identifying the members of the legislature by their campaign committee name—“Zorn for State Senate” and “Horn for State Senate,” respectively. The audio and remaining visual components of the ads make no reference

November 14, 2014

Page 2

to an election, do not reference either individual as candidates, and do not otherwise advocate the election or defeat of either individual.

The inclusion of the graphic in the communications was not authorized by MJLF. This was a mistake made by a media vendor, and was never intended to be part of the communications. In fact, when MJLF discovered the error, MJLF immediately pulled the ads from the air and from YouTube.

Although this error was made in connection with Michigan state elections subject to Michigan law, similar errors have been made in connection with Federal elections, and have been dismissed as a matter of prosecutorial discretion by the Federal Election Commission ("FEC"). For example, in FEC Matter Under Review ("MUR") 5991, U.S. Term Limits, Inc., a 501(c)(4) nonprofit corporation paid for a television ad that thanked then-Congressman Bob Schaffer for helping create the Colorado Charter School Act. The ad did not contain express advocacy and was clearly intended to be an issue ad. U.S. Term Limits asked its vendor to place the ad on YouTube. When the employee of the vendor added the ad to a YouTube page, the employee also added a caption stating "Bob Schaffer for Senate video." Critically, the employee was not authorized to add the caption, and as soon as it was discovered, the ad was removed from YouTube.

The FEC concluded the ad itself did not contain express advocacy and was an issue ad. However, the FEC also stated that addition of the caption, "Bob Schaffer for Senate video," constituted express advocacy and the costs of the YouTube version of the ad would be subject to disclosure as an independent expenditure. Nonetheless, the FEC dismissed the matter because the vendor acted without U.S. Term Limit's authorization, and U.S. Term Limits took prompt remedial action to remove the ad when the error was discovered.

The FEC took a similar position in MUR 5919 (Rhode Islanders for Jobs and Tax Relief, Inc.). In that matter, an employee of Rhode Islanders for Jobs and Tax Relief ("RIJTR"), a wholly-owned subsidiary of Harrah's Entertainment, sent an unauthorized email to 17,000 addresses on the RIJTR mailing list expressly advocating the election of a clearly identified federal candidate.¹ Within two hours, RIJTR retracted the email and informed the recipients that the email had not been authorized by RIJTR.

The FEC dismissed the matter because (1) the email was not authorized by RIJTR as evidenced by policies in place preventing employees from endorsing candidates, (2) upon discovery of the email, RIJTR took immediate remedial actions and conducted an internal investigation; and (3) RIJTR stated it would not be involved in future elections.

The circumstances in this matter are substantially no different. A media vendor made an unauthorized and inadvertent error in including the graphic in the communication. As soon as MJLF discovered the error, MJLF took immediate steps to remove the ads from the air and from

¹ This matter occurred prior to the U.S. Supreme Court's decision in *Citizens United v. FEC* where the Court held that the prohibition on independent expenditures by corporations violated the U.S. Constitution.

November 14, 2014

Page 3

YouTube. MJLF has no intention of intervening in any future elections, and has taken action to ensure that such an error does not happen in the future, to include retaining legal counsel to review all future communications.

The communications were not made for the purpose of influencing an election, and an inadvertent and unauthorized action by a media vendor should not reflect on the organization as a whole. We respectfully request that you consider the special circumstances, and use your administrative discretion to dismiss this allegation.

II. Coordination Allegations

The Complaint also makes vague, speculative allegations regarding coordination between MJLF, the Senate Republican Campaign Committee ("SRCC") and the "various" candidate committees. The Complaint alleges that MJLF is "a shell organization founded, funded and operated by the Sterling Corporation and the Senate Republican Campaign Committee." Compl. at 7. This baseless, speculative assertion is provably false, and even if it were true, it is irrelevant. In addition, the Complaint appears to allege that the candidates who appeared in the ads somehow "exerted 'control' and/or 'direction'" over the ads. Compl. at 8. The Complaint, however, provides no evidence to support this allegation.

A. The MJLF Ads Were not Coordinated with the SRCC

MJLF is an independent 501(c)(4) nonprofit organization that is controlled by an independent board of directors. MJLF is not under the direction or control of any other person, including any state candidate, officeholder or political committee. The SRCC is a Senate political party caucus committee, pursuant to MCL 169.224(a). Its members include the Republican members of the Michigan State Senate, and it is controlled by the Senate Majority Leader. Thus, MJLF and the SRCC are separate, distinct organizations. The Sterling Corporation contracts separately with MJLF and the SRCC to provide consulting services.

Neither Zorn nor Horn are members of the Michigan State Senate. They are not members of SRCC, and are not otherwise involved with the SRCC.

Under Michigan law, an "independent expenditure" is "an expenditure by a person if the expenditure is not made at the direction of, or under the control of, another person and if the expenditure is not a contribution to a committee." MCL § 169.209(2). As a result of the July 2010 Federal District Court ruling in *Michigan Chamber of Commerce, et. al v Land*, the Federal standards for coordination also apply to ads paid for by independent expenditure-only political committees in Michigan. In its Order, the court stated that, in addition to the Michigan "direction and control" requirements, an expenditure will be considered to be "coordinated" if the expenditure if it "was made in concert or cooperation with or at the request or suggestion of the candidate, candidate committee, or political party committee, or any of their agents, within the meaning of 2 U.S.C. §431(17)."

Under the Federal Election Campaign Act of 1971, as amended (the "Act"), and Federal Election Commission ("FEC") regulations, spending is independent only if it "is not made in concert or cooperation with or at the request or suggestion of " a candidate or political party committee." 2 U.S.C. §431(17). The FEC uses a three-prong test to determine whether a communication is considered independent or coordinated: (1) whether an outside speaker paid for the communication; (2) the content of the communication, such as whether the communication contains express advocacy, and (3) the conduct of the speaker and the candidate(s) featured in the communication. If all three prongs are satisfied, a communication is deemed coordinated with a campaign or party committee.

As conceded above, the first two prongs of the test, payment and content, were satisfied. Under FEC regulations, the conduct prong is satisfied if one of the following relevant standards is met:

1. The communication is created, produced or distributed at the request or suggestion of a candidate or party committee; or created, produced or distributed at the suggestion of the group paying for the communication and the candidate assents to the suggestion.
2. The candidate is materially involved in decisions regarding the content, intended audience, means or mode of the communication, specific media outlet used, the timing or frequency or size or prominence of a communication.
3. The communication is created, produced or distributed after one or more substantial discussions about the communication between the group paying for the communication and the candidate, the candidate's committee, the candidate's opponent or opponent's committee, or a party committee.
4. If the group paying for the communication employs a common vendor to create, produce or distribute the communication, and that vendor: (1) is currently providing services or provided services within the previous 120 days to the candidate or party committee that puts the vendor in a position to acquire information about the campaign's plans, projects, activities or needs of the candidate or political party committee; and, (2) uses or conveys information about the plans or needs of the candidate or political party, or information previously used by the vendor in serving the candidate or party, and that information is material to the creation, production or distribution of the communication.²

The ads at issue in this matter were solely created by and paid for by MJLF. They were not coordinated with the SRCC, and no member of the SRCC was involved in the creation, production or distribution of any of the advertisement. Moreover, the fact that the Sterling Corporation provides consulting services to both entities does not provide any basis to conclude that the ads were coordinated with the SRCC. The common vendor rule only applies in circumstances where a vendor provides or has provided services to a group paying for an ad (in

² The conduct prong includes an additional standard relating to the employment of a former employee or independent contractor of a candidate or party committee. That standard is not relevant to this issue.

this instance, MJLF) and to the candidate that is named in the ad (in this instance, Horn or Zorn) or to a political party committee. The SRCC is not a political party committee. Moreover, neither Horn nor Zorn are members of or have any involvement with the SRCC. Thus, even if the SRCC had been involved in the creation, production or distribution of the ads, that would not constitute a violation of the Act.

