



2949316005025 8

Form **990**

# Return of Organization Exempt From Income Tax

OMB No 1545-0047

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2017**  
Open to Public Inspection

**A** For the **2017** calendar year, or tax year beginning and ending

|  |   |  |   |
|--|---|--|---|
| <b>B</b> Check if applicable:<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return/terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C</b> Name of organization<br><b>MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION</b>                                    |  | <b>D</b> Employer identification number<br><b>38-1629793</b>  |
|  | Doing business as   |  | <b>E</b> Telephone number<br><b>5862638800</b>  |
|  | Number and street (or P.O. box if mail is not delivered to street address) Room/suite<br><b>40400 GARFIELD RD</b>       | <b>G</b> Gross receipts \$ <b>109,680,475.</b> |   |
|  | City or town, state or province, country, and ZIP or foreign postal code<br><b>CLINTON TOWNSHIP, MI 48038</b>           |  | <b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If "No," attach a list. (see instructions) |
|  | <b>F</b> Name and address of principal officer <b>PETER GATES</b><br><b>40400 GARFIELD RD, CLINTON TOWNSHIP, MI 480</b> |  | <b>H(c)</b> Group exemption number <b>1359</b>  |

**I** Tax-exempt status:  501(c)(3)  501(c) ( **14** ) ◀ (insert no.)  4947(a)(1) or  527  
**J** Website: **WWW.MSGCU.ORG**  
**K** Form of organization:  Corporation  Trust  Association  Other ▶  
**L** Year of formation: **1954** **M** State of legal domicile: **MI**

## Part I Summary

**1** Briefly describe the organization's mission or most significant activities: **FOUNDED IN 1954 BY A SMALL GROUP OF TEACHERS, PRINCIPALS AND OTHER SCHOOL EMPLOYEES, MICHIGAN SCHOOLS**

**2** Check this box  if the organization discontinued its operations or disposed of more than 25% of its net assets.

|  |           |            |
|--|-----------|------------|
| <b>3</b> Number of voting members of the governing body (Part VI, line 1a)             | <b>3</b>  | <b>11</b>  |
| <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) | <b>4</b>  | <b>11</b>  |
| <b>5</b> Total number of individuals employed in calendar year 2017 (Part V, line 2a)  | <b>5</b>  | <b>398</b> |
| <b>6</b> Total number of volunteers (estimate if necessary)                            | <b>6</b>  | <b>11</b>  |
| <b>7 a</b> Total unrelated business revenue from Part VIII, column (C), line 12        | <b>7a</b> | <b>0.</b>  |
| <b>b</b> Net unrelated business taxable income from Form 990-T, line 34                | <b>7b</b> | <b>0.</b>  |

|  | Prior Year         | Current Year       |
|--|--------------------|--------------------|
| <b>8</b> Contributions and grants (Part VIII, line 1h)                                       | <b>0.</b>          | <b>0.</b>          |
| <b>9</b> Program service revenue (Part VIII, line 2g)  | <b>66,098,068.</b> | <b>74,395,744.</b> |
| <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)                      | <b>9,156,209.</b>  | <b>10,150,070.</b> |
| <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)           | <b>0.</b>          | <b>0.</b>          |
| <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | <b>75,254,277.</b> | <b>84,545,814.</b> |
| <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)                   | <b>123,125.</b>    | <b>126,685.</b>    |
| <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)                      | <b>0.</b>          | <b>0.</b>          |
| <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)  | <b>22,024,911.</b> | <b>24,925,651.</b> |
| <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)                     | <b>0.</b>          | <b>0.</b>          |
| <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>0.</b>               |                    |                    |
| <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)                       | <b>31,039,493.</b> | <b>38,312,780.</b> |
| <b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)           | <b>53,187,529.</b> | <b>63,365,116.</b> |
| <b>19</b> Revenue less expenses. Subtract line 18 from line 12                               | <b>22,066,748.</b> | <b>21,180,698.</b> |

|  | Beginning of Current Year | End of Year         |
|--|---------------------------|---------------------|
| <b>20</b> Total assets (Part X, line 16)                             | <b>1674185767.</b>        | <b>1851033336.</b>  |
| <b>21</b> Total liabilities (Part X, line 26)                        | <b>1468573051.</b>        | <b>1620008297.</b>  |
| <b>22</b> Net assets or fund balances. Subtract line 21 from line 20 | <b>205,612,716.</b>       | <b>231,025,039.</b> |

## 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.

|  |  |  |
|--|--|--|
| <b>Sign Here</b><br>Signature of officer<br><b>STEVE BREWER, CFO</b><br>Type or print name and title   | Date <b>4/30/18</b>  |  |
|  | <b>PAID</b> Print/Type preparer's name <b>JOSEPH A. ZITO, CPA</b> Preparer's signature <i>Joseph A. Zito</i> Date <b>4/30/18</b> Check if self-employed <input type="checkbox"/> PTIN <b>P00648440</b> |  |
| <b>Preparer Use Only</b><br>Firm's name <b>DOEREN MAYHEW</b> Firm's EIN <b>38-2492570</b><br>Firm's address <b>305 WEST BIG BEAVER ROAD TROY, MI 48084</b> Phone no. <b>248-244-3000</b> |  |  |

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

933

SCANNED JUL 27 2018

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Form 990 (2017)

38-1629793 Page 2

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

X

1 Briefly describe the organization's mission

WE ARE A CARING ORGANIZATION DEDICATED TO PROMOTING FINANCIAL SUCCESS FOR OUR MEMBERS.

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 X

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 X

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 \$ including grants of \$ ) (Revenue \$ )

DURING 2017, THE CREDIT UNION SERVED OVER 6,000 PARTICIPANTS WITH OUR FINANCIAL EDUCATION WORKSHOPS, WHICH FEATURED TOPICS LIKE HOME BUYING, HOME EQUITY, WILLS AND TRUSTS, UNDERSTANDING CREDIT REPORTS AND CREDIT SCORES, SOCIAL SECURITY, AND RETIREMENT. WE OFFERED OVER 227 FINANCIAL EDUCATION WORKSHOPS IN OUR BRANCHES, LOCAL HIGH SCHOOLS, LIBRARIES AND OTHER LOCATIONS CONVENIENT TO THE PUBLIC AND OUR MEMBERS.

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

THE CREDIT UNION CONTINUED ITS SCHOLARSHIP PROGRAMS BY PROVIDING \$80,000 TO HIGH SCHOOL SENIORS WHO WILL ATTEND COLLEGE, CURRENT TEACHERS AND SCHOOL ADMINISTRATORS ENROLLED IN A CONTINUING EDUCATION PROGRAM, AS WELL TO FIRST RESPONDERS WHO WILL GRADUATE FROM THE FIRE AND POLICE ACADEMIES AT MACOMB COMMUNITY COLLEGE, OAKLAND COMMUNITY COLLEGE AND SCHOOLCRAFT COLLEGE.

OVER THE YEARS WE HAVE BEEN RECOGNIZED FOR THE WORK WE DO FOR OUR MEMBERS, EMPLOYEES, AND THE COMMUNITY. THE DETROIT FREE PRESS SELECTED MSGCU AS A TOP WORKPLACE IN MICHIGAN FOR THE PAST FIVE YEARS IN A ROW. WE ARE ALSO PROUD OF A 97% OR HIGHER MEMBER SATISFACTION RATING FOR MORE THAN TEN YEARS AND ACHIEVING THE BAUER FINANCIAL HIGHEST POSSIBLE

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

THE CREDIT UNION ALSO CONTINUED ITS CLASSROOM GRANT PROGRAM WHICH PROVIDES FUNDS TO TEACHERS TO BE USED FOR OTHERWISE UNFUNDED CLASSROOM PROJECTS. IN 2017, MSGCU AWARDED 63 GRANTS TOTALING MORE THAN \$46,500 TO LOCAL EDUCATORS TO BE USED DURING THE 2017/2018 SCHOOL YEAR.

ONCE AGAIN, MSGCU'S GIVING BACK PROGRAM RETURNED IN 2017. EACH BRANCH DESIGNATED A MONTH TO DONATE TIME AND \$1,000 WORTH OF RESOURCES TO HELP A NON-PROFIT GROUP OR ORGANIZATION WITHIN THEIR COMMUNITY. IN TOTAL, MSGCU PROVIDED HUNDREDS OF VOLUNTEER HOURS AND MORE THAN \$14,000 IN RESOURCES.

4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses

Form 990 (2017)

DIJLOR

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Form 990 (2017)

38-1629793 Page 3

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-19 with 'X' marks in the Yes or No columns.

Form 990 (2017)

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Form 990 (2017)

UNION

38-1629793

Page 4

**Part IV Checklist of Required Schedules** (continued)

|   | Yes | No |
|---|-----|----|
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>  |     | X  |
| b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>   |     |    |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>   | X   |    |
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>   | X   |    |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>  | X   |    |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>                           |     | X  |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?   |     |    |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?  |     |    |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?   |     |    |
| 25a <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>  |     |    |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>  |     |    |
| 26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>                                 | X   |    |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> |     | X  |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)   |     |    |
| a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>  |     | X  |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>   |     | X  |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>   |     | X  |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>  |     | X  |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>  |     | X  |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations?<br><i>If "Yes," complete Schedule N, Part I</i>   |     | X  |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>  |     | X  |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>  | X   |    |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>  | X   |    |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?   | X   |    |
| b <i>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</i>  | X   |    |
| 36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>   |     |    |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>   |     | X  |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?   |     |    |
| <b>Note.</b> All Form 990 filers are required to complete Schedule O  | X   |    |

Form 990 (2017)