B. The MJLF Ads Were Not Coordinated with the Candidates

Moreover, none of the ads in question were made at the direction or control the candidates. All decisions regarding the ads, including the footage that would ultimately be used in the ads, were made by MJLF and its production team. In fact, the candidates did not know the ads had been created until they actually aired. As such, the ads were not coordinated as defined under Michigan law, and do not constitute in-kind contributions to the candidates.

Several weeks before any communication was contemplated or had been written, a vendor of MJLF shot footage (b-roll) of the candidates. Each shoot averaged approximately 90 minutes. The candidates who were filmed made no decisions regarding what footage MJLF would shoot and how they would appear in the footage. Moreover, no discussions with the candidates regarding how the b-roll would be used (if at all), and no discussions regarding any potential messaging or any potential public communications.

The messaging and the scripts for the ads were written several weeks later, at which time the b-roll was reviewed to determine what footage could be used in the ads, if any. At no time did any employee or agent of MJLF discuss with any candidate details of the ads, to include the creation, content or placement of the ads.

The ads at issue in this case were not made in concert or in cooperation with the candidates, nor did any candidate suggest or otherwise assent to the ads. Moreover, the candidates were not materially involved in decisions nor did they have any substantial discussions regarding the content, intended audience, means or mode of the ads. The candidates were not involved in any decisions regarding the scripts or the messaging, and at no time were the candidates told any details about the ads, including the creation, content, timing or placement of the ads. In fact, the ads were not written and created for several weeks after the b-roll was filmed.

The fact that MJLF obtained b-roll footage with the candidates' knowledge does not constitute coordination. Outside groups routinely film candidates with their knowledge in order to obtain usable footage. Such knowledge does not denote or imply cooperation or assent with respect to potential ads that may be created and produced using the footage.

The FEC has specifically addressed the use of b-roll in several recent enforcement actions, and has not found that there was a violation in instances where outside groups have obtained footage directly from a candidate's vendor or from a candidate's website. See MUR 5879 (DCCC/Harry Mitchell), MUR 6357 (American Crossroads), MUR 6617 (Christie Vilsack

November 14, 2014

Page 6

for Iowa) and MUR 6667 (Cherie Bustos for Congress). In those matters, the controlling Commissioners concluded that using a few seconds of silent footage obtained from a candidate in an ad that is otherwise independent does not constitute an in-kind contribution so long as the footage is used to create the outside group's own independent message distinct from any message of the candidate.

There is really no material distinction between a candidate posting his or her own b-roll footage on a website for others to download and use, and filming a candidate with his or her knowledge without any other input into how the footage will be shot and how the candidate will appear. In fact, a candidate arguably has more control over what he or she makes publicly available for use by others. B-roll, by its nature, has no discernible message, and the use of a few seconds of silent footage by an outside group in the creation of its own independent message does not convert an otherwise independent communication into an in-kind contribution, regardless of how the footage was obtained. As in the FEC matters cited above, MJLF used the b-roll footage to create its own independent message-- a message that the candidates had no knowledge of and no control over. Thus, there is no evidence to conclude that the ads were coordinated with the candidates, and as a result, the ads do not constitute prohibited in-kind contributions to the candidates.

IV. Conclusion

The Complaint is based purely on conjecture and worst-case assumptions, and has no basis in law. Although the ads inadvertently contained express advocacy by virtue of an on-screen graphic, this was a vendor error, and MJLF has taken steps to ensure that all future communications are reviewed by legal counsel to avoid any similar mistake in the future. Thus, we respectfully request that you dismiss the Complaint in this matter.

CLARK HILL PLC



Charles R. Spies
Andrew C. Richner
*Counsel to Michigan Jobs
and Labor Foundation*



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

October 9, 2014

Michigan Jobs and Labor Foundation
Ellen Kletzka, Resident Agent
P.O. Box 12355
Lansing, Michigan 48901

Dear Ms. Kletzka:

The Department of State (Department) has received a second complaint filed against the Michigan Jobs and Labor Foundation (MJLF) by Garrett Arwa, alleging that MJLF violated the Michigan Campaign Finance Act (MCFA), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by MCL 169.215 and the corresponding administrative rules, R 169.51 *et seq.*

Similar to the previous complaint, Mr. Arwa alleges that MJLF violated the MCFA by failing to file a statement of organization within ten days of its formation. MCL 169.224. This registration requirement is triggered when a person "receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate," in an amount that equals or exceeds \$500.00 in a calendar year. MCL 169.203(4). By law, a campaign advertisement cannot be treated as an expenditure for purposes of the MCFA unless it "support[s] or oppose[s] a ballot question or candidate by name or clear inference" or unless it contains "express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for governor,' 'vote against,' 'defeat,' or 'reject.'" MCL 169.206(2)(b), (j). The complaint alleges that MJLF made expenditures, triggering an obligation to register as a committee, because words of express advocacy ("Ken Horn for Senate" and "Dale Zorn for Senate") appeared onscreen at the end of two television ads. Mr. Arwa also asserts: "Upon information and belief, decisions regarding the ads were made in concert or cooperation or otherwise coordinated with Ken Horn and/or Dale Zorn and/or the Senate Republican Campaign Committee."

Mr. Arwa raises two new allegations regarding MJLF's television ads: the ads omitted the complete identification and disclaimer statements that apply to express advocacy ads, in violation of MCL 169.247; and the ads constituted in-kind contributions, expenditures, or both from corporate treasury funds, which is prohibited by MCL 169.254.

The purpose of this letter is to inform you of the Department's examination of this matter and your right to respond to this allegation before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

Michigan Jobs and Labor Foundation
Ellen Kletzka, Resident Agent
October 9, 2014
Page 2

If you wish to file a written response to the complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918 and must be received within 15 business days of the date of this notice. If you fail to submit a written response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your reply will be provided to Mr. Arwa, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties in this matter, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]” MCL 169.215(10). Note that the Department’s enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalties provided by the MCFA.

Please note that while copies of Mr. Arwa’s complaint and supporting documentation are enclosed with this letter, Mr. Arwa also submitted video files of the television ads featuring Ken Horn and Dale Zorn. It is assumed that your organization already possesses copies of these materials, but if necessary, the video files will be provided to you upon request.