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

|            |  | Yes | No |
|------------|--|-----|----|
| <b>1a</b>  | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. <b>27870</b>   |     |    |
| <b>1b</b>  | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. <b>0</b>  |     |    |
| <b>1c</b>  | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?   | X   |    |
| <b>2a</b>  | 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. <b>398</b>  |     |    |
| <b>2b</b>  | If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)         | X   |    |
| <b>3a</b>  | Did the organization have unrelated business gross income of \$1,000 or more during the year?  |     | X  |
| <b>3b</b>  | If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O   |     |    |
| <b>4a</b>  | 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)? |     | X  |
| <b>4b</b>  | If "Yes," enter the name of the foreign country: _____<br>See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).  |     |    |
| <b>5a</b>  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?  |     | X  |
| <b>5b</b>  | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?   |     | X  |
| <b>5c</b>  | If "Yes," to line 5a or 5b, did the organization file Form 8886-T?   |     |    |
| <b>6a</b>  | 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?                                    |     | X  |
| <b>6b</b>  | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?  |     |    |
| <b>7</b>   | <b>Organizations that may receive deductible contributions under section 170(c).</b>   |     |    |
| <b>7a</b>  | 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?  |     |    |
| <b>7b</b>  | If "Yes," did the organization notify the donor of the value of the goods or services provided?  |     |    |
| <b>7c</b>  | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?   |     |    |
| <b>7d</b>  | If "Yes," indicate the number of Forms 8282 filed during the year  |     |    |
| <b>7e</b>  | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  |     |    |
| <b>7f</b>  | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?   |     |    |
| <b>7g</b>  | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?   |     |    |
| <b>7h</b>  | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?   |     |    |
| <b>8</b>   | <b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?   |     |    |
| <b>9</b>   | <b>Sponsoring organizations maintaining donor advised funds.</b>   |     |    |
| <b>9a</b>  | Did the sponsoring organization make any taxable distributions under section 4966?   |     |    |
| <b>9b</b>  | Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?  |     |    |
| <b>10</b>  | <b>Section 501(c)(7) organizations.</b> Enter  |     |    |
| <b>10a</b> | Initiation fees and capital contributions included on Part VIII, line 12   |     |    |
| <b>10b</b> | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities  |     |    |
| <b>11</b>  | <b>Section 501(c)(12) organizations.</b> Enter   |     |    |
| <b>11a</b> | Gross income from members or shareholders  |     |    |
| <b>11b</b> | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)  |     |    |
| <b>12a</b> | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?  |     |    |
| <b>12b</b> | If "Yes," enter the amount of tax-exempt interest received or accrued during the year  |     |    |
| <b>13</b>  | <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>  |     |    |
| <b>13a</b> | Is the organization licensed to issue qualified health plans in more than one state?<br><b>Note.</b> See the instructions for additional information the organization must report on Schedule O.   |     |    |
| <b>13b</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  |     |    |
| <b>13c</b> | Enter the amount of reserves on hand   |     |    |
| <b>14a</b> | Did the organization receive any payments for indoor tanning services during the tax year?   |     | X  |
| <b>14b</b> | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O  |     |    |

**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 or note to any line in this Part VI  X

**Section A. Governing Body and Management**

|   | 1a | 1b | 2 | 3 | 4 | 5 | 6 | 7a | 7b | 8a | 8b | 9 | Yes | No |
|---|----|----|---|---|---|---|---|----|----|----|----|---|-----|----|
| 1a  | 11 |    |   |   |   |   |   |    |    |    |    |   |     |    |
| 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   |    | 11 |   |   |   |   |   |    |    |    |    |   |     |    |
| 2   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 3   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 4   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 5   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |
| 6   |    |    |   |   |   |   | X |    |    |    |    |   |     |    |
| 7a  |    |    |   |   |   |   |   | X  |    |    |    |   |     |    |
| b   |    |    |   |   |   |   |   |    | X  |    |    |   |     |    |
| 8   |    |    |   |   |   |   |   |    |    |    |    |   |     |    |
| a   |    |    |   |   |   |   |   |    |    | X  |    |   |     |    |
| b   |    |    |   |   |   |   |   |    |    | X  |    |   |     |    |
| 9   |    |    |   |   |   |   |   |    |    |    |    |   |     | X  |

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

|     | 10a | 10b | 11a | 12a | 12b | 12c | 13 | 14 | 15a | 15b | 16a | 16b | Yes | No |
|-----|-----|-----|-----|-----|-----|-----|----|----|-----|-----|-----|-----|-----|----|
| 10a |     |     |     |     |     |     |    |    |     |     |     |     |     | X  |
| b   |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| 11a |     |     |     |     |     |     |    |    |     |     |     |     |     | X  |
| b   |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| 12a |     |     |     | X   |     |     |    |    |     |     |     |     |     |    |
| b   |     |     |     | X   |     |     |    |    |     |     |     |     |     |    |
| c   |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 13  |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 14  |     |     |     |     |     | X   |    |    |     |     |     |     |     |    |
| 15  |     |     |     |     |     |     |    |    |     |     |     |     |     |    |
| a   |     |     |     |     |     |     |    |    | X   |     |     |     |     |    |
| b   |     |     |     |     |     |     |    |    | X   |     |     |     |     |    |
| 16a |     |     |     |     |     |     |    |    |     |     |     |     |     | X  |
| b   |     |     |     |     |     |     |    |    |     |     |     |     |     |    |

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed ► **NONE**
- 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, address, and telephone number of the person who possesses the organization's books and records ►  
**PETER GATES - 5862638800**  
**40400 GARFIELD RD, CLINTON TOWNSHIP, MI 48038**

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

Check if Schedule O contains a response or note to any line 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)<br>Name and Title                      | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>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) WILLIAM CAYEN<br>CHAIRMAN              | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (2) MILO PERREAULT<br>VICE CHAIRMAN        | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (3) RICHARD MAIERLE<br>SECRETARY           | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (4) JAMES MCCANN<br>TREASURER              | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (5) ELIZABETH ARGIRI<br>DIRECTOR           | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (6) TERESA DIMARIA<br>DIRECTOR             | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (7) EDWARD CALLAGHAN<br>DIRECTOR           | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (8) RICHARD SHOEMAKER<br>DIRECTOR          | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (9) DOUGLAS SMITH<br>DIRECTOR              | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (10) CHARLES THOMAS<br>DIRECTOR            | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (11) STEPHEN THOMAS<br>DIRECTOR            | 1.00  | X   |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (12) PETER GATES<br>PRESIDENT/CEO          | 40.00   |   |                       | X       |              |                              |        | 742,799.   | 0.  | 47,237.   |
| (13) STEVE BREWER<br>CFO                   | 40.00   |   |                       |         | X            |                              |        | 312,707.   | 0.  | 45,630.   |
| (14) PHILIP COOPER<br>CLO                  | 40.00   |   |                       |         | X            |                              |        | 279,644.   | 0.  | 40,044.   |
| (15) SCOTT TOWNSEND<br>CIO                 | 40.00   |   |                       |         | X            |                              |        | 251,861.   | 0.  | 39,470.   |
| (16) DEBORAH FAHRNEY<br>VP RETAIL SERVICES | 40.00   |   |                       |         | X            |                              |        | 229,159.   | 0.  | 38,377.   |
| (17) MICHAEL ZALEWSKI<br>VP HR             | 40.00   |   |                       |         | X            |                              |        | 212,158.   | 0.  | 35,315.   |





MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Form 990 (2017)

38-1629793 Page 9

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

|   |  | (A)<br>Total revenue                          | (B)<br>Related or<br>exempt function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue excluded<br>from tax under<br>sections<br>512 - 514 |  |
|---|--|---|---|---|--|--|
| Contributions, Gifts, Grants<br>and Other Similar Amounts     | 1 a Federated campaigns  | 1a  |   |   |  |  |
|   | b Membership dues  | 1b  |   |   |  |  |
|   | c Fundraising events   | 1c  |   |   |  |  |
|   | d Related organizations  | 1d  |   |   |  |  |
|   | e Government grants (contributions)  | 1e  |   |   |  |  |
|   | f All other contributions, gifts, grants, and similar amounts not included above   | 1f  |   |   |  |  |
|   | g Noncash contributions included in lines 1a-1f \$   |   |   |   |  |  |
|   | h Total. Add lines 1a-1f   |   |   |   |  |  |
|   |  |   | <b>Business Code</b>                            |   |  |  |
| Program Service Revenue                                       | 2 a INTEREST ON LOANS  | 522100  | 60,633,775.                                     | 60,633,775.                             |  |  |
|   | b FEES, CHARGES AND OTHER  | 522100  | 13,761,969.                                     | 13,761,969.                             |  |  |
|   | c  |   |   |   |  |  |
|   | d  |   |   |   |  |  |
|   | e  |   |   |   |  |  |
|   | f All other program service revenue  |   |   |   |  |  |
|   | g Total. Add lines 2a-2f   |   | 74,395,744.                                     |   |  |  |
| Other Revenue   | 3 Investment income (including dividends, interest, and other similar amounts)   |   | 9,824,480.                                      | 8,914,518.                              | 909,962.   |  |
|   | 4 Income from investment of tax-exempt bond proceeds   |   |   |   |  |  |
|   | 5 Royalties  |   |   |   |  |  |
|   | 6 a Gross rents  | (i) Real                                      |   |   |  |  |
|   |  | (ii) Personal                                 |   |   |  |  |
|   |  |   |   |   |  |  |
|   | b Less rental expenses   |   |   |   |  |  |
|   | c Rental income or (loss)  |   |   |   |  |  |
|   | d Net rental income or (loss)  |   |   |   |  |  |
|   | 7 a Gross amount from sales of assets other than inventory   | (i) Securities                                |   |   |  |  |
|   |  | (ii) Other                                    |   | 25,460,251.                             |  |  |
|   |  | b Less cost or other basis and sales expenses |   | 25,134,661.                             |  |  |
|   |  | c Gain or (loss)                              |   | 325,590.                                |  |  |
|   | d Net gain or (loss)   |   | 325,590.  | 325,590.                                |  |  |
|   | 8 a 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                |  |   |   |   |  |  |
| 9 a Gross income from gaming activities. See Part IV, line 19 | a  |   |   |   |  |  |
| b Less direct expenses  | b  |   |   |   |  |  |
| c Net income or (loss) from gaming activities                 |  |   |   |   |  |  |
| 10 a 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   |  | <b>Business Code</b>                          |   |   |  |  |
| 11 a  |  |   |   |   |  |  |
| b   |  |   |   |   |  |  |
| c   |  |   |   |   |  |  |
| d All other revenue   |  |   |   |   |  |  |
| e Total. Add lines 11a-11d                                    |  |   |   |   |  |  |
| 12 Total revenue. See instructions.                           |  | 84,545,814.                                   | 83,635,852.                                     | 0.                                      | 909,962.   |  |

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Form 990 (2017)

UNION

**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 or note to any line in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.  | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21  | 15,475.               |                                 |  |                             |
| 2 Grants and other assistance to domestic individuals See Part IV, line 22  | 111,210.              |                                 |  |                             |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16   |                       |                                 |  |                             |
| 4 Benefits paid to or for members   |                       |                                 |  |                             |
| 5 Compensation of current officers, directors, trustees, and key employees  | 790,036.              |                                 |  |                             |
| 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  | 16,962,835.           |                                 |  |                             |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)  | 2,385,350.            |                                 |  |                             |
| 9 Other employee benefits   | 3,441,417.            |                                 |  |                             |
| 10 Payroll taxes  | 1,346,013.            |                                 |  |                             |
| 11 Fees for services (non-employees)  |                       |                                 |  |                             |
| a Management  |                       |                                 |  |                             |
| b Legal   |                       |                                 |  |                             |
| c Accounting  | 171,220.              |                                 |  |                             |
| d Lobbying  |                       |                                 |  |                             |
| e Professional fundraising services. See Part IV, line 17   |                       |                                 |  |                             |
| f Investment management fees  |                       |                                 |  |                             |
| g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)  | 1,865,787.            |                                 |  |                             |
| 12 Advertising and promotion  | 2,175,238.            |                                 |  |                             |
| 13 Office expenses  | 2,722,039.            |                                 |  |                             |
| 14 Information technology   |                       |                                 |  |                             |
| 15 Royalties  |                       |                                 |  |                             |
| 16 Occupancy  | 1,331,873.            |                                 |  |                             |
| 17 Travel   | 80,296.               |                                 |  |                             |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials   |                       |                                 |  |                             |
| 19 Conferences, conventions, and meetings   | 98,842.               |                                 |  |                             |
| 20 Interest   | 10,674,955.           |                                 |  |                             |
| 21 Payments to affiliates   | 65,434.               |                                 |  |                             |
| 22 Depreciation, depletion, and amortization  | 2,846,481.            |                                 |  |                             |
| 23 Insurance  | 208,227.              |                                 |  |                             |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) |                       |                                 |  |                             |
| a <b>PROVISION FOR LOAN LOSS</b>  | 7,200,000.            |                                 |  |                             |
| b <b>DEBIT/CREDIT CARD EXPEN</b>  | 2,543,194.            |                                 |  |                             |
| c <b>LOAN SERVICING EXPENSE</b>   | 2,365,846.            |                                 |  |                             |
| d <b>SOFTWARE LICENSING AND</b>   | 942,854.              |                                 |  |                             |
| e All other expenses <b>SEE SCH O</b>   | 3,020,494.            |                                 |  |                             |
| <b>25 Total functional expenses.</b> Add lines 1 through 24e  | <b>63,365,116.</b>    |                                 |  |                             |
| 26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.                              |                       |                                 |  |                             |

Check here  if following SOP 98-2 (ASC 958-720)

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Form 990 (2017)

UNION

38-1629793 Page 11

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

|   |  | (A)<br>Beginning of year  |                 | (B)<br>End of year |
|---|--|---|-----------------|--------------------|
| Assets  | 1  | Cash - non-interest-bearing   | 6,622,577.      | 1 7,214,556.       |
|   | 2  | Savings and temporary cash investments  | 42,700,641.     | 2 26,101,902.      |
|   | 3  | Pledges and grants receivable, net  |                 | 3                  |
|   | 4  | Accounts receivable, net  | 3,137,006.      | 4 1,240,456.       |
|   | 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 1,732,428.       |
|   | 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 instr). Complete Part II of Sch L |                 | 6                  |
|   | 7  | Notes and loans receivable, net   | 1245401085.     | 7 1451697818.      |
|   | 8  | Inventories for sale or use   |                 | 8                  |
|   | 9  | Prepaid expenses and deferred charges   | 1,586,939.      | 9 1,877,522.       |
|   | 10a  | Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D  | 10a 55,400,483. |                    |
|   | b  | Less accumulated depreciation   | 10b 12,228,059. | 10c 43,172,424.    |
|   | 11   | Investments - publicly traded securities  | 304,769,778.    | 11 282,236,819.    |
|   | 12   | Investments - other securities See Part IV, line 11   | 11,024,400.     | 12 11,024,400.     |
|   | 13   | Investments - program-related See Part IV, line 11  |                 | 13                 |
|   | 14   | Intangible assets   |                 | 14                 |
|   | 15   | Other assets See Part IV, line 11   | 22,770,588.     | 15 24,735,011.     |
| 16  | <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) | 1674185767.   | 16 1851033336.  |                    |
| Liabilities   | 17   | Accounts payable and accrued expenses   | 11,494,167.     | 17 7,949,833.      |
|   | 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   | 2,020,616.      | 21 2,342,135.      |
|   | 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 20,000,000.     |
|   | 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  | 1455058268.     | 25 1589716329.     |
|   | 26   | <b>Total liabilities.</b> Add lines 17 through 25   | 1468573051.     | 26 1620008297.     |
|   | 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 checked="" type="checkbox"/> and complete lines 30 through 34. |  |   |                 |                    |
| 30  |  | Capital stock or trust principal, or current funds  | 0.              | 30 0.              |
| 31  |  | Paid-in or capital surplus, or land, building, or equipment fund  | 0.              | 31 0.              |
| 32  |  | Retained earnings, endowment, accumulated income, or other funds  | 205,612,716.    | 32 231,025,039.    |
| 33  | <b>Total net assets or fund balances</b>                         | 205,612,716.  | 33 231,025,039. |                    |
| 34  | <b>Total liabilities and net assets/fund balances</b>            | 1674185767.   | 34 1851033336.  |                    |

Form 990 (2017)

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Form 990 (2017)

38-1629793 Page 12

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

|    |  |    |              |
|----|--|----|--------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)  | 1  | 84,545,814.  |
| 2  | Total expenses (must equal Part IX, column (A), line 25)   | 2  | 63,365,116.  |
| 3  | Revenue less expenses. Subtract line 2 from line 1   | 3  | 21,180,698.  |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                      | 4  | 205,612,716. |
| 5  | Net unrealized gains (losses) on investments   | 5  | 4,231,625.   |
| 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  | 0.           |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 231,025,039. |

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

|    |  | Yes | No |
|----|--|-----|----|
| 1  | Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____<br>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?<br>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<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis |     | X  |
| 2b | Were the organization's financial statements audited by an independent accountant?<br>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<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                | X   |    |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O   | X   |    |
| 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?   |     | X  |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits   |     |    |

Form 990 (2017)

**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No 1545-0047

**2017**

Open to Public Inspection

Name of the organization **MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION**

Employer identification number  
**38-1629793**

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education)  Preservation of a historically important land area

Protection of natural habitat  Preservation of a certified historic structure

Preservation of open space

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

|  | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements   | 2a                              |
| b Total acreage restricted by conservation easements   | 2b                              |
| c Number of conservation easements on a certified historic structure included in (a)   | 2c                              |
| d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register | 2d                              |

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

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

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

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \_\_\_\_\_

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

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

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

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

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

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

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

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

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

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

a Revenue included on Form 990, Part VIII, line 1 ▶ \$ \_\_\_\_\_

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

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply)