If you have any questions concerning this matter, you may contact me at (517) 335-5456.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Malerman", written over a horizontal line.

Melissa Malerman, Election Law Specialist
Michigan Bureau of Elections

c: Garrett Arwa

**MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS**

Garrett Arwa,

Complainant,

- and -

**MICHIGAN JOBS AND LABOR
FOUNDATION,**

Respondents.

2014 OCT -3 PM 3: 15

BUREAU OF ELECTIONS
MI DEPT OF STATE

COMPLAINT

Filed pursuant to MCL §169.215(5)

Michigan Department of State
Bureau of Elections
Richard H. Austin Building, 1st Floor
430 West Allegan Street
Lansing, Michigan 48918
Tel: (517) 373-2540

This Complaint, filed by Garrett Arwa pursuant to MCL §169.215(5) against Respondent Michigan Jobs and Labor Foundation (“Respondent” or “MJLF”) sets forth allegations that the Respondent has violated the Michigan Campaign Finance Act (Athe Act@), as follows:

Factual Allegations and Applicable Law

Background Information

1. Complainant Garrett Arwa is a resident of Ingham County, Michigan, whose address is: 113 Pere Marquette Apt 108 Lansing MI 48912, telephone: 517-769-4558.

2. Respondent MJLF is a Michigan non-profit corporation located at the following address: Post Office Box 12355, Lansing, Michigan 48901. MJLF is recognized by the IRS as a exempt social welfare organization under Section 501(c)(4) of the Internal Revenue Code. A copy of MJLF’s 2012 IRS Form 990 Annual Return is attached as Exhibit A.

3. The corporate officers of MJLF include Phil Hoffman and Alan Sanborn. Hoffman and Sanborn are former Republican Senators in Michigan. (Exh. A, p. 7) Another officer of MJLF is Ellen Kletzka, who is the corporate controller of the Sterling Corporation located in Lansing, Michigan. The Sterling Corporation extolls itself on its web site as, “a premier Republican communications company specializing in public affairs, political campaigns, ballot initiatives, and fundraising for corporations, trade associations, issue advocacy groups and political candidates who cannot afford to lose and must persuade and mobilize voters, donors, consumers, members, or public officials.”¹

4. Upon information and belief, MJLF is closely connected with Michigan’s Senate Republican Leadership, and specifically with the Michigan Senate Republican Campaign Committee. For example, the telephone number listed for MJLF on its 2012 Form 990 (Exh. A,

¹ See: <http://www.sterlingcorporation.com>

p. 1) is the same number listed by the Michigan Senate Republican Campaign Committee on its website. (Exhibit 2, screen shot of MSRCC website)

Respondent's Activities

5. MJLF paid for the production and airing of television ads supporting Dale Zorn and Ken Horn, Republican candidates for the Michigan Senate in the 2014 general election. Upon information and belief, MJLF's purchases exceeded \$500.00. Upon information and belief, the document attached as Exhibit 3 shows WJLF's purchase of air time for its ad supporting the candidacy of Ken Horn for State Senate.

6. MJLF's television ad for Ken Horn ends with the following chyron: "Ken Horn for Senate/Paid for by Michigan Jobs and Labor." (Exhibit 4)²

7. MJLF's television ad for Dale Zorn ends with the following chyron: "Dale Zorn for State Senate/Paid for by Michigan Jobs and Labor Foundation." (Exhibit 5)

8. Upon information and belief, the ads have been discontinued.

Relevant MCFA Provisions

9. Section 6(1) of the Act, MCL 169.206(1), defines an "expenditure" as: "a payment, donation, loan, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate, the qualification, passage, or defeat of a ballot question, or the qualification of a new political party." Section 6(2)(j), MCL 169.206(2)(j), further provides: "Except only for the purposes of section 47, an expenditure for a communication if the communication does not in express terms advocate the election or defeat of a clearly identified candidate so as to restrict the application of this act to communications containing express words

² Exhibits 4 and 5 are screen shots taken from the ads. MP4 files of the ads will be emailed concurrently with the filing of this Complaint.

of advocacy of election or defeat, such as ‘vote for’, ‘elect’, ‘support’, ‘cast your ballot for’, ‘Smith for governor’, ‘vote against’, ‘defeat’, or ‘reject’”.

10. Section 3(4) of the Act, MCL 169.203(4), provides that an entity that makes expenditures or contributions in the amount of \$500.00 or more in a calendar year for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate constitutes a committee. Section 24(1), MCL 169.224(1), provides that a committee must file a statement of organization no more than 10 days after becoming a committee. Failure to timely register as a committee results in a civil fine not exceeding \$300.00. An organization that fails to register as a committee more than 30 days after a statement of organization is required to be filed is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00.

11. Section 47 of the Act, MCL 169.247, requires that a television ad supporting a candidate comply with FCC requirements and state that it is paid for with “regulated funds.” Section 47(2)(b), MCL 169.247(2)(b), provides that if the ad is not an independent expenditure it must state that it is “authorized by” the candidate. Section 47(6), MCL 169.247(6), provides that an organization that knowingly violates Section 47 is guilty of a misdemeanor and is subject to a fine of not more than \$1,000.00.

12. Section 54(1) of the Act, MCL 169.254(1), prohibits a corporation from making a contribution to a candidate or political party. Under section 54(4), MCL 169.254(4), violation of this prohibition is a felony punishable by a fine of not more than \$10,000.00.

13. Section 9(2) of the Act, MCL 169.209(2), provides that an expenditure is an independent expenditure if the expenditure is not made at the direction or control of another person and if the expenditure is not a contribution to a committee. The Secretary of State has

issued guidance as to whether a corporation's expenditure must be treated as a contribution because it is coordinated with a candidate or party.

Under *MI Chamber of Commerce et al v Land*, corporations, labor unions, or domestic dependent sovereigns cannot be prohibited from making contributions to an independent expenditure political committee so long as the independent expenditures are not, in any way, directly or indirectly "coordinated" with a candidate, candidate committee, political party, or political party committee. The Department of State will consider an expenditure to be coordinated, and therefore prohibited, if it: 1. Was made in concert or cooperation with or at the request or suggestion of the candidate, candidate committee, or political party committee, or any of their agents, within the meaning of MCL 169.209(2); or 2. Was "made at the direction of, or under the control of, another person" within the meaning of MCL 169.209(2); or 3. Does not meet the definitions described above, but otherwise constitutes quid pro quo corruption or reasonably fosters the appearance of quid pro quo corruption.

Section 54 of the MCFA prohibits corporations, labor unions, or domestic dependent sovereigns from making contributions to candidates and committees that make contributions to candidates. It also prohibits corporations, labor unions, or domestic dependent sovereigns from pooling resources to make independent expenditures that are in any way:

Directed by ...	Any candidate or his or her agent.
Controlled by ...	
Coordinated with ...	Any candidate committee or its
Made at the suggestion of ...	agent.
Made in concert with ...	Any political party or its agent.
Made in cooperation with ...	Any political party committee
Made at the request of ...	or its agent. ³

Violations by MJLF

A. The amounts spent by MJLF to produce and distribute the Ken Horn and Dale Zorn ads was an expenditure or a contribution as defined in the Act. The Respondent violated Section 6(1)

³ Michigan Secretary of State "Independent Expenditures by Corporations, Unions and Domestic Dependent Sovereigns U.S. Supreme Court Decision Issued January 21, 2010 Citizens United v Federal Elections Commission"

of the Act, MCL 169.206(1), by making a prohibited corporate expenditure or contribution.