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table

|    | Amount |
|----|--------|
| 1c |        |
| 1d |        |
| 1e |        |
| 1f |        |

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     |                  |                |                    |                      |                     |
| b Contributions                                  |                  |                |                    |                      |                     |
| c Net investment earnings, gains, and losses     |                  |                |                    |                      |                     |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs |                  |                |                    |                      |                     |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            |                  |                |                    |                      |                     |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment  \_\_\_\_\_ %
- b Permanent endowment  \_\_\_\_\_ %
- c Temporarily restricted endowment  \_\_\_\_\_ %

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

|        | Yes | No |
|--------|-----|----|
| 3a(i)  |     |    |
| 3a(ii) |     |    |
| 3b     |     |    |

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property  | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land                  |                                      | 11,054,247.                     |                              | 11,054,247.    |
| b Buildings              |                                      | 30,303,289.                     | 3,797,396.                   | 26,505,893.    |
| c Leasehold improvements |                                      |                                 |                              |                |
| d Equipment              |                                      | 14,042,947.                     | 8,430,663.                   | 5,612,284.     |
| e Other                  |                                      |                                 |                              |                |

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)  43,172,424.

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Schedule D (Form 990) 2017

UNION

38-1629793 Page 3

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12

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

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13

| (a) Description of investment   | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|----------------|--|
| (1)   |                |  |
| (2)   |                |  |
| (3)   |                |  |
| (4)   |                |  |
| (5)   |                |  |
| (6)   |                |  |
| (7)   |                |  |
| (8)   |                |  |
| (9)   |                |  |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ |                |  |

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description   | (b) Book value |
|---|----------------|
| (1)   |                |
| (2)   |                |
| (3)   |                |
| (4)   |                |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ |                |

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

| 1. (a) Description of liability   | (b) Book value |
|---|----------------|
| (1) Federal income taxes  |                |
| (2) MEMBER SHARES   | 1589716329.    |
| (3)   |                |
| (4)   |                |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ 1589716329. |                |

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a

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

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a

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

**Part XIII Supplemental Information.**

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

**PART IV, LINE 2B:**

AS A LOAN SERVICER, THE CREDIT UNION RECEIVES PRINCIPAL, INTEREST, TAX AND INSURANCE PAYMENTS AND THEN REMITS THESE FUNDS TO THE APPLICABLE THIRD PARTIES ON BEHALF OF THE BORROWERS.

**PART X, LINE 2:**

MSGCU IS EXEMPT, BY STATUTE, FROM FEDERAL AND STATE INCOME TAXES. MSGCU IS SUBJECT TO UNRELATED BUSINESS INCOME TAX. MSGCU'S WHOLLY OWNED SUBSIDIARIES, SOC REALE ESTATE, INC. AND 20595 LIVONIA LLC, ARE SUBJECT TO FEDERAL AND STATE INCOME TAXES. MANAGEMENT EVALUATED MSGCU'S TAX POSITIONS AND CONCLUDED THAT MSGCU HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE CONSOLIDATED FINANCIAL STATEMENTS. MSGCU





SCHEDULE I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No 1545-0047

**2017**  
Open to Public  
Inspection

Name of the organization **MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION**

Employer identification number  
**38-1629793**

**Part I** General Information on Grants and Assistance

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

**Part II** Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

| 1 (a) Name and address of organization or government                     | (b) EIN    | (c) IRC section (if applicable) | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of noncash assistance       | (h) Purpose of grant or assistance |
|--|------------|---------------------------------|--------------------------|-----------------------------------|---|---|------------------------------------|
| UTICA COMMUNITY SCHOOLS<br>11303 GREENDALE<br>STERLING HEIGHTS, MI 48312 | 38-6002552 |                                 | 15,475.                  | 0.                                |   | CLASSROOM CASH GRANT FOR CLASSROOM PROJECTS | GRANTS                             |
|  |            |                                 |                          |                                   |   |   |                                    |
|  |            |                                 |                          |                                   |   |   |                                    |
|  |            |                                 |                          |                                   |   |   |                                    |
|  |            |                                 |                          |                                   |   |   |                                    |
|  |            |                                 |                          |                                   |   |   |                                    |
|  |            |                                 |                          |                                   |   |   |                                    |

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 0.
- 3 Enter total number of other organizations listed in the line 1 table ▶ 1.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2017)

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Schedule I (Form 990) (2017)

UNION

38-1629793

Page 2

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

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of noncash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|---------------------------------------|
| COLLEGE SCHOLARSHIPS            | 26                       | 80,000.                  | 0.                                |   | SCHOLARSHIP GRANTS                    |
| CLASSROOM GRANTS                | 42                       | 31,210.                  | 0.                                |   | CLASSROOM GRANTS                      |
|                                 |                          |                          |                                   |   |                                       |
|                                 |                          |                          |                                   |   |                                       |

**Part IV** Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information

**PART I, LINE 2:**

AN APPLICATION IS REQUIRED FROM THE TEACHER APPLYING FOR THE GRANT. GRANTS  
 ARE PAYABLE DIRECTLY TO THE SCHOOL AND TEACHERS FILE PAPERWORK WITH THEIR  
 SCHOOL FOR REIMBURSEMENT OF CLASSROOM EXPENSES. WE HAVE A COMMITTEE THAT  
 REVIEWS APPLICATIONS AND AWARDS SCHOLARSHIPS TO SELECTED INDIVIDUALS.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No 1545-0047

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

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2017**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization **MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION**

Employer identification number  
**38-1629793**

**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 on 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 checked="" 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 checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as, 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 directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on 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 checked="" type="checkbox"/> Compensation committee   | <input checked="" type="checkbox"/> Written employment contract                     |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on 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), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on 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" on line 5a or 5b, describe in Part III

**6** For persons listed on 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" on line 6a or 6b, describe in Part III

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

**8** Were any amounts reported on 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" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

|           | Yes | No |
|-----------|-----|----|
| <b>1b</b> | X   |    |
| <b>2</b>  | X   |    |
| <b>4a</b> |     | X  |
| <b>4b</b> | X   |    |
| <b>4c</b> |     | X  |
| <b>5a</b> |     |    |
| <b>5b</b> |     |    |
| <b>6a</b> |     |    |
| <b>6b</b> |     |    |
| <b>7</b>  |     |    |
| <b>8</b>  |     |    |
| <b>9</b>  |     |    |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2017

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

38-1629793

Schedule J (Form 990) 2017

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 on 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 aren't 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 in column (B) reported as deferred on prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|   |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| (1) PETER GATES<br>PRESIDENT/CEO          | (i)  | 639,644.   | 91,800.                             | 11,355.                             | 26,100.  | 21,137.                 | 790,036.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (2) STEVE BREWER<br>CFO                   | (i)  | 258,999.   | 49,626.                             | 4,082.                              | 26,100.  | 19,530.                 | 358,337.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (3) PHILIP COOPER<br>CLO                  | (i)  | 235,189.   | 42,433.                             | 2,022.                              | 24,562.  | 15,482.                 | 319,688.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (4) SCOTT TOWNSEND<br>CIO                 | (i)  | 208,672.   | 39,459.                             | 3,730.                              | 20,277.  | 19,193.                 | 291,331.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (5) DEBORAH FAHRNEY<br>VP RETAIL SERVICES | (i)  | 193,436.   | 34,154.                             | 1,569.                              | 19,456.  | 18,921.                 | 267,536.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (6) MICHAEL ZALEWSKI<br>VP HR             | (i)  | 178,425.   | 33,428.                             | 305.                                | 20,230.  | 15,085.                 | 247,473.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT  
UNION

38-1629793

Page 3

Schedule J (Form 990) 2017

**Part III** Supplemental Information

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.

**PART I, LINE 4B:**

THE CEO PARTICIPATES IN A 457(F) DEFERRED COMPENSATION PLAN. HE RECEIVED

NO PAY OUTS IN 2017.







**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.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No 1545-0047

**2017**

Open to Public  
Inspection

Name of the organization

MICHIGAN SCHOOLS AND GOVERNMENT CREDIT  
UNION

Employer identification number  
38-1629793

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

AND GOVERNMENT CREDIT UNION (MSGCU) HAS BEEN PROVIDING QUALITY  
FINANCIAL SERVICES TO ITS MEMBERS FOR MORE THAN 60 YEARS. WHETHER IT IS  
A CHECKING OR SAVINGS ACCOUNT, LOAN, IRA, CERTIFICATE OF DEPOSIT,  
MORTGAGE OR CREDIT CARD, MSGCU WANTS TO HELP ITS 121,000 MEMBERS  
ACHIEVE THEIR FINANCIAL SUCCESS.

WITH 14 OFFICES LOCATED THROUGHOUT MACOMB, OAKLAND, AND WAYNE COUNTIES,  
PROVIDING FULL ONLINE BANKING AND MOBILE SERVICES, WITH \$1.9 BILLION IN  
ASSETS, \$1.5 BILLION IN LOANS, AND A STAFF OF 330 EMPLOYEES, MSGCU IS A  
VALUED RESOURCE FOR FINANCIAL WELLBEING FOR BOTH CONSUMERS AND  
BUSINESSES. AT THE END OF 2017 OUR LENDING PORTFOLIO TOTALED  
APPROXIMATELY \$1.5 BILLION. THE CONSUMER LENDING PORTION OF THE  
PORTFOLIO WAS JUST OVER \$785 MILLION. THE MORTGAGE PORTFOLIO WAS JUST  
OVER \$591 MILLION AND THE BUSINESS LOAN PORTFOLIO WAS ALMOST \$92  
MILLION. MEMBER DEPOSITS TOTALED \$1.591 BILLION.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

RATING OF FIVE STARS FOR THE PAST TWENTY YEARS. THESE ACCOMPLISHMENTS  
CONFIRM THAT WE ARE MAKING A DIFFERENCE IN THE COMMUNITIES WE SERVE IN  
SOUTHEAST MICHIGAN.

FORM 990, PART VI, SECTION A, LINE 6:

EACH INDIVIDUAL THAT HAS AN ACCOUNT WITH THE CREDIT UNION IS A MEMBER.

FORM 990, PART VI, SECTION A, LINE 7A:

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

Schedule O (Form 990 or 990-EZ) (2017)

Name of the organization MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Employer identification number  
38-1629793

MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO ELECT ONE OR MORE OF THE ORGANIZATION'S GOVERNING BODY, WHETHER PERIODICALLY, OR AS VACANCIES ARISE OR OTHERWISE.

FORM 990, PART VI, SECTION A, LINE 7B:

MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO VOTE FOR THE GOVERNING BODY'S ELECTION AND/OR REMOVAL AS WELL AS OTHER MATTERS THAT ARE SUBJECT TO THE APPROVAL OF MEMBERS OF THE CREDIT UNION AS THEY OCCUR.

FORM 990, PART VI, SECTION B, LINE 11B:

THE CEO, CFO AND ACCOUNTING MANAGER REVIEW THE COMPLETED FORM 990 PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

ANNUALLY THE BOARD OF DIRECTORS COMPLETES A CONFLICT OF INTEREST DISCLOSURE.