B. MJLF violated Section 24(1), MCL 169.224(1), by making expenditures or contributions in the amount of \$500.00 or more for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate without registering with the Secretary of State as a committee.


C. MJLF's television ads for Ken Horn and Dale Zorn do not comply with Section 47 of the Act, MCL 169.247, because the ads do not display the identification and disclaimer required under that section.

4D. The amounts expended by MJLF for the Ken Horn and Dale Zorn ads were in-kind corporate contributions to the candidate committees of Ken Horn and Dale Zorn in violation of section 54(4) of the Act, MCL 169.254(4). Upon information and belief, decisions regarding the ads were made in concert or cooperation or otherwise coordinated with Ken Horn and/or Dale Zorn and/or the Senate Republican Campaign Committee

Conclusion and Relief Sought

Based on the above, it is clear that Respondent has violated the Act in several respects as set forth above. The Complainant accordingly requests that the Secretary of State immediately initiate enforcement proceedings against Respondents MJLF under Section 15(5) of the Act, and proceed as set forth therein to determine that such violations have taken place and remedy such violations to the fullest extent permitted by law.

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.


Garrett Arwa

Dated: October 2nd, 2014

Malerman, Melissa (MDOS)

From: Garrett Arwa <garwa@michigandems.com>
Sent: Tuesday, October 07, 2014 2:41 PM
To: Malerman, Melissa (MDOS)
Subject: Fwd: Exhibits to Complaints
Attachments: Exhibit A- MJLF IRS Form.pdf; ATT00001.htm;
Horn_Hard_Work_-_Ken_Horn_Michigan_Senate.mp4; ATT00002.htm;
Zorn_Effective_-_Dale_Zorn_Michigan_Senate.mp4; ATT00003.htm; Exhibit 2.pdf;
ATT00004.htm

Sorry apparently I had the wrong e-mail address

Garrett Arwa
Executive Director
Michigan Democratic Party
garwa@michigandems.com

Begin forwarded message:

From: Garrett Arwa <garwa@michigandems.com>
Subject: Exhibits to Complaints
Date: October 6, 2014 at 5:05:10 PM EDT
To: malermann@michigan.gov

Here are the exhibits to the complaint we filed last week against the Jobs and Labor Foundation.

Garrett Arwa
Executive Director
Michigan Democratic Party
garwa@michigandems.com
517-769-4558

Form **990**Department of the Treasury
Internal Revenue Service**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)

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

OMB No 1545-0047

2012**Open to Public
Inspection**

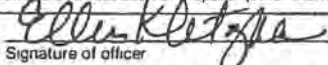
A For the 2012 calendar year, or tax year beginning , 2012, and ending , 20	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization MICHIGAN JOBS & LABOR FOUNDATION Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 12355 City, town or post office, state, and ZIP code LANSING, MI 48901 D Employer identification number 38-3331134 E Telephone number 517-371-2006 G Gross receipts \$ 632,291 H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶ I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) (4) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ K Form of organization <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ L Year of formation 1997 M State of legal domicile MI

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: The organization's primary exempt purpose is to research and promote issues that concern jobs and labor in the State of Michigan. The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market through polling and used this information to further its exempt purposes.		
	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	3
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	2
	5 Total number of individuals employed in calendar year 2012 (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)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	253,500	632,250
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		41
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	253,500	632,291	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		14,000
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	135,167	560,789
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	135,167	574,789
19 Revenue less expenses. Subtract line 18 from line 12	118,333	57,502	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	218,865	202,222
	22 Net assets or fund balances. Subtract line 21 from line 20	0	0

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	5-6-13 Date			
	ELLEN KLETZKA, TREASURER Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> 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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990** (2012)

G-13

1

SCANNED MAY 31 2013

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

The organization's primary exempt purpose is to research and promote issues that concern jobs and labor in the State of Michigan
 The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market
 through polling and used this information to educate the public and further its exempt purposes

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 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 \$ 317,758 including grants of \$) (Revenue \$)

The Michigan Jobs & Labor Foundation has expended its resources to gather data regarding the health of the labor market
 through polling and used this information for purposes of conducting educational seminars to discuss issues

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)**4e** Total program service expenses ▶ 317,758

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)? If "Yes," complete Schedule A	1	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	
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? If "Yes," complete Schedule C, Part II	4	
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? If "Yes," complete Schedule C, Part III	5	
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? If "Yes," complete Schedule D, Part I	6	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	
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? If "Yes," complete Schedule D, Part VI	11a	
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? If "Yes," complete Schedule D, Part VII	11b	
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? If "Yes," complete Schedule D, Part VIII	11c	
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? If "Yes," complete Schedule D, Part IX	11d	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	
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)? If "Yes," complete Schedule D, Part X	11f	
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	
14 a Did the organization maintain an office, employees, or agents outside of the United States?	14a	
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? If "Yes," complete Schedule F, Parts I and IV	14b	
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? If "Yes," complete Schedule F, Parts II and IV	15	
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? If "Yes," complete Schedule F, Parts III and IV	16	
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? If "Yes," complete Schedule G, Part I (see instructions)	17	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	
20 a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

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? If "Yes," complete Schedule I, Parts I and II	21	
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? If "Yes," complete Schedule I, Parts I and III	22	
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? If "Yes," complete Schedule J	23	
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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
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? If "Yes," complete Schedule L, Part I	25a	
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? If "Yes," complete Schedule L, Part I	25b	
26 Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	
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? If "Yes," complete Schedule L, Part III	27	
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? If "Yes," complete Schedule L, Part IV	28a	
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	
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? If "Yes," complete Schedule L, Part IV	28c	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	
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? If "Yes," complete Schedule R, Part I	33	
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	
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? If "Yes," complete Schedule R, Part VI	37	
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	
b	If "Yes," enter the name of the foreign country: <input type="text"/> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state?	13a	
Note. See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year . . .	1a 3		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent . . .	1b 3		
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? . . .	2		
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? . . .	3		
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . .	4		
5 Did the organization become aware during the year of a significant diversion of the organization's assets? . . .	5		
6 Did the organization have members or stockholders? . . .	6		
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? . . .	7a		
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . .	7b		
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body? . . .	8a		
b Each committee with authority to act on behalf of the governing body? . . .	8b		
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 . . .	9		

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? . . .	10a	
b 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? . . .	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . .	11a	
b 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 . . .	12a	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . .	12b	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . .	12c	
13 Did the organization have a written whistleblower policy? . . .	13	
14 Did the organization have a written document retention and destruction policy? . . .	14	
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?		
a The organization's CEO, Executive Director, or top management official . . .	15a	
b Other officers or key employees of the organization . . .	15b	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
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? . . .	16a	
b 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? . . .	16b	

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.
☐ Own website ☐ Another's website ☐ Upon request ☐ Other (explain in Schedule O)

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: ► Ellen Kletzka, 112 E Allegan, Ste 700, Lansing, MI 48933 571-267-9012

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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 (list any hours for related organizations below dotted line)	(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) Phil Hoffman President/Director	1							0	0	0
(2) Ellen Kletzka Treasurer/Secretary/Director	1							0	0	0
(3) Alan Sanborn VP/Director	1							0	0	0
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(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 (list any hours for related organizations below dotted line)	(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							0	0	0	
c Total from continuation sheets to Part VII, Section A							0	0	0	
d Total (add lines 1b and 1c)							0	0	0	

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

- | | Yes | No |
|---|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | |
| 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? If "Yes," complete Schedule J for such individual | | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | |

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
STERLING CORP, 108 W ALLEGAN, STE 200, LANSING, MI 48933	FUNDRAISING/CONSULTING	112,139
	EVENT PLANNING/	
	REIMBURSE FOR EVENT	
	COSTS	

- 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

1

Part VIII Statement of RevenueCheck if Schedule O contains a response to any question in this Part VIII. ☐

			(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			
	c	Fundraising events	1c	632,250		
	d	Related organizations	1d			
	e	Government grants (contributions)	1e			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f			
	g	Noncash contributions included in lines 1a-1f: \$				
	h	Total. Add lines 1a-1f		632,250		
	Program Service Revenue	Business Code				
2a						
b						
c						
d						
e						
g		Total. Add lines 2a-2f				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		41		
	4	Income from investment of tax-exempt bond proceeds				
	5	Royalties				
		(i) Real	(ii) Personal			
	6a	Gross rents				
	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			
	b	Less: direct expenses	b			
	c	Net income or (loss) from fundraising events				
	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.		632,291			

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).

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				
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				
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	2,080		2,080	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17	14,000			14,000
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	46,000	46,000		
12 Advertising and promotion				
13 Office expenses				
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				
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 Political Donation	235,000		235,000	
b Fundraising costs	4,205			4,205
c Travel	1,494		1,494	
d Program/Education expenses	271,758	271,758		
e All other expenses Bank fee/Postage	252		252	
25 Total functional expenses. Add lines 1 through 24e	574,789	317,758	238,826	18,205
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 SheetCheck if Schedule O contains a response to any question in this Part X ☐

		(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing	144,720	1	52,181
	2	Savings and temporary cash investments		2	150,041
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other 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). Complete Part II of Schedule L		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		13	
	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)	144,720	16	202,222	
Liabilities	17	Accounts payable and accrued expenses		17	
	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	Loans and other 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	0	26	0
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), 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 (ASC 958), check here <input 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	144,720	33	202,222	
34	Total liabilities and net assets/fund balances	144,720	34	202,222	

Part XI Reconciliation of Net AssetsCheck 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	632,291
2	Total expenses (must equal Part IX, column (A), line 25)	2	574,789
3	Revenue less expenses. Subtract line 2 from line 1	3	57,502
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	144,720
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	202,222

Part XII Financial Statements and ReportingCheck 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 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? . . . If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed 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		
b Were the organization's financial statements audited by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were audited 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		
c 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.		
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?		
b 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 C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2012

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization MICHIGAN JOBS & LABOR FOUNDATION	Employer identification number 38-3331134
---	---

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ 235,000
- 3 Volunteer hours ▶

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ 235,000
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1) SENATE MAJORITY PAC	PO BOX 14061 LANSING, MI 48933		235,000	0
(2)				
(3)				
(4)				
(5)				
(6)				

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).**B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

Part IV Supplemental Information (continued)

This image shows a full page of a handwriting practice worksheet. It consists of multiple rows of horizontal dashed lines spaced evenly down the page, providing a guide for letter height and placement. The background is plain white, and there are no margins or additional markings.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization

MICHIGAN JOBS & LABOR FOUNDATION

Employer identification number

38-3331134

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|---|--|
| a <input type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1 STERLING CORP 112 E ALLEGAN, STE 700, LANSING, MI 48933	FUNDRAISING			632,250	14,000	618,250
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total				632,250	14,000	618,250

- 3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

MICHIGAN

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 Personal Contact (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	632,250			632,250
	2 Less: Contributions				
	3 Gross income (line 1 minus line 2)	632,250			632,250
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	3,902			
	8 Entertainment				
	9 Other direct expenses	303			
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				(4,205)
	11 Net income summary. Combine line 3, column (d), and line 10 ▶				628,045

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				()
	8 Net gaming income summary. Combine line 1, column d, and line 7 ▶				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

- | | | |
|-----|---|--|
| 11* | Does the organization operate gaming activities with nonmembers? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 12 | Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 13 | Indicate the percentage of gaming activity operated in: | |
| a | The organization's facility | 13a % |
| b | An outside facility | 13b % |
| 14 | Enter the name and address of the person who prepares the organization's gaming/special events books and records: | |

Name ▶ _____

Address ►

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No
- b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ►

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶

☐ Director/officer☐ Employee☐ Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information
For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

**Open to Public
Inspection**

Name of the organization

MICHIGAN JOBS & LABOR FOUNDATION

Employer identification number

38-3331134

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	(i)							
	(ii)							
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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.

OMB No 1545-0047

2012

**Open to Public
Inspection**

Name of the organization
MICHIGAN JOBS & LABOR FOUNDATION

Employer identification number
38-3331134

PART VI, LINE 3 MANAGEMENT COMPANY

MJ&L Foundation has hired a firm to fund raise, plan and execute educational events, conduct labor market surveys, and other tasks

The Board of Directors monitors the activities of MJ&L Foundation

PART VI, LINE 11b REVIEW OF 990

The Treasurer of the Organization prepared and approved the 990. The Directors review the 990 and approve before filing

PART VI, LINE 12c CONFLICT OF INTEREST POLICY

Conflict of interest statements are completed annually and reviewed by the Board of Directors

PART VI, LINE 15b COMPENSATION POLICY

The Organization does not have any employees All services are provided through consultants and volunteers

PART VI, LINE 19 AVAILABILITY OF DOCUMENTS

Upon request, the Organization will make available to the public its organizational documents, policies, and financial statements

Employer identification number

[illegible]

Michigan Senate Republican Campaign Committee

[Welcome](#)[News](#)[Events](#)[Donate](#)[Contact Us](#)

Contact Us

We welcome your comments and concerns. We can be contacted the following ways:

Phone: (517) 371-2006

Fax: (517) 372-9622

Mail: Senate Republican Campaign Committee
PO Box 12023
Lansing, MI 48901

Alternatively, you may use the convenient form below to send us an email message.

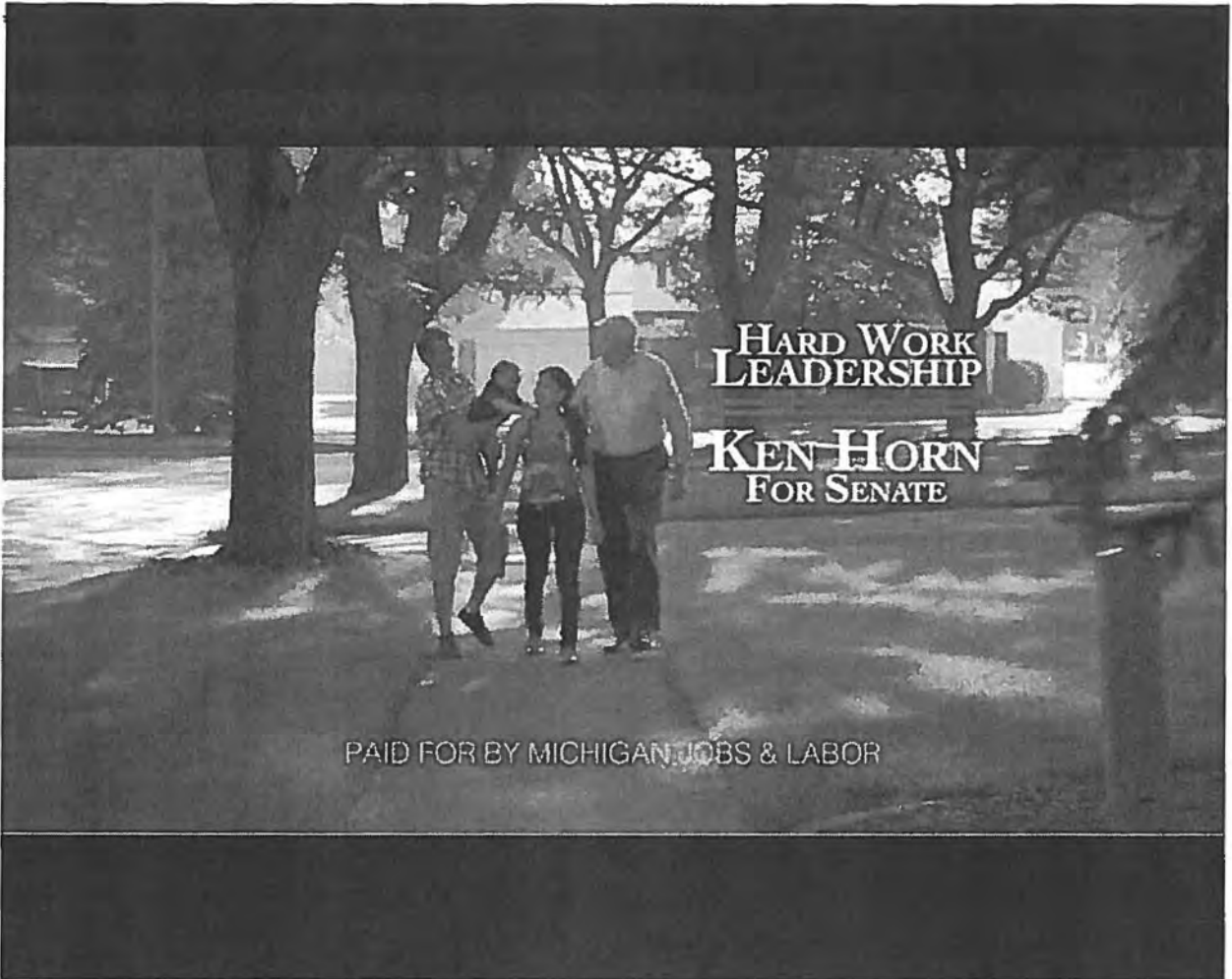
Upcoming Events

**MAKE A
DONATION
TODAY**

Recent News

GOP leadership has delivered
2011-12 Accomplishments

The 26 Members of



HARD WORK
LEADERSHIP

KEN HORN
FOR SENATE

PAID FOR BY MICHIGAN JOBS & LABOR





STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

November 25, 2014

Garrett Arwa
113 Pere Marquette
Apt 108
Lansing, Michigan 48912

Dear Mr. Arwa:

The Department of State received a response to the complaint you filed against the Michigan Jobs and Labor Foundation, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

Melissa Malerman, Election Law Specialist
Michigan Bureau of Elections

c: Charles R. Spies
Andrew C. Richner

CLARK HILL

Charles R. Spies
T 202.572.8663
F 202.572.8683
Email: cspies@clarkhill.com

Clark Hill PLC
601 Pennsylvania Avenue NW
North Building, Suite 1000
Washington, DC 20004
T 202.772.0909
F 202.772.0919

clarkhill.com

November 21, 2014

Christopher Thomas, Elections Director
Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
Lansing, MI 48918

Re: Michigan Jobs & Labor Foundation Response to Complaint filed by Garrett Arwa

Dear Mr. Thomas,

On behalf of Michigan Jobs & Labor Foundation (“MJLF”), we are filing this letter to respond to the Complaint filed by Garrett Arwa. The Complaint alleges MJLF violated the Michigan Campaign Finance Act (the “Act”) by failing to register as a political committee because it paid for advertisements that contained express advocacy. In addition, the Complaint appears to allege that the ads may have been coordinated with the Senate Republican Campaign Committee and the committees of the candidates who appeared in the advertisements. The following is our Response to the Complaint addressing both allegations.

I. MJLF Advertisements Inadvertently Contained Express Advocacy

MJLF is a 501(c)(4) nonprofit organization that has a long history of promoting issues and policies that concern jobs and labor in the State of Michigan. MJLF does not intervene in elections for public office or otherwise attempt to influence the election, selection, nomination, or appointment of any individual to federal, state or local office. As such, MJLF has never been required to register as a Michigan political committee.

In September 2014, MJLF aired two television ads regarding the policy positions of two members of the Michigan legislature. The ads were produced and began airing simultaneously. The ads focused solely on policy issues and were not intended to influence any election. Due to a technical error, the ads contained on-screen graphic of campaign committee names: “Dale Zorn for State Senate” and “Ken Horn for State Senate,” respectively. The audio and remaining visual components of the ads make no reference to an election, do not reference either individual as candidates, and do not otherwise advocate the election or defeat of either individual.

November 21, 2014

Page 2

The inclusion of the graphic in the communications was not authorized by MJLF. This was a mistake made by a media vendor, and was never intended to be part of the communications. In fact, when MJLF discovered the error, MJLF immediately pulled the ads from the air and from YouTube.

Although this error was made in connection with Michigan state elections subject to Michigan law, similar errors have been made in connection with Federal elections, and have been dismissed as a matter of prosecutorial discretion by the Federal Election Commission ("FEC"). For example, in FEC Matter Under Review ("MUR") 5991, U.S. Term Limits, Inc., a 501(c)(4) nonprofit corporation paid for a television ad that thanked then-Congressman Bob Schaffer for helping create the Colorado Charter School Act. The ad did not contain express advocacy and was clearly intended to be an issue ad. U.S. Term Limits asked its vendor to place the ad on YouTube. When the employee of the vendor added the ad to a YouTube page, the employee also added a caption stating "Bob Schaffer for Senate video." Critically, the employee was not authorized to add the caption, and as soon as it was discovered, the ad was removed from YouTube.

The FEC concluded the ad itself did not contain express advocacy and was an issue ad. However, the FEC also stated that addition of the caption, "Bob Schaffer for Senate video," constituted express advocacy and the costs of the YouTube version of the ad would be subject to disclosure as an independent expenditure. Nonetheless, the FEC dismissed the matter because the vendor acted without U.S. Term Limit's authorization, and U.S. Term Limits took prompt remedial action to remove the ad when the error was discovered.

The FEC took a similar position in MUR 5919 (Rhode Islanders for Jobs and Tax Relief, Inc.). In that matter, an employee of Rhode Islanders for Jobs and Tax Relief ("RIJTR"), a wholly-owned subsidiary of Harrah's Entertainment, sent an unauthorized email to 17,000 addresses on the RIJTR mailing list expressly advocating the election of a clearly identified federal candidate.¹ Within two hours, RIJTR retracted the email and informed the recipients that the email had not been authorized by RIJTR.

The FEC dismissed the matter because (1) the email was not authorized by RIJTR as evidenced by policies in place preventing employees from endorsing candidates, (2) upon discovery of the email, RIJTR took immediate remedial actions and conducted an internal investigation; and (3) RIJTR stated it would not be involved in future elections.

The circumstances in this matter are substantially no different. A media vendor made an unauthorized and inadvertent error in including the graphic in the communication. As soon as MJLF discovered the error, MJLF took immediate steps to remove the ads from the air and from YouTube. MJLF has no intention of intervening in any future elections, and has taken action to ensure that such an error does not happen in the future, to include retaining legal counsel to review all future communications.

¹ This matter occurred prior to the U.S. Supreme Court's decision in *Citizens United v. FEC* where the Court held that the prohibition on independent expenditures by corporations violated the U.S. Constitution.

November 21, 2014

Page 3

The communications were not made for the purpose of influencing an election, and an inadvertent and unauthorized action by a media vendor should not reflect on the organization as a whole. We respectfully request that you consider the special circumstances, and use your administrative discretion to dismiss this allegation.

II. Coordination Allegations

The Complaint also raises allegations that the MJLF advertisements were coordinated between the Senate Republican Campaign Committee and the candidate committees. Specifically, the Complaint filed by Garrett Arwa states, "[U]pon information and belief, decisions regarding the ads were made in concert or cooperation or otherwise coordinated with Ken Horn and/or Dale Zorn and/or the Senate Republican Campaign Committee." Compl. at 6. However, Arwa provides no evidence or facts to support this allegation.

The true facts are as follows: MJLF is an independent 501(c)(4) nonprofit organization. It is not under the direction or control of any candidate or political committee. Several weeks before any communication was contemplated or had been written, a vendor of MJLF shot footage (b-roll) of the candidates. Each shoot averaged approximately 90 minutes. The candidates who were filmed made no decisions regarding what footage MJLF would shoot and how they would appear in the footage. Moreover, there were no discussions with the candidates regarding how the b-roll would be used (if at all), and no discussions regarding any potential messaging or any potential public communications.

The messaging and the scripts for the ads were written several weeks later, at which time the b-roll was reviewed to determine what footage could be used in the ads, if any. At no time did any employee or agent of MJLF discuss with any candidate details of the ads, to include the creation, content or placement of the ads.

Under Michigan law, an "independent expenditure" is "an expenditure by a person if the expenditure is not made at the direction of, or under the control of, another person and if the expenditure is not a contribution to a committee." MCL § 169.209(2). MJLF is an independent entity that is controlled by an independent board of directors. MJLF is not under the direction or control of any other person, including any state candidate or officeholder. Complainant seeks to buttress its coordination allegation by pointing to an alleged close connection between MJLF and Michigan's Senate Republican Campaign Committee ("SRCC") because they reportedly had the same phone number; however, a so-called "close connection" is not the legal standard. The SRCC does not direct or otherwise control MJLF. None of the ads in question were made at the direction of any candidate. All decisions regarding the ads, and the footage that would ultimately be used in those ads, were made by MJLF and its production team. In fact, the candidates did not know the ads had been created until they actually aired. As such, the ads were not coordinated as defined under Michigan law, and do not constitute in-kind contributions to the candidates.

As a result of the July 2010 Federal District Court ruling in *Michigan Chamber of Commerce, et. al v Land*, the Federal standards for coordination also apply to ads paid for by independent expenditure-only political committees in Michigan. In its Order, the court stated that, in addition to the Michigan “direction and control” requirements, an expenditure will be considered to be “coordinated” if the expenditure if it “was made in concert or cooperation with or at the request or suggestion of the candidate, candidate committee, or political party committee, or any of their agents, within the meaning of 2 U.S.C. §431(17).”

Under the Federal Election Campaign Act of 1971, as amended (the “Act”), and Federal Election Commission (“FEC”) regulations, spending is independent only if it “is not made in concert or cooperation with or at the request or suggestion of “ a candidate or political party committee.” 2 U.S.C. §431(17). The FEC uses a three-prong test to determine whether a communication is considered independent or coordinated: (1) whether an outside speaker paid for the communication; (2) the content of the communication, such as whether the communication contains express advocacy, and (3) the conduct of the speaker and the candidate(s) featured in the communication. If all three prongs are satisfied, a communication is deemed coordinated with a campaign or party committee.

As conceded above, the first two prongs of the test, payment and content, were satisfied. Under FEC regulations, the conduct prong is satisfied if one of the following relevant standards is met:

1. The communication is created, produced or distributed at the request or suggestion of a candidate or party committee; or created, produced or distributed at the suggestion of the group paying for the communication and the candidate assents to the suggestion.
2. The candidate is materially involved in decisions regarding the content, intended audience, means or mode of the communication, specific media outlet used, the timing or frequency or size or prominence of a communication.
3. The communication is created, produced or distributed after one or more substantial discussions about the communication between the group paying for the communication and the candidate, the candidate’s committee, the candidate’s opponent or opponent’s committee, or a party committee.²

The ads at issue in this case were solely created and paid for by MJLF. They were not coordinated with the SRCC or any candidate, and no member of SRCC or any candidate was involved in the creation, production, or distribution of any of the advertisements. Moreover, the candidates were not materially involved in decisions nor did they have any substantial discussions regarding the content, intended audience, means or mode of the ads. The candidates were not involved in any decisions regarding the scripts or the messaging, and at no time were

² The conduct prong includes two additional standards relating to (1) the employment of a common vendor to a candidate or political party committee; and (2) the employment of a former employee or independent contractor of a candidate or party committee. Those standards are not relevant to this issues raised.

the candidates told any details about the ads, including the creation, content, timing or placement of the ads. In fact, the ads were not written and created for several weeks after the b-roll was filmed.

Finally, the SRCC is neither a candidate committee nor a political party committee as defined by 2 USC 431(17). The SRCC is Senate political party caucus committee pursuant to MCL169.224(a). It is controlled by the Senate Majority Leader. Thus, MJLF and SRCC are separate, distinct organizations.

III. Use of B-Roll Footage is Not Coordination

The fact that MJLF obtained b-roll footage with the candidates' knowledge does not constitute coordination. Outside groups routinely film candidates with their knowledge in order to obtain usable footage. Such knowledge does not denote or imply cooperation or assent with respect to potential ads that may be created and produced using the footage.

The FEC has specifically addressed the use of b-roll in several recent enforcement actions, and has not found that there was a violation in instances where outside groups have obtained footage directly from a candidate's vendor or from a candidate's website. *See* MUR 5879 (DCCC/Harry Mitchell), MUR 6357 (American Crossroads), MUR 6617 (Christie Vilsack for Iowa) and MUR 6667 (Cherie Bustos for Congress). In those matters, the controlling Commissioners concluded that using a few seconds of silent footage obtained from a candidate in an ad that is otherwise independent does not constitute an in-kind contribution so long as the footage is used to create the outside group's own independent message distinct from any message of the candidate.

There is really no material distinction between a candidate posting his or her own b-roll footage on a website for others to download and use, and filming a candidate with his or her knowledge without any other input into how the footage will be shot and how the candidate will appear. In fact, a candidate arguably has more control over what he or she makes publicly available for use by others. B-roll, by its nature, has no discernible message, and the use of a few seconds of silent footage by an outside group in the creation of its own independent message does not convert an otherwise independent communication into an in-kind contribution, regardless of how the footage was obtained. As in the FEC matters cited above, MJLF used the b-roll footage to create its own independent message-- a message that the candidates had no knowledge of and no control over. Thus, there is no evidence to conclude that the ads were coordinated with the candidates, and as a result, the ads do not constitute prohibited in-kind contributions to the candidates.

IV. Conclusion

The Complaint is based purely on conjecture and worst-case assumptions, and have no basis in law. Although the ads inadvertently contained express advocacy by virtue of an on-screen graphic, this was a vendor error, and MJLF has taken steps to ensure that all future

November 21, 2014

Page 6

communications are reviewed by legal counsel to avoid any similar mistake in the future. Thus, we respectfully request that you dismiss the Complaint in this matter.

CLARK HILL PLC

A handwritten signature in dark ink, appearing to read "Chris Spies", written in a cursive style.

Charles R. Spies
Andrew C. Richner
*Counsel to Michigan Jobs
and Labor Foundation*



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

March 2, 2015

Andrew Richner
Charles R. Spies
Clark Hill PLC
500 Woodward Avenue, Suite 3500
Detroit, Michigan 48226

Dear Messrs. Richner and Spies:

The Department of State (Department) has concluded its investigation of the enforcement matters concerning your client, Michigan Jobs and Labor Foundation (MJLF), which is alleged to have violated sections 24 and 33 of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.224 and 169.233. MJLF self-reported a potential violation by letter dated October 1, 2014, and Daniel Opsommer and Garrett Arwa filed separate complaints on September 30 and October 3, 2014, respectively. This letter concerns the Department's attempt to informally resolve all three of these matters in lieu of further enforcement action.

MJLF is registered as a domestic nonprofit corporation with the Michigan Department of Licensing and Regulatory Affairs and lists among its purposes, "researching and promoting issues that relate to job creation in the State of Michigan, gathering data regarding the health of the labor market in Michigan through polling and using this information in furtherance of the corporation's exempt purpose." MJLF 2013 Annual Report (filed April 28, 2014). It is not organized as a "committee" as that term is defined in the MCFA.

The registration and disclosure requirements of the MCFA apply to any "committee", which is defined as "a person^[1] who receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate ... if contributions received total \$500.00 or more in a calendar year or expenditures made total \$500.00 or more in a calendar year." MCL 169.203(4). Under the MCFA, a committee is required to file its statement of organization within 10 days of its formation. MCL 169.224(1). Campaign statements listing a committee's contributions and expenditures are required to be filed according to the schedules set forth in the Act. MCL 169.233. The failure to timely file any of these statements may result in the assessment of late filing fees, or if the statement or organization or two or more campaign statements remain unfiled for more than 30 days, prosecution for a misdemeanor offense. MCL 169.224(1), 169.233(7)-(8).

¹ "Person" includes "a business ... corporation ... or any other organization or group of persons acting jointly." MCL 169.211(2).

Mr. Andrew Richner
Mr. Charles Spies
March 2, 2015
Page 2

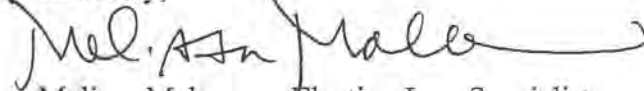
A committee reaches the registration threshold when it receives contributions or makes expenditures of at least \$500.00 in a single calendar year. The words "contribution" and "expenditure" are terms of art that are generally defined, in pertinent part, to include anything of ascertainable monetary value that is used to influence or assist the nomination or election of a candidate. MCL 169.204(1), 169.206(1). A communication is not treated as an expenditure unless it "support[s] or oppose[s] a ballot question or candidate by name or clear inference [,]" or unless it contains "express words of advocacy of election or defeat, such as 'vote for,' 'elect,' 'support,' 'cast your ballot for,' 'Smith for governor,' 'vote against,' 'defeat,' or 'reject.'" MCL 169.206(2)(b), (j). Communications that omit words of express advocacy generally are exempt from MCFA regulation² and may be produced or disseminated without triggering the Act's disclosure provisions.

MJLF acknowledges that it made two television advertisements that carried on-screen graphics expressly advocating the election of two candidates for Michigan Senate, which constitute expenditures within the meaning of the Act. The ads include footage of the two candidates and conclude with the following text: "Ken Horn for Senate ... Paid for by Michigan Jobs and Labor" and "Dale Zorn for State Senate ... Paid for by Michigan Jobs & Labor Foundation." Complainants Opsommer and Arwa allege that the ads were coordinated with the candidates and constitute direct expenditures; MJLF denies that it coordinated with Senators Horn or Zorn and asserts that the ads were independent expenditures. In either case, MJLF was obligated to register as a committee ten days after it received contributions or made expenditures for these television ads.

Based on the foregoing, the Department finds that there may be reason to believe that MJLF failed to file a statement of organization and at least one³ campaign statement in relation to the November 4, 2014 general election, contrary to MCL 169.224(1) and 169.233(3).

In order to facilitate a potential resolution, the Department requires additional information regarding MJLF's activities. Accordingly, MJLF must file the outstanding statement of organization and campaign statement or statements it owes, on or before March 16, 2015. Upon review of these records, the Department will propose an informal resolution to all three pending matters.

Sincerely,



Melissa Malerman, Election Law Specialist
Michigan Bureau of Elections

² Communications that omit words of express advocacy must nonetheless comply with the identification requirements of the MCFA. See MCL 169.206(2)(j), 169.247.

³ MJLF appears to owe an October 2014 quarterly campaign statement (with a closing date of October 20, 2014), and depending on the dates it received contributions or made expenditures, MJLF may or may not owe the February 2015 quarterly campaign statement (with a coverage period of October 21, 2014 to February 10, 2015). MCL 169.233(3).