FORM 990, PART VI, SECTION B, LINE 15:

ON AN ANNUAL BASIS, CEO COMPENSATION IS RECOMMENDED BY THE PERSONNEL COMMITTEE, A SUBCOMMITTEE OF THE BOARD OF DIRECTORS, AND APPROVED BY THE ENTIRE BOARD OF DIRECTORS. ON AN ANNUAL BASIS, ALL OTHER EMPLOYEE COMPENSATION IS SET BY THE CEO, EXECUTIVE TEAM, AND HUMAN RESOURCES. WE UTILIZE A THIRD PARTY COMPENSATION CONSULTANT IN JOB PRICING.

FORM 990, PART VI, SECTION C, LINE 19:

FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST. GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE AVAILABLE TO THE PUBLIC.

Name of the organization MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

Employer identification number 38-1629793

FORM 990, PART IX, LINE 24E, ALL OTHER FUNCTIONAL EXPENSES:

|  |            |
|--|------------|
| MAINTENANCE  | 849,210.   |
| COLLECTIONS EXPENSE  | 668,056.   |
| ONLINE BANKING EXPENSE                                     | 649,873.   |
| EDUCATION AND TRAINING                                     | 507,067.   |
| ASSOCIATION DUES   | 269,980.   |
| OTHER  | 76,308.    |
| TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A | 3,020,494. |

FORM 990, PART XII, LINE 2C:

THERE WERE NO CHANGES IN THE PROCESS OF THE COMMITTEE THAT ASSUMES RESPONSIBILITY OF THE OVERSIGHT OF THE AUDIT AND SELECTION OF THE INDEPENDENT AUDITOR.

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No 1545-0047

**2017**

Open to Public Inspection

Name of the organization **MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION** Employer identification number **38-1629793**

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33

| (a)<br>Name, address, and EIN (if applicable)<br>of disregarded entity   | (b)<br>Primary activity  | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling<br>entity             |
|--|--------------------------|---|---------------------|---------------------------|---|
| 20595 LIVONIA LLC - 45-5324142<br>28366 FRANKLIN<br>SOUTHFIELD, MI 48034 | HOLDING COMPANY FOR LAND | MICHIGAN  | 0.                  | 770,673.                  | MICHIGAN SCHOOLS AND<br>GOVERNMENT CREDIT UNION |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |
|  |                          |   |                     |                           |   |

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year

| (a)<br>Name, address, and EIN<br>of related organization | (b)<br>Primary activity | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Exempt Code<br>section | (e)<br>Public charity<br>status (if section<br>501(c)(3)) | (f)<br>Direct controlling<br>entity | (g)<br>Section 512(b)(13)<br>controlled<br>entity? |    |
|--|-------------------------|---|-------------------------------|---|-------------------------------------|--|----|
|  |                         |   |                               |   |                                     | Yes  | No |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |
|  |                         |   |                               |   |                                     |  |    |



MICHIGAN SCHOOLS AND GOVERNMENT CREDIT

Schedule R (Form 990) 2017 UNION

38-1629793 Page 3

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36

**Note** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

- 1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?
- a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity
  - b Gift, grant, or capital contribution to related organization(s)
  - c Gift, grant, or capital contribution from related organization(s)
  - d Loans or loan guarantees to or for related organization(s)
  - e Loans or loan guarantees by related organization(s)
  
  - f Dividends from related organization(s)
  - g Sale of assets to related organization(s)
  - h Purchase of assets from related organization(s)
  - i Exchange of assets with related organization(s)
  - j Lease of facilities, equipment, or other assets to related organization(s)
  
  - k Lease of facilities, equipment, or other assets from related organization(s)
  - l Performance of services or membership or fundraising solicitations for related organization(s)
  - m Performance of services or membership or fundraising solicitations by related organization(s)
  - n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
  - o Sharing of paid employees with related organization(s)
  
  - p Reimbursement paid to related organization(s) for expenses
  - q Reimbursement paid by related organization(s) for expenses
  
  - r Other transfer of cash or property to related organization(s)
  - s Other transfer of cash or property from related organization(s)

|    | Yes | No |
|----|-----|----|
| 1a |     | X  |
| 1b |     | X  |
| 1c |     | X  |
| 1d |     | X  |
| 1e |     | X  |
| 1f |     | X  |
| 1g |     | X  |
| 1h |     | X  |
| 1i |     | X  |
| 1j |     | X  |
| 1k | X   |    |
| 1l |     | X  |
| 1m |     | X  |
| 1n |     | X  |
| 1o |     | X  |
| 1p | X   |    |
| 1q |     | X  |
| 1r |     | X  |
| 1s |     | X  |

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

| (a)<br>Name of related organization | (b)<br>Transaction type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|-------------------------------------|-------------------------------|------------------------|--|
| (1) SOC REAL ESTATE, INC.           | K                             | 664,440.               | MARKET LEASE RATES PER SQ. FOO               |
| (2) SOC REAL ESTATE, INC.           | K                             | 3,660.                 | ACTUAL COST                                  |
| (3) SOC REAL ESTATE, INC.           | L                             | 120,000.               | SALARY ALLOCATION                            |
| (4)                                 |                               |                        |  |
| (5)                                 |                               |                        |  |
| (6)                                 |                               |                        |  |



MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION

**Part VII** Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

**PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:**

**NAME OF RELATED ORGANIZATION:**

SOC REAL ESTATE, INC.

**DIRECT CONTROLLING ENTITY: MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION**