

# Richard King Mellon Foundation 2011 Annual Report



## Richard King Mellon, 1899–1970



Richard King Mellon was born in Pittsburgh, Pennsylvania, on June 19, 1899, the son of Richard Beatty Mellon and Jennie King Mellon. Mr. Mellon served his country in both World Wars and in peacetime, attaining the rank of Lieutenant General, United States Army Reserve, and receiving the Distinguished Service Medal.

Mr. Mellon was the dominant figure in the financial, industrial, and civic life of his community for many years. He was President of Mellon National Bank and for twenty years Chairman of the Board of Mellon National

Bank and Trust Company; as a director, he aided the growth of many of the nation's leading enterprises, particularly Gulf Oil Corporation and Aluminum Company of America. Mr. Mellon, President and Governor of T. Mellon and Sons, inspired and led the rebirth of a great American city. His creative energies forged the Pittsburgh Renaissance, a nationally recognized architectural, civic, social, and educational venture.

In 1936 Mr. Mellon married the former Constance Mary Prosser, who served as Chairman of the Board of Trustees of the Richard King Mellon Foundation from its inception in 1947 until her death in 1980.

A renowned sportsman, Mr. Mellon generously endeavored to preserve the quality of the natural environment and to protect its wildlife.

Mr. Mellon died on June 3, 1970.

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The Trustees of the Richard King Mellon Foundation approved 233 grants totaling \$90,845,750 and paid out grants in the amount of \$95,571,584. These gifts represent the Foundation's commitment to improving the quality of life in southwestern Pennsylvania by supporting initiatives that encourage innovation and industry, stimulate learning, help people in need, and protect land and conserve natural resources here and across the country.

### Regional Economic Development

Positive indicators, such as a net gain in population reversing years of net loss and unemployment below that of Pennsylvania and the nation, encouraged the Foundation to continue a grant-making strategy focused on economic diversification. The Foundation's 94 grants for Regional Economic Development totaled \$31,409,500. Investments of \$6,879,000 in 2011 went toward advancing software technology and energy sectors and improving workforce preparedness. A grant to **Innovation Works, Inc.**, which has helped launch 152 high-tech companies that have attracted hundreds of millions of investment capital, received \$400,000 for its start-up accelerator Alpha Lab. **Pittsburgh Gateways Corporation** will apply \$1.5 million to help convert a former vocational school located in the Lower Hill District into the Energy Innovation Center where more than 15 corporate and educational partners will pilot, market, and train workforce for state-of-the-art energy manufacturing products and services. The **Allegheny Conference on Community Development** is using gifts totaling \$500,000 for an energy industry occupational analysis and to devise supply chain strategies for several of Pittsburgh's energy sectors — natural gas, nuclear, and wind — and to identify opportunities to capitalize on one of the region's most abundant natural resources, water.

Gifts to **WQED Multimedia** (\$550,000), **Pittsburgh Entertainment Project** (\$350,000), **Pittsburgh Community Broadcasting Corporation** (\$1.5 million), and **Pittsburgh Filmmakers** (\$85,000) are aimed at enhancing southwestern Pennsylvania's access to reliable non-commercial news and public affairs coverage as well as innovative multi-media production capabilities. Grants of \$5 million to the **Pittsburgh Symphony, Inc.**, and \$1.5 million to **The Pittsburgh Trust for Cultural Resources** will support cultural tourism and Downtown development. **Riverlife**, another partner in Downtown revitalization, will use \$1 million toward the completion of Three Rivers Park.

Regional organizations are developing innovative and sustainable solutions to upgrade aging infrastructure, especially in the areas of water treatment and transportation. **3 Rivers Wet Weather, Inc.**, received \$800,000 to develop cost-effective green ways to consolidate oversight and improve the functioning of disparate Allegheny County water treatment facilities. Grants to **Carnegie Mellon University** (\$100,000), **Sustainable Pittsburgh** (\$575,000), and **Oakland Planning and Development Corporation** (\$200,000) contribute technological solutions to improve Pittsburgh's public transit, road, and way-finding systems.



*The Center for Sustainable Landscapes opened in the spring of 2012 at Phipps Conservatory and Botanical Gardens. The new center for education, research, and administration will generate its own energy and water requirements on-site. In 2008 the Foundation provided a \$5 million grant toward the construction of the project.*



Since 1999 Riverlife has been working with public and private landowners to implement a master plan for Three Rivers Park, a continuous series of waterside parks and trails along the city of Pittsburgh's Allegheny, Monongahela, and Ohio Rivers. Today 80 percent of the project is completed. Shown here is the Allegheny River's North Shore Trail.



The dedication of the National Park Foundation's Flight 93 Memorial in Stonycreek Township, Pennsylvania, took place during the tenth anniversary commemoration of 9/11. The memorial's Wall of Names includes 40 white marble panels honoring the passengers and crew of Flight 93.

Believing that a strong regional economy requires a diversified health care system that provides patient stakeholders and medical personnel with options, the Trustees approved a \$50,000 grant to the **Allegheny Conference on Community Development** to develop recommendations for generating competitiveness in the regional health care system.

### Education

The Foundation encourages a wide array of educational opportunities to enhance the region's competitiveness. Grants totaling \$17,938,500 for higher education, independent schools, and early childhood education went to 35 institutions and initiatives. Over half of this funding — \$9 million — supported capital and endowment projects at universities and colleges in Pittsburgh and other southwestern Pennsylvania communities. **Duquesne University of the Holy Ghost** received \$4 million to renovate its laboratories in the Schools of Pharmacy and Natural and Environmental Sciences. **Community College of Allegheny County Educational Foundation** received \$3 million to upgrade math, science, and health care programs.

Gifts to primary and secondary private and public schools supported efforts to improve student performance and operating efficiencies. **Imani Christian Academy** received funds for mentorship and career path development programs. **The Extra Mile Foundation, Inc.**, received \$250,000 to consolidate two parochial schools in the Diocese of Pittsburgh; and the **Pittsburgh Public Schools** received \$150,000 for consulting services to develop a comprehensive budgetary and debt reduction strategy. A preschool education provider, **Family Communications, Inc.**, received \$1.5 million toward the production of a PBS series, *Daniel Tiger's Neighborhood*.

To mark the tenth anniversary of the events of 9/11 and to honor the men and women who left a legacy of courageous action, a \$1 million gift was made to the **National Park Foundation** for the Flight 93 Memorial in Stonycreek Township, Pennsylvania.



*East End Cooperative Ministry, Inc., is set to break ground on Community House, a 56,800-square-foot multi-purpose facility that includes assembly rooms for programs, a homeless residential center, a chapel, kitchen and dining facilities, a greenhouse, and administrative offices.*

### Human Services

Contributions of \$16,082,750 to 69 human services agencies and initiatives reflect grant making that provides fundamental care such as food, shelter, and medicine to the region's underserved and disadvantaged populations.

Several grants went to agencies that provide housing and a complementary network of support services. Among these were \$1 million to **Adelphoi USA Inc.**, to upgrade 22 group homes for youths, ages 10 to 18; \$235,000 to **Bridge To Independence, Inc.**, for transitional housing for homeless women and families; and \$500,000 to **Allegheny Council To Improve Our Neighborhoods-Housing, Inc.**, for a supervised residential program serving 18- to 24-year-olds no longer eligible for foster care. **East End Cooperative Ministry, Inc.**, will use a \$2 million gift to help construct a multi-purpose facility that includes a lodging center for the homeless.

Agencies focused on improving the quality of life in the distressed neighborhood of Homewood also received support. The **University of Pittsburgh School of Social Work** will use \$175,000 for the Homewood Children's Village, a new initiative emphasizing children's development. Organizations with strong youth responsibility development programs, **Bethany Baptist Church** and **Rosedale Block Cluster, Inc.**, received \$100,000 and \$8,750, respectively. A gift of \$650,000 went to Homewood's Alma Illery Medical Center, a division of **Primary Care Health Services**, while \$250,000 to **Operation Better Block, Inc.**, is targeted for improving safety and eradicating housing blight.

On Pittsburgh's North Side, **Manchester Youth Development Center, Inc.**, received \$400,000 to help young children prepare for school and to provide older children a safe and nurturing after-school environment.

### Conservation

Conservation of land, improvement of water quality, and preservation of natural habitat and wildlife benefit all of the Foundation's grant-making objectives, since the well-being of the environment and careful husbandry of natural resources are fundamental to our quality of life. In 2011 the Foundation's 35 gifts for Conservation totaled \$25,415,000. **The Conservation Fund** received \$2.5 million to continue efforts to protect Montana's Rocky Mountain Front, a project in which the Foundation has participated since 2007. To date 78,730 acres of this nationally treasured land have been protected. Additionally, The Conservation Fund was awarded \$10 million for the protection of a working forest in the East Grand Lake region of Maine and \$5 million for the protection of property along the "last wild" Neches River in Texas.

The **Western Pennsylvania Conservancy** received \$500,000 to preserve the watershed of one of the Allegheny River's most pristine tributaries, French Creek. In order to advance sustainable land use planning and the protection of special habitats in Allegheny County, the **Allegheny Land Trust** received \$90,000.

Because the restoration and protection of western Pennsylvania watersheds revitalize water quality and the



*In East Texas The Conservation Fund (TCF) has recently protected 7,050 acres of pristine Neches River hardwood bottomlands, one of the South's most intact ecosystems. This acreage adds to TCF's overall Neches River watershed protection initiative, which totals 60,000 acres.*

surrounding habitat, the Foundation made grants to organizations that undertake reclamation, encourage watershed science, and promote sustainable water and agricultural practices. A gift of \$675,000 to the **Foundation for Pennsylvania Watersheds** will address both water quality (coldwater fisheries) and habitat (wetland restoration). **American Rivers** received \$1 million to remove obsolete dams, which also will help restore aquatic life and improve public safety.

### Transitions

My fellow Trustees and I are grateful to Richard A. Mellon for his two-year tenure as the Foundation President, and we are pleased to announce that another member of the third generation of the Richard King Mellon family, Bruce King Mellon Henderson, will serve as President for a two-year term.

We continue to be inspired by the numerous contributions made by the talented and highly motivated individuals at organizations dedicated to improving southwestern Pennsylvania and the conservation of the nation's natural resources.

Seward Prosser Mellon  
Chairman

# REGIONAL ECONOMIC DEVELOPMENT

## High Technology, Energy, Workforce, and Water

The transformation of Pittsburgh from its former domination by heavy industry to its current knowledge-based economy has resulted in dynamic growth across many sectors. The region's high-technology clusters, for example, have been a significant source of wealth creation. Over the last twelve years, **Innovation Works, Inc. (IW)**, a nonprofit incubator and seed-stage investor, has helped entrepreneurs in nanotechnology, robotics, and life sciences create more than 150 companies, including some of the region's most successful: Plextronics, Redzone, and Medrad. One of IW's newer programs, AlphaLab, accelerates the commercialization of software and Internet-related innovations through a 20-week intensive curriculum and has launched 33 start-ups in just four years.

Other growing industries and their workforces are gaining market edge from synergies with high technology. **Pittsburgh Gateways Corporation** has forged partnerships with more than 15 companies, schools, and universities to develop the Energy Innovation Center. Located in a former vocational school in the Lower Hill District, the center will be a resource for energy research and workforce training, while showcasing state-of-the-art energy products and energy-related services.

According to the **Allegheny Conference on Community Development (ACCD)**, the region's energy sectors and related businesses account for 16 percent of the economy and generate directly and indirectly 157,000 jobs and \$19 billion in gross domestic product. Recognizing the potential for future growth, ACCD has selected three of these sectors — natural gas, nuclear, and wind — for which it is developing supply chain expansion strategies. In parallel, ACCD is working with a consultant to forecast skill set requirements and supply and demand for energy-related occupations. This analysis will be used to engage directly with community colleges, career and technical schools, and other educators to shape curricula to align with the needs of industry. Southwestern Pennsylvania's abundance of fresh water also has prompted ACCD to target business expansion opportunities associated with drinking water, river transportation, water treatment infrastructure, and energy extraction.

With the demand for fresh water increasing, ACCD (top far right) sees an opportunity to expand the region's already significant water industry. According to ACCD, there are 3,000 water-related businesses that generate \$5 billion in annual sales in western Pennsylvania.

Pittsburgh Gateways Corporation is transforming the former Clifford B. Connelley Trade School in the Lower Hill District (bottom right) into the Energy Innovation Center (EIC).

Eaton Corporation will contribute electrical distribution equipment for EIC's mechanical infrastructure and use the facility for workforce training similar to its highly utilized Warrendale, Pennsylvania, Power Systems Experience Center (top near right).

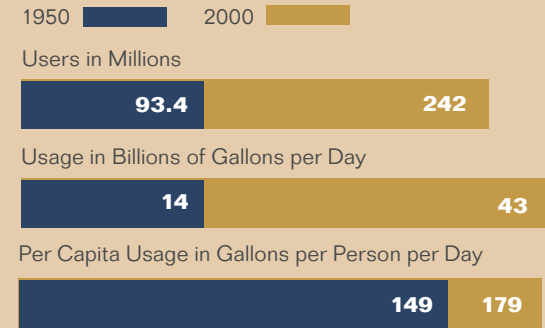
Another EIC partner is Thar Geothermal (below) whose highly energy-efficient geothermal system will be incorporated into the facility's heating, ventilation, and cooling network as a demonstration project for this new company.



### alleghenyconference

ON COMMUNITY DEVELOPMENT

#### U.S. Public Drinking Water: 1950 and 2000



#### Water Market Drivers

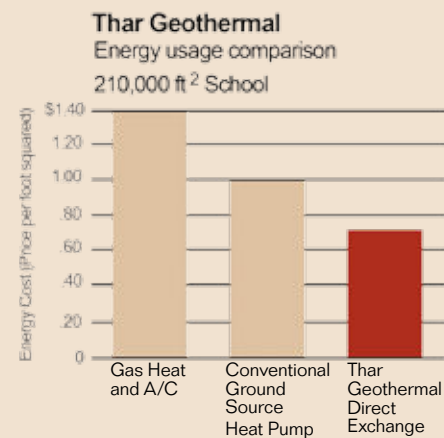
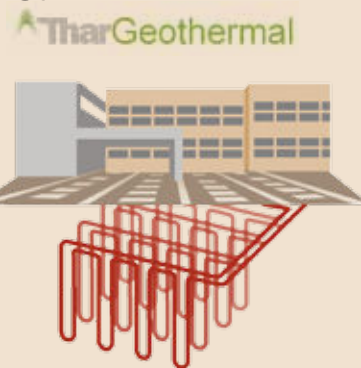
- Energy Production
- Monitoring and Security
- Retrofitting Technologies
- Purification and Processing
- Desalination
- Storm Water Management
- Manufacturing Uses



IW AlphaLab participant ShoeFitr has developed software that helps online shoppers select the proper shoe size. The start-up has 7 full-time and 10 part-time employees and 16 customers on four continents.



### Energy Innovation Center





Several of Pittsburgh's media and arts institutions have strengthened themselves recently through realignments, joint ventures, and audience and membership development, thus enhancing their cultural, educational, and economic value to southwestern Pennsylvania.

In order to reallocate assets for its educational mission, **Duquesne University of the Holy Ghost** sold the WDUQ-FM radio signal 90.5 to Essential Public Media (EPM), a subsidiary of **Pittsburgh Community Broadcasting Corporation (PCBC)**. The transfer preserves the news format previously offered on WDUQ and also allows for in-depth journalism. Moreover, EPM 90.5 is now co-located with PCBC's WYEP 91.3, providing efficiencies in the operations of each.

**WQED Multimedia** is the region's principal source for Public Broadcasting Station (PBS) television and also operates a classical radio station. WQED recently focused on increasing its television audience, which grew from 670,000 to 795,000 viewers weekly in 2011. **Pittsburgh Entertainment Project/Steeltown Entertainment Project (SEP)** was created to build a vibrant digital media sector for the region. Now WQED and SEP have joined forces to develop two television pilots for national licensing, one of which has a commitment to air on NBC stations.

Downtown Pittsburgh attracts 2 million visitors annually, thanks in large part to the extensive programming and revitalization efforts of **The Pittsburgh Trust for Cultural Resources**. Also under the Trust's umbrella are the Dance Council, the Three Rivers Arts Festival, and First Night, enhancing the operational efficiencies of these popular arts organizations. In order to build on its value to the region, the Trust has begun an already-promising campaign to increase its membership level to 10,000 by 2015.



The Trust not only generates tourism by drawing audiences to district performances at venues like the Benedum Center for Performing Arts (above), but also generates \$2 million annually in parking and amusement tax revenues for the City of Pittsburgh.

PCBC's Essential Public Media 90.5 (left) offers 24-hour news coverage, including 14 hours weekly of locally produced programs such as Essential Pittsburgh and The Allegheny Front and 80 hours weekly of nationally syndicated news and public affairs programs such as Talk of the Nation and Science Friday.

Part of SEP's mission is to develop film writing and production skills in middle- and high-school students through its Take a Shot film contest (near right). This popular competition, which offers cash prizes, drew submissions from 80 student teams in 2011.

WQED (far right), working with PBS, has brought iQZoo to the Pittsburgh Zoo & PPG Aquarium. iQZoo provides supplemental content about zoo wildlife and their habitats that visitors can access on smart phones at kiosks throughout the zoo and online at the iQZoo website.



## REGIONAL ECONOMIC DEVELOPMENT

# Transportation and Water Treatment

Reliable utilities and transportation are cornerstones of thriving economic activity and quality of life. In the face of demands for improvements, southwestern Pennsylvania agencies are working cooperatively to address complex water treatment and transportation challenges, using economies of scale, green construction, and new technology.

Throughout Allegheny County, outdated municipal wastewater systems have led to frequent overflows of untreated sewage and storm water during periods of wet weather. To help the Allegheny County Sanitation Authority (ALCOSAN) and the 83 municipalities responsible for sewage collection achieve compliance with the Federal Clean Water Act, **3 Rivers Wet Weather, Inc. (3RWW)**, has been identifying ways to consolidate operations and develop cost-effective green solutions for the necessary upgrades.

New pilot-program technologies for transportation and way finding are being led by Traffic 21, a transportation research initiative of **Carnegie Mellon University (CMU)**. For the Allegheny County Port Authority transit system, Traffic 21 has developed a smart-phone application that provides real-time information on bus arrivals and departures and, with **Sustainable Pittsburgh** and the Oakland Task Force, is engaged in the Port Authority's planning of a bus rapid-transit system between Downtown and Oakland. In East Liberty, Traffic 21 has installed software for traffic signals that improves traffic flow and pedestrian safety while reducing vehicular idling.

The **Westmoreland County Airport Authority (WCAA)** is expanding the usability of its private and commercial Arnold Palmer Regional Airport by developing a 20,000-square-foot multi-purpose facility that will serve as the primary satellite for Westmoreland County's Emergency Operations Center (911).



Sewer manhole overflows (above) occur frequently when storm drainage overwhelms local combined sewer systems, resulting in river contamination. 3RWW has created RainWays, an online tool to help municipalities and residents identify where green (rain-absorbing) infrastructure such as green roofs, rain gardens, and permeable pavement has the greatest potential to reduce sewer overflows.

CMU's Traffic 21 and Sustainable Pittsburgh (middle right) are working with community organizations such as the Oakland Task Force to move along an ambitious effort to bring bus rapid transit to the Downtown-Oakland corridor.

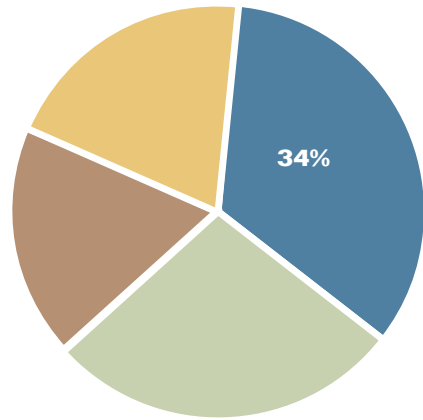


CMU's Traffic 21 has created Tiramisu (left, opposite page), a smart-phone application that displays the nearest bus stops and a list of bus arrivals, based either on historical data or on real-time reports from riders also using Tiramisu.

In the Penn Circle area of East Liberty (right, opposite page), CMU's Traffic 21 has installed real-time signal control software on eight newly installed traffic lights with cameras, which is designed to improve traffic flow and reduce congestion.

At the Arnold Palmer Regional Airport (left), WCAA's new Emergency Operations Center will house weather-sensitive equipment for state and local emergency responders and serve as a designated collection point for emergency evacuations and a shelter and hub for the American Red Cross.

# REGIONAL ECONOMIC DEVELOPMENT Grant Summary



**Grants Approved**  
**\$31,409,500**  
**34% of Total**

**Number of Grants**  
**94**

### 10,000 Friends of Pennsylvania

Harrisburg, PA  
\$85,000 toward two-year support to encourage transportation projects in southwestern Pennsylvania that link sound land use principles, community plans, and sensible transportation investment decisions

### 3 Rivers Wet Weather, Inc.

Pittsburgh, PA  
\$800,000 toward two-year support to develop a cost-effective management model for the Allegheny County sewage system and to engage a consulting team to assist with integrating green solutions in wet weather plans in the Pine Creek watershed

### Allegheny Conference on Community Development

Pittsburgh, PA  
\$200,000 to develop supply chain strategies for water and three of the region's most competitive energy sectors: natural gas, nuclear, and wind  
\$300,000 toward an energy industry occupational analysis  
\$425,000 toward support of operations  
\$30,000 toward establishing the tech-belt region as a global center for public and private investment research and manufacturing  
\$50,000 to conduct a study on health care in Pittsburgh

### Allegheny County Economic Development

Pittsburgh, PA  
\$400,000 toward two-year support to provide energy conservation retrofit measures at municipal buildings throughout Allegheny County

### August Wilson Center for African American Culture

Pittsburgh, PA  
\$300,000 toward support of operations

### Carnegie Institute

Pittsburgh, PA  
\$730,000 toward two-year support of scientific and educational programming for the Carnegie Center for Biodiversity and Ecosystems and support of work at Powdermill Nature Reserve

### Carnegie Mellon University

Pittsburgh, PA  
\$100,000 toward development of technological solutions for Pittsburgh's transportation challenges

### Catalyst Connection

Pittsburgh, PA  
\$450,000 toward two-year support to assist manufacturers in competing in the emerging energy markets

### Children's Museum of Pittsburgh

Pittsburgh, PA  
\$250,000 toward support of operations

### Christian Evangelistic Economic Development

Pittsburgh, PA  
\$100,000 toward the Skills to Work program and the Eco-One Housing initiative

### City Theatre Company, Inc.

Pittsburgh, PA  
\$350,000 toward support of operations and a feasibility study on moving to the Cultural District

\$175,000 toward support of operations and an individual donor challenge

### Community Foundation of Fayette County

Uniontown, PA  
\$10,000 toward two-year support to hire a consultant to provide technical assistance to the five communities of the Fayette Community Growth Fund: Brownsville, Connellsville, Ohionpyle, Point Marion, and Uniontown

### Community Foundation of Greater Johnstown

Johnstown, PA  
\$425,000 toward support of a partnership with the Richard King Mellon Foundation for projects in the Johnstown region and to assist with the LiftJohnstown economic development initiative

### Community Theater Project Corporation

Pittsburgh, PA  
\$50,000 to upgrade the Pittsburgh Dance Alloy's East End performance venue

### Covenant Presbyterian Church

Ligonier, PA  
\$75,000 toward infrastructure improvements and interior refurbishments

### Economic Growth Connection of Westmoreland

Greensburg, PA  
\$450,000 toward three-year support of operations  
\$550,000 to develop the Ligonier Armory

### Fort Ligonier Days, Inc.

Ligonier, PA  
\$18,000 to help fund the engagement of the Marine Field Band at Fort Ligonier Days for three years

\$3,500 toward storage of materials and equipment

### Frick Art & Historical Center

Pittsburgh, PA  
\$75,000 toward support of the exhibition *Fabergé: The Hodges Family Collection*

### Friends of the Riverfront

Pittsburgh, PA  
\$14,000 toward an appraisal of the 8-acre Aspinwall Marina, which is being considered for the location of a public park

### Garfield Jubilee Association, Inc.

Pittsburgh, PA  
\$150,000 toward support of operations and the introduction of a masonry program

### Grantmakers of Western Pennsylvania

Pittsburgh, PA  
\$20,000 toward 2011 membership

### Greater Pittsburgh Convention & Visitors Bureau Education Foundation, Inc.

Pittsburgh, PA  
\$89,000 toward two-year support of customer service training

### Greater Pittsburgh Office of Promotion

Pittsburgh, PA  
\$250,000 toward support of 2012 operations

### Grow Pittsburgh

Pittsburgh, PA  
\$105,000 toward support of general operations and website improvements

### Hill House Association

Pittsburgh, PA  
\$250,000 toward Hill District revitalization efforts including the Kassi Leadership Academy, Kaufmann Center, and the Season of the Arts

### Hill House Economic Development Corporation

Pittsburgh, PA  
\$525,000 toward construction-related expenses for the Hill District grocery store

### Historical Society of Western Pennsylvania

Pittsburgh, PA  
\$300,000 toward support of operations

### Housing Alliance of Pennsylvania

Glenside, PA  
\$3,500 toward costs associated with the Land Bank Conference 2011, held in Detroit, Michigan

### Idea Foundry

Pittsburgh, PA  
\$200,000 to create a self-sustaining EB-5 regional center in southwestern Pennsylvania

\$400,000 to provide in-depth business development services and financial capital to transform early start technology ideas into sustainable business

### Innovation Works, Inc.

Pittsburgh, PA  
\$75,000 toward a study on the feasibility of establishing an advanced materials center in Pittsburgh

\$400,000 toward support of AlphaLab

### Kingsley Association

Pittsburgh, PA  
\$300,000 toward support of a land reclamation and greening strategy in the Larimer and East Liberty corridor

### Leadership Pittsburgh

Pittsburgh, PA  
\$25,000 to develop marketing and response management plans for attracting Baby Boomers to Pittsburgh

### Ligonier Borough

Ligonier, PA  
\$89,000 to map community facilities, underground utilities, storm water facilities, and parcels with a geographic information system



*Takekeru Kudo, one of the most acclaimed performers of the new generation of butoh (a Japanese dance form), performed in residence at the North Side-based Mattress Factory in the summer of 2011. Through a wide range of exhibitions and programs, the internationally acclaimed Mattress Factory attracts more than 75,000 visitors each year.*



## REGIONAL ECONOMIC DEVELOPMENT Grant Summary

### Ligonier Township Municipal Authority

Ligonier, PA  
\$81,000 to map Ligonier Township Municipal Authority facilities, including water and sanitary sewer lines, with a geographic information system

### Looking Glass Institute

Pittsburgh, PA  
\$185,000 toward two-year support of a public relations collaboration among environmental organizations and to assist with revitalization efforts in Homewood, with an emphasis on green building

### Manchester Citizens Corporation

Pittsburgh, PA  
\$425,000 to establish a loan fund at Bridgeway Capital for restoration of housing on Juniata Street (\$300,000) and support of operations (\$125,000)

### The Mattress Factory, Ltd.

Pittsburgh, PA  
\$250,000 toward support of operations and programs and to expand and strengthen the museum's development efforts

### Minority and Women Educational Labor Agency

Pittsburgh, PA  
\$350,000 toward support of operations in the pre-apprenticeship program

### Mount Washington Community Development Corporation

Pittsburgh, PA  
\$25,000 toward an engineering plan for the Shiloh Street corridor

\$220,000 to remove invasive species, restore and landscape the hillside, maintain the view, and begin trail development on Mount Washington

### The Mountain Playhouse, Inc.

Jennerstown, PA  
\$100,000 toward support of operations

### New Hazlett Center for the Performing Arts

Pittsburgh, PA  
\$350,000 toward two-year support of operations and programs

### Oakland Planning and Development Corporation

Pittsburgh, PA  
\$75,000 to renovate and equip a new location for workforce and youth programs

\$200,000 to complete design and engineering specifications and to assist with preliminary construction of the Innovation Oakland project

### Pittsburgh Ballet Theatre, Inc.

Pittsburgh, PA  
\$300,000 toward support of operations and expansion into Westmoreland County

### Pittsburgh Central Keystone Innovation Zone

Pittsburgh, PA  
\$400,000 toward two-year support to build capacity and expand services

### Pittsburgh Community Broadcasting Corporation

Pittsburgh, PA  
\$1,500,000 toward the acquisition and launch of Essential Public Media's 90.5 FM

### Pittsburgh Council for International Visitors

Pittsburgh, PA  
\$125,000 to strengthen sustainable income streams for Global Pittsburgh's core programs

### Pittsburgh Downtown Partnership

Pittsburgh, PA  
\$300,000 toward support of downtown living initiatives

### Pittsburgh Entertainment Project

Pittsburgh, PA  
\$350,000 toward support of programs and operations

### Pittsburgh Filmmakers

Pittsburgh, PA  
\$85,000 to support PublicSource to strengthen regional journalism through in-depth news and information

### The Pittsburgh Foundation

Pittsburgh, PA  
\$35,000 to conduct a study on the community development system in Pittsburgh

### Pittsburgh Gateways Corporation

Pittsburgh, PA  
\$1,500,000 toward two-year support of western Pennsylvania job creation in energy and energy-related sectors

### Pittsburgh Opera, Inc.

Pittsburgh, PA  
\$300,000 toward support of operations

### The Pittsburgh Public Theater Corporation

Pittsburgh, PA  
\$300,000 toward support of operations



*The architecturally award-winning Children's Museum of Pittsburgh was named by Parents Magazine one of the top ten children's museums in the country in 2011 and achieved a 5 percent increase in attendance, attracting 250,000 visitors. Through the museum's extensive outreach program, an additional 100,000 people attended museum-sponsored activities at schools, libraries, and festivals in 17 Pennsylvania counties.*

## REGIONAL ECONOMIC DEVELOPMENT Grant Summary

### Pittsburgh Symphony, Inc.

Pittsburgh, PA  
\$5,000,000 toward support of Heinz Hall renovations  
\$300,000 toward support of operations

### The Pittsburgh Trust for Cultural Resources

Pittsburgh, PA  
\$1,500,000 toward three-year support of expansion of the donor base

\$10,000 to bring local, national, and international jazz artists to the Three Rivers Arts Festival

### The Poise Foundation

Pittsburgh, PA  
\$5,000 toward the National Arts Treasure Initiative

### Program to Aid Citizen Enterprise

Pittsburgh, PA  
\$575,000 toward two-year support of operations, strategic planning, and business plan implementation

### Redevelopment Authority of Allegheny County

Pittsburgh, PA  
\$500,000 toward Phase 1 of the development of the Sports and Athletics Complex at Montour Junction, a new 78-acre park being created near Coraopolis, Pennsylvania

### Regional Opportunity Center

Pittsburgh, PA  
\$10,000 toward a collaborative economic development initiative

### Renewable Manufacturing Gateway

Pittsburgh, PA  
\$1,500,000 toward support of operations and program-related investments

### Research Triangle Institute

Research Triangle Park, NC  
\$10,000 toward preparation and presentation of a Pittsburgh economic development organization impact evaluation

### Riverlife

Pittsburgh, PA  
\$1,000,000 toward development of Three Rivers Park

### Service Corps of Retired Executives

Latrobe, PA  
\$30,000 toward three-year support of a marketing program targeting new businesses and improving existing businesses

### Silk Screen

Pittsburgh, PA  
\$75,000 toward two-year support of the annual Silk Screen Festival

### Smart Growth Partnership of Westmoreland County, Inc.

Greensburg, PA  
\$20,000 toward development of a strategic plan that includes exploring merger options with similar organizations

### Steel City Rowing Corporation

Verona, PA  
\$275,000 toward final construction of a Leadership in Environmental and Energy Design (LEED) certified boathouse

### Sustainable Pittsburgh

Pittsburgh, PA  
\$575,000 to support sustainability policies and practices in southwestern Pennsylvania, to examine the prospect of a bus rapid-transit system connecting Downtown Pittsburgh to Oakland, and to enhance the region's outdoor recreational opportunities

\$525,000 to enhance regional outdoor recreation and support sustainability efforts

### Three Rivers Rowing Association

Pittsburgh, PA  
\$13,500 to repair docks at the Washington's Landing boathouse

### ToonSeum

Pittsburgh, PA  
\$10,000 toward support of an exhibit that will share comic and editorial cartoon tributes, remembrances, and commentary on the events of September 11, 2001

### The Union Project

Pittsburgh, PA  
\$150,000 toward support of operations  
\$150,000 toward support of operations

### University of Pittsburgh, Graduate School of Public and International Affairs

Pittsburgh, PA  
\$30,000 toward support of the CONNECT program to promote a more efficient approach to public services for the city of Pittsburgh and surrounding communities

### University of Pittsburgh, Institute of Politics

Pittsburgh, PA  
\$150,000 to support the Imagine Greater Pittsburgh Regional Visioning Initiative efforts in developing a comprehensive approach to economic development, protection of natural resources, and future infrastructure improvements

\$50,000 toward support of a roundtable created to discuss how best to respond to the economic opportunities and environmental challenges associated with the development of the Marcellus Shale

### Venture Outdoors

Pittsburgh, PA  
\$50,000 toward costs associated with moving to a new location  
\$188,000 toward support of operations

### West Pittsburgh Partnership for Regional Development, Inc.

Pittsburgh, PA  
\$10,000 to support community day activities uniting the 12 neighborhoods that make up the city of Pittsburgh's West End

### Westmoreland County Airport Authority

Latrobe, PA  
\$850,000 toward construction of a regional emergency operations center

### Westmoreland Museum of American Art

Greensburg, PA  
\$245,000 to complete the design phase of a facility expansion planning effort

### WQED Multimedia

Pittsburgh, PA  
\$550,000 toward support of operations

## EDUCATION

### Universities, Independent Schools, and Early Childhood Programs

The Foundation supports higher education, independent schools, and early childhood education, focusing on initiatives that result in healthy emotional development, intellectual discipline, and productive skills.

At Pittsburgh's **Duquesne University of the Holy Ghost**, where more than 10,000 students are enrolled annually in 188 undergraduate, graduate, and doctorate programs, almost half the students are attracted from out of state and 81 foreign countries. Among Duquesne's most competitive programs are the Schools of Pharmacy and Natural and Environmental Sciences, where extensive improvements have been made to laboratories and classrooms. Duquesne also has opened a pharmacy in Pittsburgh's Hill District that not only provides students with hands-on learning but also provides this low-income community a much needed service.

Founded in 1993 as an alternative to local public schools for at-risk African-American children, **Imani Christian Academy** has grown from 30 students in a single-family home to 246 students in grades K-12 in a former elementary school facility. The curriculum focuses on students' full development and includes mentorship programs and leadership and vocational training. Imani has achieved a matriculation level of 95 percent with 86 percent of these students going on to higher education.

Fred Rogers' innovative contributions to early childhood development through his public television series *Mister Rogers' Neighborhood* continue today in the company he founded, **Family Communications, Inc.**, known as the Fred Rogers Company. The nonprofit's newest creation is *Daniel Tiger's Neighborhood*, a 40-episode animated musical series for preschoolers. Inspired by the original Fred Rogers' program, the series debuts nationally in 2012 on PBS KIDS.

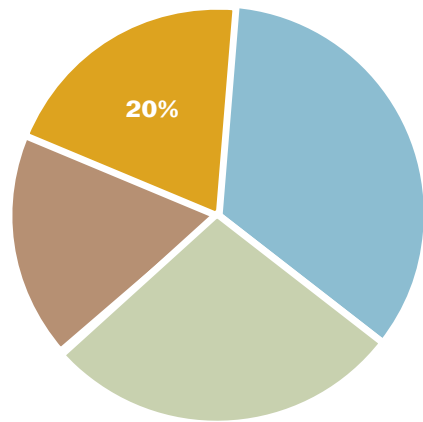


Duquesne University recently completed renovations of Fisher Hall that included making a new home for the physics department and constructing a new anatomy and physiology lab (above).

Imani Christian Academy (far left) supplements a traditional curriculum with mentoring, leadership development, and career path programs.

The Fred Rogers Company received a \$4 million grant from PBS toward the television production of *Daniel Tiger's Neighborhood* (left), which also will have website content that includes interactive games for children, instructional tools for teachers, and resources for parents.

## EDUCATION Grant Summary



**Grants Approved**  
**\$17,938,500**  
**20% of Total**

**Number of Grants**  
**35**

### African-American Chamber Foundation of Western Pennsylvania

Pittsburgh, PA  
\$100,000 toward two-year support of a diabetes awareness and prevention workshop

### The Braddock Carnegie Library

Braddock, PA  
\$100,000 toward support of operations

### Carnegie Mellon University

Pittsburgh, PA  
\$10,000 to educate young women in STEM subjects through hands-on robotics projects

### Community College of Allegheny County Educational Foundation

Pittsburgh, PA  
\$3,000,000 toward the following capital campaign projects: Allied Health Equipment, the Green Institute, the West Hills Campus Science Lab, and six math cafés

\$100,000 to improve the rigor of career education at the secondary level, promote greater integration with post-secondary education, and align career education with industry requirements and employment opportunities

### Community Empowerment Association, Inc.

Pittsburgh, PA  
\$2,000 to cover the speaker's travel costs for the Mitigating the Impact of Social & Psychological Trauma to the Social Fabric of the African-American Community conference to be held in Pittsburgh October 26–27

### Coro Center for Civic Leadership

Pittsburgh, PA  
\$200,000 toward support of operations  
\$225,000 toward support of the Next Leaders Program, Coro Fellows Scholarship Fund, and the Running for Public Office Program

### Derry Area School District Foundation, Inc.

Derry, PA  
\$50,000 toward five-year support to extend quality preschool education in the Derry and Latrobe communities

### Duquesne University of the Holy Ghost

Pittsburgh, PA  
\$4,000,000 toward renovation of the science and pharmacy laboratories

### The Extra Mile Education Foundation, Inc.

Pittsburgh, PA  
\$250,000 toward capital needs related to the consolidation of St. Agnes and St. Benedict the Moor Schools

### Family Communications, Inc.

Pittsburgh, PA  
\$1,500,000 toward two-year support to produce the educational program *Daniel Tiger's Neighborhood*

### George Junior Republic

Grove City, PA  
\$1,000,000 toward construction of a new academic center

### Grove City College

Grove City, PA  
\$500,000 toward Phase 1 construction of the science, engineering, and mathematics building

### Imani Christian Academy

Pittsburgh, PA  
\$250,000 toward the alternative career paths program and scholarship fund

### Kingsley Association

Pittsburgh, PA  
\$250,000 toward support of operations

### Ligonier Valley School District

Ligonier, PA  
\$793,000 toward support of operations

### Local Government Academy

Pittsburgh, PA  
\$70,000 toward three-year support to educate local communities on managing Marcellus Shale development

### Mount Vernon Ladies Association of the Union

Mount Vernon, VA  
\$500,000 to establish a George Washington Teachers Institute for Pennsylvania educators

### National Park Foundation

Washington, DC  
\$1,000,000 toward a challenge grant for the Flight 93 Memorial

### Oakland Catholic High School

Pittsburgh, PA  
\$63,000 toward architectural consultation services to renovate the Joan of Arc Building with a focus on green design



*Founded 230 years ago, Washington & Jefferson College (above) in Washington, Pennsylvania, continues an outstanding tradition of liberal arts higher education for a student body of 1,500, of whom 30 percent come from out of state and foreign countries.*

*Summerbridge Pittsburgh (below) is an intensive six-week academic and cultural summer program for Allegheny County seventh–ninth graders from schools with limited academic resources offered by Sewickley Academy. Upon completing the three-year program, students (53 percent being first-generation college bound) are eligible for college counseling and admissions test preparation.*



## EDUCATION Grant Summary

### Oglebay Foundation, Inc.

Wheeling, WV  
\$250,000 toward purchase of green furnishings and fixtures for the National Training Center, a leading national program to train park and recreation professionals

### Pittsburgh Public Schools

Pittsburgh, PA  
\$150,000 to hire a consultant to develop and implement a comprehensive plan to address the budget deficit, including an in-depth evaluation of revenue and expenditures

### Planned Parenthood of Western Pennsylvania, Inc.

Pittsburgh, PA  
\$100,000 toward two-year support of pregnancy education and prevention programs offered in schools and community-based organizations

### The Poise Foundation

Pittsburgh, PA  
\$7,500 toward the 2011 Northeast Regional Conference focused on improving educational attainment of African-American youth

### Sewickley Academy

Sewickley, PA  
\$150,000 toward three-year support of operations for Summerbridge Pittsburgh

### Shadyside Hospital Supporting Foundation

Pittsburgh, PA  
\$38,000 to train older teens and engage parents to help early adolescents postpone sexual involvement and avoid becoming perpetrators or victims of sexual harassment

### University of Pittsburgh at Greensburg

Greensburg, PA  
\$500,000 toward two-year support to improve and expand programs to attract new students and better prepare students for post-graduation opportunities

### University of Pittsburgh, Office of Child Development

Pittsburgh, PA  
\$500,000 toward three-year support of the Something Worth Giving research-based communication strategy project and for general operating support

### University of Pittsburgh, School of Arts and Sciences

Pittsburgh, PA  
\$10,000 toward two-year support to produce a research-based book on Pittsburgh's steel industry

### University of Pittsburgh, School of Education

Pittsburgh, PA  
\$10,000 toward the School of Education's centennial programs

### University of Pittsburgh, School of Medicine

Pittsburgh, PA  
\$10,000 toward support of the 2011 Mellon lecture

### Valley Forge Military Academy Foundation

Wayne, PA  
\$750,000 to renovate five science labs to complement the comprehensive Health Sciences curriculum and degree program

### Washington & Jefferson College

Washington, PA  
\$1,000,000 toward renovation of the Dieter Porter Life Sciences Building

### Westminster College

New Wilmington, PA  
\$500,000 toward renovation of the social sciences building Patterson Hall

## HUMAN SERVICES

### Housing

Throughout southwestern Pennsylvania, many adults and children find themselves without housing because of circumstances that may include behavioral and mental health issues; poverty; physical, sexual, and substance abuse; academic failure; and unplanned pregnancy. Several nonprofits extend aid by offering shelter and rehabilitative services that address these challenges.

Located in the borough of Braddock, **Bridge To Independence, Inc. (BTI)**, operates three transitional housing programs for families: two that serve women with or without children, including women in recovery, and one that serves two-parent families. Clients are able to stay in BTI's stable environment for up to two years, allowing the time necessary to make meaningful improvements to their lives.

Among its many services, **Adelphoi USA Inc./Adelphoi Village** cares for 400 youths, ages 10–18, in 22 group homes across Westmoreland County and five other neighboring counties. On its 8-acre Latrobe campus, where five of the group homes are located, Adelphoi operates the Ketterer School, chartered by the Greater Latrobe School District.

**Allegheny Council To Improve Our Neighborhoods-Housing, Inc. (ACTION-Housing)**, has been a distinguished provider of affordable and free housing in Allegheny County since 1957, having developed more than 25,000 housing units. Today ACTION-Housing owns and/or operates 1,800 housing units that serve a wide range of families and individuals in need. One of its newest programs, My Place, provides supervised apartment living and intensive care management for 18- to 24-year-olds who are at risk of becoming homeless as they age out of foster care.



*Adelphoi USA (left), as one of the state's largest providers of services to troubled youths in 30 counties, manages many counseling and other support services and strives to enrich young people's lives by including field trips to places such as the Winnie Palmer Nature Reserve.*

*Another newer initiative of ACTION-Housing is the Pittsburgh Green House (right), which is an East Liberty-based training facility for building home improvement skills. As part of this initiative ACTION-Housing also conducts energy audits and weatherizes housing for low-income clients (1,200 households in 2011), often yielding a 20 percent reduction in annual energy costs.*

*Established in 1989, BTI operates three shelter programs for homeless families. Debra House (below) provides housing and support services, such as job training and child care, for single women and their children.*





While many communities in the region are flourishing, some have been undermined for many years by economic and educational disadvantages and violent crime. In Pittsburgh's Homewood neighborhood, a number of community-based organizations are addressing these and additional challenges on their own and through a comprehensive community initiative, the Homewood Children's Village.

Community and economic development are principal objectives of **Operation Better Block, Inc. (OBB)**. With the endorsement of local residents, OBB, along with the Housing Alliance of Pittsburgh, has targeted for improvement a 30-block area in central Homewood, where there is a large concentration of abandoned property.

In this neighborhood, where 72 percent of households are headed by single parents, **Bethany Baptist Church** and **Rosedale Block Cluster, Inc. (RBC)**, each manage successful youth programs designed to build self-esteem, work skills, and leadership qualities. Bethany provides youth ministry, counseling, tutoring, and summer programs, in addition to mentoring programs for Faison Elementary School children and young mothers. RBC's landscape training and employment program targets male high school dropouts, some of whom have been through the judicial system. Working with Penn State Extension, RBC is exploring ways to add urban agriculture and food business components to the landscape program in an effort to help make itself more financially sustainable.

**Primary Care Health Services (PCHS)** at Homewood's Alma Illery Medical Center provides medical, mental health, dental, and lab services for pediatric and adult patients, 30 percent of whom are uninsured and 44 percent of whom are on Medicaid.



RBC helps young male adults transition into the workforce by training and employing them in a landscaping and lawn maintenance business. Among RBC's clients is Whole Foods Market in East Liberty where Executive Director Dianne Swan (top, second from left) is shown with RBC staff and landscape students.

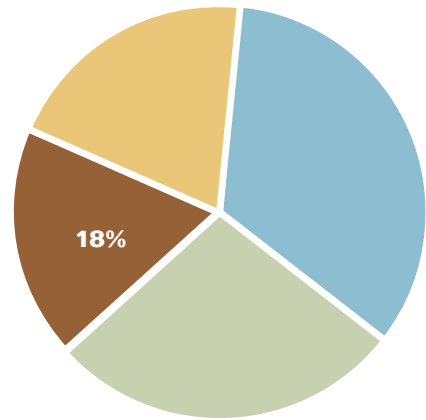
OBB has secured Oxford Development Company and S & A Homes as the developers of the North Homewood Avenue Café 524 project site (middle left). This central Homewood project has expanded from a small retail and community development into a 56,000-square-foot development that includes 41 units of housing for senior citizens (middle right).

Each year PCHS' Alma Illery Medical Center (bottom right) provides 22,000 pediatric and adult patients medical, mental health, dental, and lab services. The Foundation's grant helped secure \$12 million in federal assistance for facility and equipment upgrades.



Bethany Baptist Church has served the community of Homewood since 1897 and provides youth and adult ministry, counseling, and educational and recreational programs. Bethany's choir (above) recently performed at a fund-raising event for the construction of a new sanctuary that will better accommodate the church's numerous community activities.

## HUMAN SERVICES Grant Summary



**Grants approved**  
**\$16,082,750**  
**18% of Total**

**Number of grants**  
**69**

### **Adelphoi USA Inc.**

Latrobe, PA  
\$1,000,000 to fund capital improvements to Adelphoi's residential facilities

### **Allegheny Council To Improve Our Neighborhoods-Housing, Inc.**

Pittsburgh, PA  
\$500,000 toward a housing development fund for energy-efficient projects that support youth aging out of the foster care system

### **Allegheny Youth Development**

Pittsburgh, PA  
\$125,000 toward two-year support to expand the after-school educational and behavior management program in the Schiller and King schools on Pittsburgh's North Side

### **Auberle**

McKeesport, PA  
\$250,000 toward the launch of two programs focused on girls

### **Autism Speaks, Inc.**

New York, NY  
\$50,000 toward two-year support to launch the Community Outreach Initiative in Fayette County, Pennsylvania

### **Bethany Baptist Church**

Pittsburgh, PA  
\$100,000 to build a new church sanctuary that will house youth programs

### **Bolivar Volunteer Fire Company**

Bolivar, PA  
\$75,000 toward an addition to consolidate the operation and equipment of the Bolivar Volunteer Fire Company

### **Bridge To Independence, Inc.**

Braddock, PA  
\$235,000 toward three-year support to match funds for homeless support programming

### **The Center for Victims of Violence and Crime**

Pittsburgh, PA  
\$60,000 toward technology upgrades

### **Center of Life**

Pittsburgh, PA  
\$27,000 toward pre-teen and teen summer and after-school programming

### **Child Watch of Pittsburgh**

Pittsburgh, PA  
\$150,000 toward development of outcome-related child well-being indicators

### **Children's Sickle Cell Foundation, Inc.**

Pittsburgh, PA  
\$60,000 toward database development and operating support

### **Communities In Schools of Pittsburgh-Allegheny County, Inc.**

Larimer, PA  
\$200,000 toward support of the East End Academy

### **Community Economic Development Corporation of Clairton**

Clairton, PA  
\$200,000 toward construction of a community center and lighting

### **County of Allegheny, Department of Human Services**

Pittsburgh, PA  
\$150,000 toward two-year support to improve educational outcomes for middle school students who fall below the Pittsburgh Promise eligibility guidelines

### **East End Cooperative Ministry, Inc.**

Pittsburgh, PA  
\$2,000,000 toward construction of Community House, a new facility that will consolidate programs and create organizational efficiencies

### **Family Resources**

Pittsburgh, PA  
\$1,000,000 toward merger costs associated with the acquisition of Parental Stress Center and renovation of the headquarters building

### **Family Services of Western Pennsylvania**

Pittsburgh, PA  
\$500,000 toward two-year support of the Economic Empowerment Integration Strategy, a capacity-building initiative

### **Focus on Renewal Sto-Rox Neighborhood Corporation**

McKees Rocks, PA  
\$350,000 to provide working capital over two years

### **The Forbes Funds**

Pittsburgh, PA  
\$40,000 to support the implementation of an outcomes framework for The Salvation Army, Urban League of Greater Pittsburgh, and YMCA of Greater Pittsburgh

### **Grantmakers for Education**

Portland, OR  
\$10,000 toward an educational seminar being held in Pittsburgh in April 2012 to support efforts to infuse arts, media, and technology to inspire learning among children and adolescents

### **Greater Pittsburgh Arts Council**

Pittsburgh, PA  
\$10,000 to assist small arts organizations in increasing the accessibility of arts and culture venues for people with disabilities

### **Highlands Hospital**

Connellsville, PA  
\$250,000 toward development of Highlands Hospital's new autism center

### **Hosanna House, Inc.**

Wilksburg, PA  
\$1,000,000 toward support of operations, roof repairs, and heating and cooling system upgrades

### **Hosanna Industries, Inc.**

Rochester, PA  
\$150,000 to provide home repair and improvement services for low-income homeowners in southwestern Pennsylvania

### **Hunters Sharing the Harvest, Inc.**

Harrisburg, PA  
\$45,000 toward three-year support of operations

### **Ligonier Valley Fire Companies**

Ligonier, PA  
\$100,000 toward purchase of a pumper truck for the Wilpen Fire Department

### **Ligonier Valley Young Men's Christian Association of Pennsylvania, Inc.**

Ligonier, PA  
\$150,000 toward building repairs and installation of a new climbing wall

### **Luminari, Inc.**

Pittsburgh, PA  
\$10,000 toward the 2011 Ambassador Camp

### **Lutheran Service Society of Western Pennsylvania**

Pittsburgh, PA  
\$52,000 to explore the feasibility of opening a Meals on Wheels program in Homewood at Rosedale Block Cluster

## HUMAN SERVICES Grant Summary



*Well known for successful character development, Manchester Youth Development Center, Inc., on Pittsburgh's North Side has launched Creating Holistic Outcomes In Children through Enrichment (CHOICE) offering first-twelfth graders a summer of academic, cultural, and recreational activities.*

### **Magee Womens Research Institute and Foundation**

Pittsburgh, PA  
\$190,000 toward support of cancer and obstetric programs

### **Manchester Craftsmen's Guild**

Pittsburgh, PA  
\$200,000 toward support of operations

### **Manchester Youth Development Center, Inc.**

Pittsburgh, PA  
\$400,000 toward two-year support of operations and programs

### **Mary and Alexander Laughlin Children's Center**

Sewickley, PA  
\$100,000 toward support of renovations

### **McGuire Memorial Foundation**

New Brighton, PA  
\$400,000 toward renovation of the intermediate care facility to add a sprinkler system and to make the building more energy efficient

### **The Mentoring Partnership of Southwestern PA**

Pittsburgh, PA  
\$250,000 toward two-year support of operations

### **The Mon Valley Initiative**

Homestead, PA  
\$200,000 toward finding employment for hard-to-place individuals

## HUMAN SERVICES Grant Summary

**National Center for Non-Profit Excellence, Inc.**  
Pittsburgh, PA  
\$150,000 toward support of operations

**National Organization on Disability**  
New York, NY  
\$200,000 toward two-year support to assist the most severely wounded soldiers and their families in their transition to civilian careers

**Neighborhood Housing Services, Inc.**  
Pittsburgh, PA  
\$250,000 to support housing counseling and foreclosure mitigation services

**NorthShore Community Alliance**  
Pittsburgh, PA  
\$200,000 toward support of programs to help youth and families in need in Allegheny County

**Northside Coalition for Fair Housing**  
Pittsburgh, PA  
\$200,000 toward two-year support of resident and community service projects for North Side low-income families  
  
\$25,000 toward support of the Adonai Project, which engages at-risk young men in community service projects

**One Vision One Life, Inc.**  
Pittsburgh, PA  
\$300,000 toward support of the violence prevention program

**Operation Better Block, Inc.**  
Pittsburgh, PA  
\$250,000 to expand community development initiatives, community organizing, and safety and outreach programs

**Pennsylvania Partnerships for Children**  
Harrisburg, PA  
\$100,000 to educate policymakers on the importance of early child care, child welfare, career-focused education, and work-based learning programs

**The Pittsburgh Foundation**  
Pittsburgh, PA  
\$250,000 toward funding of the Integration Fund at the Department of Human Services

**The Pittsburgh Harlequins Rugby Football Association**  
Cheswick, PA  
\$10,000 toward support of operations

**Pittsburgh Leadership Foundation**  
Pittsburgh, PA  
\$50,000 toward support of operations for Amachi Pittsburgh

**Pittsburgh Soccer in the Community**  
Pittsburgh, PA  
\$25,000 toward a soccer program housed at the Neighborhood Academy Field House for children from Bloomfield, East Liberty, Garfield, Highland Park, Homewood, Lawrenceville, Lincoln-Lemington, Larimer, and Stanton Heights

**Primary Care Health Services**  
Pittsburgh, PA  
\$650,000 toward facility and equipment upgrades at the Alma Illery Medical Center, laboratory, and homeless center office

**Program to Aid Citizen Enterprise**  
Pittsburgh, PA  
\$25,000 to provide support to Adonai Center for Black Males for the implementation of a mentoring program

**Rosedale Block Cluster, Inc.**  
Pittsburgh, PA  
\$8,750 to conduct a feasibility assessment for urban agriculture and food business ventures

**Saint Margaret Memorial Hospital Foundation**  
Pittsburgh, PA  
\$100,000 to support the addition of on-site behavioral health experts at family health centers

**The Salvation Army**  
Carnegie, PA  
\$25,000 to aid residents of Westmoreland County

**Seton Hill Child Services, Inc.**  
Greensburg, PA  
\$40,000 for transitional working capital

**Sisters Place, Inc.**  
Clairton, PA  
\$40,000 toward two-year support for fund-raising capacity building

**Squirrel Hill Health Center**  
Pittsburgh, PA  
\$525,000 toward relocation and renovation of the medical center

**Three Rivers Adoption Council**  
Pittsburgh, PA  
\$15,000 toward specialized training for adoption professionals in the use of trauma-informed care

**Three Rivers Youth**  
Pittsburgh, PA  
\$400,000 toward two-year support of operations

**Tri-City Life Center, Inc.**  
Lower Burrell, PA  
\$100,000 toward purchase of a building to consolidate program sites

**United Way of Allegheny County**  
Pittsburgh, PA  
\$500,000 toward early childhood initiatives

**United Way of Westmoreland County**  
Greensburg, PA  
\$25,000 to assist victims of the March 2011 tornado

**University of Pittsburgh, School of Social Work**  
Pittsburgh, PA  
\$175,000 toward two-year support of the Homewood Children's Village initiative

**Urban League of Greater Pittsburgh**  
Pittsburgh, PA  
\$25,000 toward a leadership retreat aimed at reducing high school dropout rates, promoting academic achievement, and helping youth become "Promise Ready"

**Valley Youth Network**  
Ligonier, PA  
\$130,000 toward capital improvements at the Millcreek facility

**Wesley Spectrum Services**  
Pittsburgh, PA  
\$600,000 toward a two-year project to enhance the agency's technology and communications system

**Western Pennsylvania School for the Deaf**  
Pittsburgh, PA  
\$60,000 toward upgrades of the heating and cooling system and window renovations

**The Woodlands Foundation, Inc.**  
Wexford, PA  
\$40,000 toward two-year support of the Notes From the Heart music program

## HUMAN SERVICES Grant Summary

*The National Organization on Disability (below) will bring to Pittsburgh in the fall of 2012 one of its signature programs, Wounded Warrior Careers, that offers intensive career support to post-9/11 veterans with disabilities. To widen local support, the Pittsburgh Tissue Engineering Institute sponsored a fund-raising race last fall to benefit the program.*

*The Mentoring Partnership of Southwestern PA (bottom) provides training for volunteer mentors and works with more than 140 agencies to enrich mentoring programs such as Reading Is Fundamental.*

*The United Way of Allegheny County partners with the Pittsburgh Association for the Education of Young Children (PAEYC) to distribute grant funding for early childhood education in order to ensure that programs meet all of the state and Southwest Regional Keys to Quality initiative requirements. Among the early childhood learning centers that PAEYC assists is Providence Connections, Inc., (below), located on Pittsburgh's North Side.*



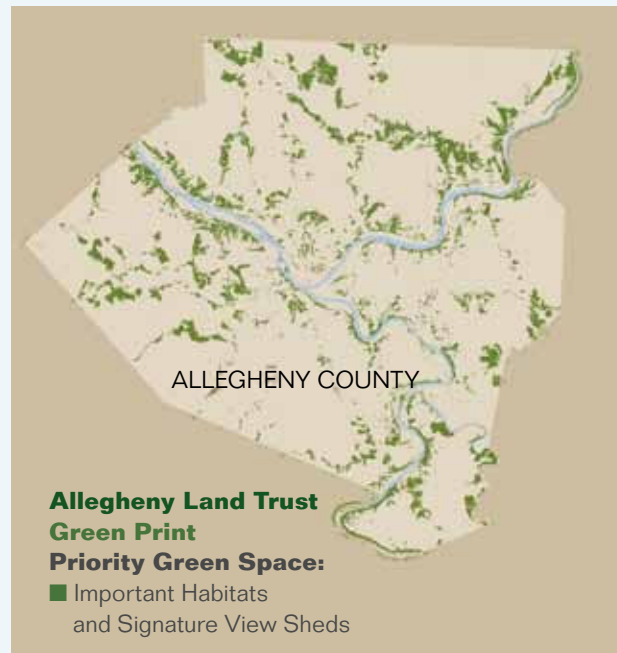
# CONSERVATION Land

The Foundation believes that places of ecological significance, countrywide and in western Pennsylvania, merit preservation and that conservation, through stewardship, also is essential to the sustainability of land that serves industry, institutional and commercial development, and housing.

In Maine **The Conservation Fund (TCF)** acquired 12,000 acres of certified (responsibly managed) forest that includes several miles of undeveloped shoreline along the Upper St. Croix River near the boundary with New Brunswick. This land will be added to a broader conservation effort that has resulted in the protection of 1.4 million acres of nearby property. In Texas TCF secured a 7,050-acre parcel that becomes part of a larger public- and private-agency effort to protect 60,000 acres of Neches River's hardwood bottomlands.

The **Western Pennsylvania Conservancy (WPC)** is leading a conservation effort for French Creek and its watershed, one of the last pristine glaciated ecosystems in the Ohio River drainage basin. In addition to the protection of 1,500 acres of biologically significant forest and farmland, the effort entails a campaign to educate the public, local government officials, and landowners about the watershed's critical habitat for birds and other species as well as for ecotourism.

In order to promote more environmentally sound and sustainable land use decision-making in Allegheny County, the **Allegheny Land Trust (ALT)** has developed a "Green Print," a mapping tool that identifies lands where conservation will provide the greatest public benefit per acre.



*French Creek (above) and its watershed have been a priority for WPC since the late 1960s due to the creek's exceptionally high level of biodiversity that provides habitat for more than eighty species of fish and more than twenty species of freshwater mussels, a number of which are considered endangered.*

*Contiguous municipal jurisdictions share watersheds, floodplains, wetlands, and streams so that decisions in one jurisdiction affect others. The objective of ALT's Green Print (top left) is to provide data to Allegheny County and the county's 130 municipal zoning authorities to help inform more environmentally sound and sustainable land use decision-making.*

*A wild turkey is spotted on TCF's newly protected Bobcat Ridge tract in East Texas in the Neches River watershed (middle left).*

*In Maine TCF has protected this 12,000-acre working forest (bottom left) that includes several miles of pristine shoreline along six lakes.*





One of the wetland restoration projects that the Foundation for Pennsylvania Watersheds has nurtured in cooperation with other agencies belongs to Keystone Central High School in Mill Hall, Pennsylvania (before, top). Historically, the site was a wetland, as evidenced by hydric soils, but was drained for agricultural use before the school's ownership. The restored wetland (after, middle) exhibits native warm-season grasses and provides water quality benefits to Beech Creek and the Chesapeake Bay.

Unusual floras found primarily in wetlands include the malodorous skunk cabbage, which emerges through early-spring snow cover and resists being devoured by animals because of its annoying scent and bad taste (bottom left); the showy lady's slipper orchid, which attracts pollinators with its distinctive shape and color (bottom middle); and the carnivorous pitcher plant, which traps insects (bottom right).



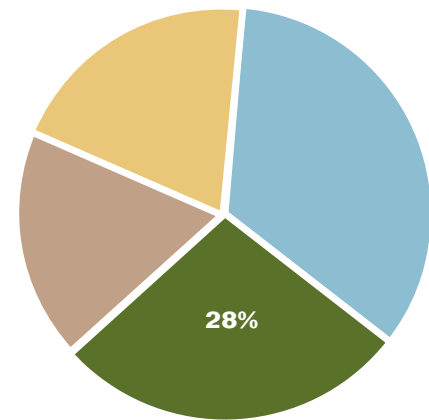
Efforts to restore watersheds by rehabilitating streams from past encroachments, such as low-head dams, and promoting biodiversity through the restoration of wetlands are Foundation priorities.

Of western Pennsylvania's 2,400 dams, 1,800 are low-head, built for power generation or water supply and not intended for flood control. Yet, low-head dams frequently cause upstream flooding, and many no longer serve their original purpose. Moreover, they disrupt nature's food web by preventing the natural migration of microbes and insects and facilitating the growth of oxygen-depleting agents such as golden algae. **American Rivers** provides technical assistance and funding that has resulted in the removal of 80 dams in western Pennsylvania since 1999.

Western Pennsylvania's watersheds also are affected by the loss of wetlands (transitional lands between terrestrial and deepwater systems). These swamps, marshes, and bogs act as nature's means of purifying water and controlling erosion and flooding, and they serve as wildlife feeding and birthing grounds. During the past several decades, Pennsylvania experienced a decline in wetland acreage; however, successful efforts are underway to reverse this trend. The **Foundation for Pennsylvania Watersheds** is helping the Commonwealth gain back wetland acreage through the Technical Assistance for Pennsylvania Land Owners program. This private-public partnership provides funding to expedite wetland restoration and protection through the reconversion of croplands back to wetlands, the development of riparian buffers, and the establishment of conservation easements. And despite a significant increase in land use, these restoration efforts have led to a net gain of almost 4,000 acres of wetlands.



Dunkard Creek's low-head dam (before, above left) in Greene County, Pennsylvania, was built in 1910 to provide water for a natural gas compressor station. The use was abandoned in the 1950s. American Rivers has provided technical assistance and funding to the present dam owners for the dam's deconstruction and to restore the adjacent riparian border (after, above right).



**Grants Approved**  
**\$25,415,000**  
**28% of Total**

**Number of Grants**  
**35**

**Allegheny College**

Meadville, PA  
\$150,000 toward two-year support for Creek Connections' science and education program in the Pittsburgh region

**Allegheny Land Trust**

Sewickley, PA  
\$90,000 toward support of operations

**American Rivers**

Washington, DC  
\$1,000,000 toward three-year support of dam removal and restoration of free-flowing rivers in western Pennsylvania and to protect the Flint River in Georgia

**The Conservation Fund**

Arlington, VA  
\$3,000,000 toward protection of property in Texas  
\$7,000,000 toward protection of property in the East Grand Lake region of Maine  
\$2,000,000 toward protection of property in Texas  
\$3,000,000 toward protection of property in the East Grand Lake region of Maine  
\$2,500,000 to protect and preserve the Rocky Mountain Front ecosystem

**Foundation for Pennsylvania Watersheds**

Alexandria, PA  
\$39,000 to conduct an assessment of the capacity-building project for watershed groups in western Pennsylvania  
\$675,000 toward two-year support of watershed restoration work in southwestern Pennsylvania and the Ohio River basin and to leverage additional funding for future work

**Friends of the Pittsburgh Urban Forest**

Pittsburgh, PA  
\$310,000 toward two-year support of general operations, to expand programming, to develop a master plan, and to purchase equipment

**Friends of the Riverfront**

Pittsburgh, PA  
\$50,000 toward development of the Three Rivers Heritage Trail, Three Rivers Water Trail, and stewardship

\$50,000 toward continued development and stewardship of the Three Rivers Heritage Trail and Three Rivers Water Trail

**Keep Pennsylvania Beautiful**

Greensburg, PA  
\$200,000 to implement Keep America Beautiful programming in Pennsylvania

**Land Trust Alliance, Inc.**

Washington, DC  
\$150,000 toward two-year support to assess and train land trusts in western Pennsylvania, to move them toward accreditation, and to develop a national conservation defense program to protect easements

**Looking Glass Institute**

Pittsburgh, PA  
\$160,000 to create a collaborative model that will provide four environmental organizations with high-level strategic and operational financial expertise

**Loyalhanna Watershed Association, Inc.**

Ligonier, PA  
\$190,000 to address water pollution from streamside erosion in the upper Loyalhanna Creek watershed and increase recreational tourism in the Laurel Highlands  
\$20,000 toward a challenge grant for construction of the Mill Creek Bridge

**Maine Coast Heritage Trust**

Topsham, ME  
\$725,000 to support conservation efforts of Maine's coastal properties and wetlands

**Mountain Watershed Association, Inc.**

Melcroft, PA  
\$250,000 toward two-year support to implement the Comprehensive Restoration Plan of Indian Creek watershed and address conservation needs in Jacob's Creek watershed

**National Fish and Wildlife Foundation**

Washington, DC  
\$225,000 toward two-year support to survey unassessed coldwater streams in Pennsylvania and to identify those streams that support wild and other trout populations

**Ohio River Valley Water Sanitation Commission**

Cincinnati, OH  
\$60,000 to build capacity to engage in water resources management in the Ohio River basin with a focus on the upper Ohio River watershed

**Pennsylvania Institute for Conservation Education**

Elysburg, PA  
\$16,000 to support hiring a professional consultant to conduct a fund-raising analysis and development plan  
\$125,000 toward two-year support of the Wildlife Leadership Academy and to increase fund-raising capacity

**Pennsylvania Parks and Forests Foundation**

Harrisburg, PA  
\$55,000 to build capacity in western Pennsylvania friends groups and link community colleges to state parks through concession management

**Pennsylvania Resources Council, Inc.**

Pittsburgh, PA  
\$100,000 toward support of the Scenic Pittsburgh project

**Pittsburgh Community Broadcasting Corporation**

Pittsburgh, PA  
\$75,000 toward radio programming covering Marcellus Shale drilling, the future of Pennsylvania's forests, and a twentieth anniversary retrospective on conservation efforts in the Pittsburgh region



*Using conservation easements on traditional Montana ranches and fee acquisitions, The Conservation Fund has protected 78,730 acres of Montana's Rocky Mountain Front (above), thereby protecting migratory habitat for grizzly bears and a wide variety of other species that depend on the front's rich, special ecosystem, unique in the United States.*

**Student Conservation Association, Inc.**

Charlestown, NH  
\$350,000 to support high school youth and college intern programs and to implement an outcomes tracking system for these students

**Western Pennsylvania Conservancy**

Pittsburgh, PA  
\$500,000 toward two-year support of a public-private partnership to further land and water conservation in the French Creek watershed

\$235,000 toward protection of property in Westmoreland County

**Zoological Society of Pittsburgh**

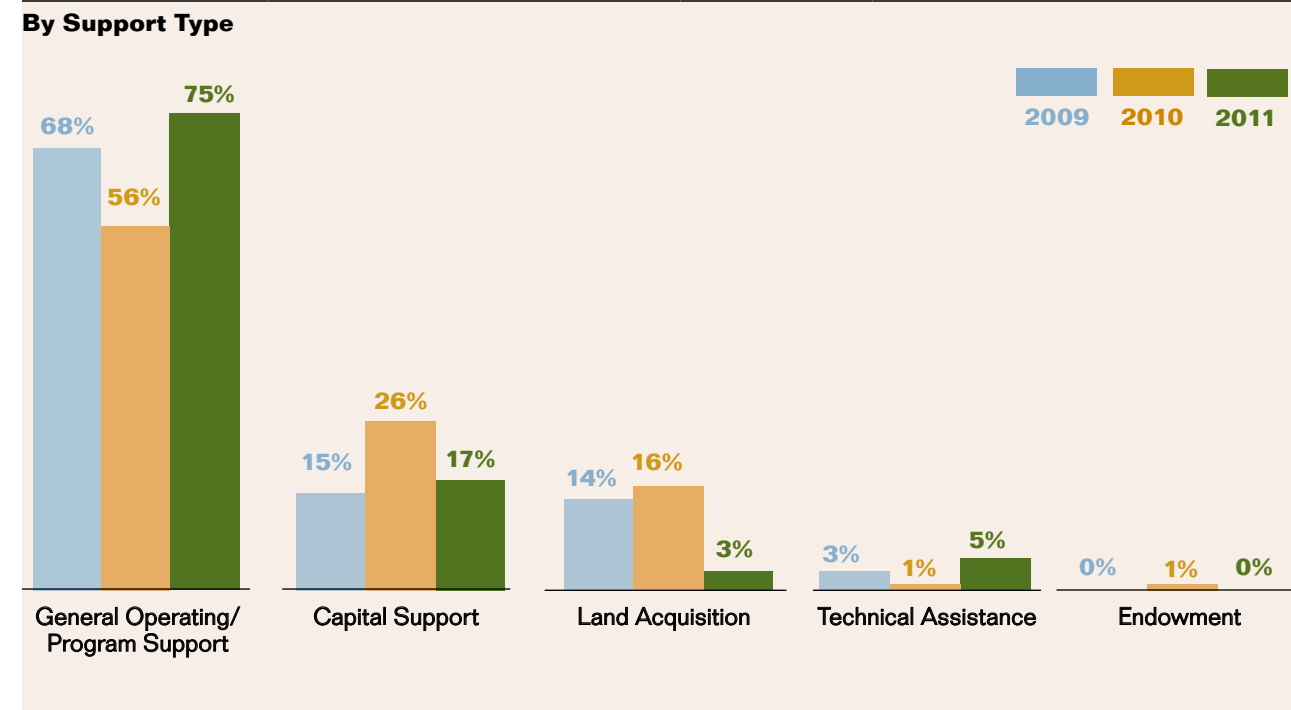
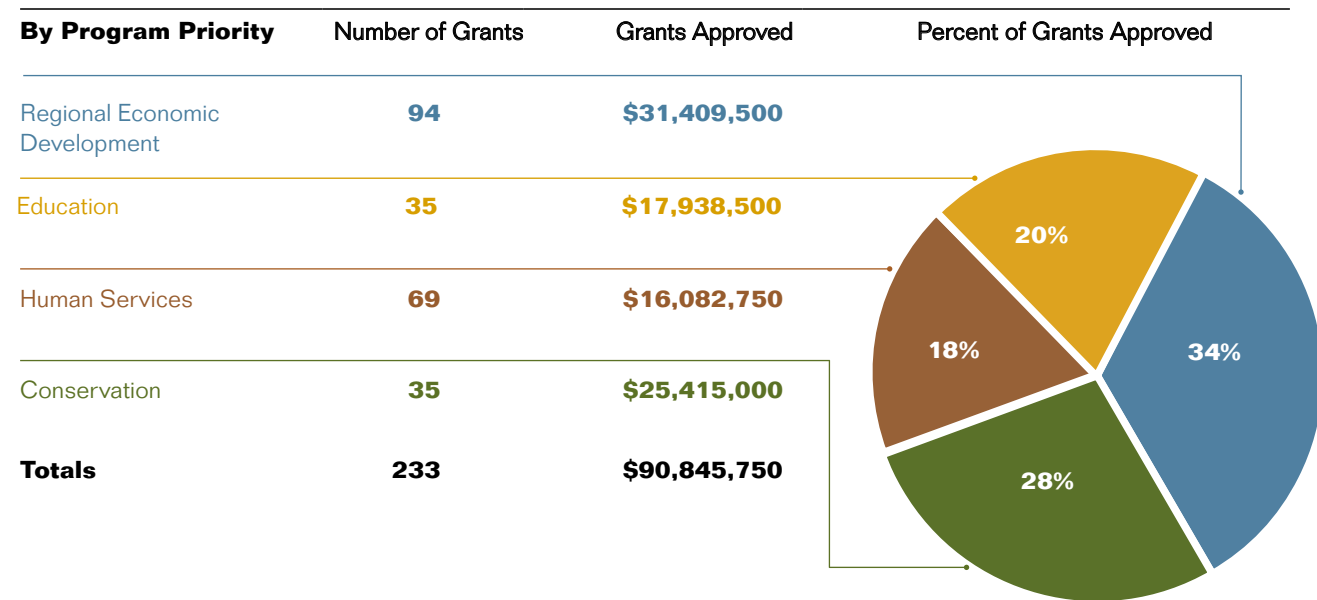
Pittsburgh, PA  
\$375,000 to save and relocate three African elephants for integration into the Pittsburgh Zoo elephant herd

\$1,000,000 toward construction of the Animal Health & Education Center to care for the zoo's animal population and to educate zoo visitors about veterinary care issues

*The National Fish and Wildlife Foundation works with the Pennsylvania Fish and Game Commission to survey and classify Pennsylvania streams, helping to determine what environmental regulations should be applied to adequately protect a stream. Students from Lycoming College are engaged to survey the species, numbers, and sizes of trout, which are "keystone indicators" of the environmental health of a stream (below).*



# Appropriations



By Geographic Area		Net Investment Income	
Pittsburgh and southwestern Pennsylvania	\$70,004,750	1947 through 2010	\$1,215,717,386
Other	20,841,000	2011	63,176,730
<b>Total</b>	<b>\$90,845,750</b>	<b>Total</b>	<b>\$1,278,894,116</b>

Grants Paid and Program-Related Investments	
1947 through 2010	\$1,796,033,625
2011	95,571,584
<b>Total</b>	<b>\$1,891,605,209</b>

# Statements of Financial Position

December 31,	2011	2010
<b>Assets</b>		
Cash	\$ 100,194	\$ 121,501
Other current assets	7,450,867	5,267,131
Investments:		
Equities	968,220,458	1,073,638,524
Fixed income	497,106,156	427,723,342
Temporary investments	82,315,215	129,214,467
Alternative investments	348,687,045	381,375,635
Subtotal	1,896,328,874	2,011,951,968
Payable from unsettled securities purchases, net	(7,565,800)	(39,352,458)
Total investments	1,888,763,074	1,972,599,510
Program-related assets	8,882,000	3,832,000
Total assets	\$1,905,196,135	\$1,981,820,142
<b>Liabilities and Net Assets</b>		
Liabilities:		
Grants payable	\$ 10,858,078	\$ 17,900,079
Deferred federal excise taxes	1,850,187	3,038,227
Appropriations for program-related assets	8,882,000	3,832,000
Total liabilities	21,590,265	24,770,306
Unrestricted net assets	1,883,605,870	1,957,049,836
Total liabilities and net assets	\$1,905,196,135	\$1,981,820,142

The accompanying notes are an integral part of these financial statements.

# Statements of Activities and Changes in Net Assets

For the year ended December 31,	2011	2010
<b>Income</b>		
Investment income	\$ 73,803,618	\$ 61,373,489
Realized gains on investments	65,776,234	52,669,082
Unrealized (losses) gains on investments	(118,803,908)	145,073,759
Total income	20,775,944	259,116,330
<b>Expenses</b>		
Grants approved, net of recisions	83,593,022	85,547,258
Administrative, investment, and program	11,407,361	10,862,413
Provision for taxes	407,566	3,137,255
(Benefit from) provision for deferred taxes	(1,188,039)	1,450,738
Total expenses	94,219,910	100,997,664
Change in unrestricted net assets	(73,443,966)	158,118,666
<b>Unrestricted net assets</b>		
Beginning of year	1,957,049,836	1,798,931,170
End of year	\$1,883,605,870	\$1,957,049,836

The accompanying notes are an integral part of these financial statements.

## Statements of Cash Flows

For the year ended December 31,	2011	2010
<b>Cash flows from operating activities</b>		
Change in unrestricted net assets	\$ (73,443,966)	\$ 158,118,666
Adjustments to reconcile change in unrestricted net assets to net cash used by operating activities:		
Accretion	(958,291)	(1,221,718)
Deferred federal excise taxes	(1,188,039)	1,450,738
Realized (gains) losses on investments	(65,776,234)	(52,669,082)
Unrealized losses (gains) on investments	118,803,908	(145,073,759)
Increase (decrease) in cash from changes in:		
Other current assets	(2,183,736)	(2,860,356)
Program-related assets	(5,050,000)	(500,000)
Grants payable	(7,042,001)	1,677,547
Appropriations for program-related assets	5,050,000	(1,500,000)
Net cash used by operating activities	(31,788,359)	(42,577,964)
<b>Cash flows from investing activities</b>		
Purchases of investments	(3,460,088,287)	(2,111,504,300)
Proceeds from sales of investments	3,491,855,339	2,152,660,870
Net cash provided by investing activities	31,767,052	41,156,570
Net change in cash	(21,307)	(1,421,394)
<b>Cash</b>		
Beginning of year	121,501	1,542,895
End of year	\$ 100,194	\$ 121,501

The accompanying notes are an integral part of these financial statements.

## Summary of Investments

December 31,	2011		2010	
	Book Value	Fair Value	Book Value	Fair Value
Equities	\$ 878,079,747	\$ 966,802,749	\$ 870,310,349	\$1,073,062,922
Fixed income	499,445,674	492,052,065	392,543,360	392,346,486
Temporary investments	82,315,314	82,315,215	129,214,467	129,214,467
Alternative investments	243,903,595	347,593,045	276,708,682	377,975,635
Total investments	\$1,703,744,330	\$1,888,763,074	\$1,668,776,858	\$1,972,599,510

The accompanying notes are an integral part of these financial statements.

## Notes to Financial Statements

### Note 1: Significant Accounting Policies

#### Basis of Accounting

The accompanying financial statements of the Richard King Mellon Foundation (Foundation) are prepared on the accrual basis of accounting.

#### Nature of Operations

The purpose of the Foundation is to provide grants to organizations in Pittsburgh and southwestern Pennsylvania, primarily in the areas of Regional Economic Development, Education, and Human Services. Its interest in the area of Conservation is national.

#### Cash

Cash includes operating accounts plus domestic income cash held in bank custody accounts.

#### Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under Generally Accepted Accounting Principles (GAAP), the Foundation discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are as follows:

**Level 1:** Inputs that reflect unadjusted quoted prices in active

## Notes to Financial Statements (continued)

markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

**Level 2:** Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

**Level 3:** Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and refer to the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, liquidity statistics, interest rates, yield curves, volatilities, prepayment speeds, default rates, and other factors. A financial instrument's level, within the fair value hierarchy, is based on the lowest level of any input that is significant to the fair value measurement. The Foundation considers observable data to be that market data which is readily available and reliable and provided by independent sources. The categorization of a financial instrument within the hierarchy is therefore based upon the pricing transparency of the instrument and does not necessarily correspond to the Foundation's perceived risk of that instrument.

Investments whose values are based on quoted market prices in active markets are classified as Level 1 and include active listed equities and certain short-term fixed income investments. The Foundation does not adjust the quoted price for such instruments, even in situations where the Foundation holds a large position and a sale of all its holdings could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations, or alternative pricing sources, are classified as Level 2. These include certain U.S. government and sovereign obligations, government agency obligations, investment grade corporate bonds and less liquid equity securities.

Investments classified as Level 3 have significant unobservable inputs, as they trade infrequently or not at all. The inputs into the determination of fair value are based upon the best information in the circumstance and may require significant management judgment. Certain of the Foundation's investments in stocks and long-term debt instruments are classified as Level 3 because they do not have an active market. Also, all of the Foundation's alternative investments are classified as Level 3. These investments are primarily made under agreements to participate in limited partnerships and are generally subject to certain withdrawal restrictions. Values for these partnerships, which may include investments in both nonmarketable and market-traded securities, are provided by the general partner and may be based on recent transactions, cash flow forecasts, appraisals and other factors. Market values may be discounted for concentration of ownership. Because of the inherent uncertainty of valuing the investments in such partnerships and certain of the underlying investments held by the partnerships, the Foundation's estimate of fair value may differ significantly from the values that would have been used had a ready market for the investments existed. The financial statements of the limited partnerships are audited annually by independent auditing firms. Investments in these partnerships may be illiquid, and thus there can be no assurance that the Foundation will be able to realize the value of such investments in a timely manner.

The Foundation's investments are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that significant changes in risks in the near term may materially affect the amounts reported in the financial statements.

Realized gain (loss) from dispositions of investments is determined by specific cost identification. Unrealized gain (loss) of investments represents the change in the difference between fair value quotations and the total book value of investments held at the beginning and end of the year.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make

estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Program-Related Assets

The Foundation makes investments which advance its charitable mission and qualify as charitable distributions by the Internal Revenue Service. Such investments, which include loans made to various organizations and an investment in a private equity fund, earn below risk-adjusted market rates of return. Management has reviewed the program-related assets and believes no allowance is necessary as of December 31, 2011 and 2010.

#### Recently Issued Accounting Standards

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-04 Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards (IFRS). ASU 2011-4 is intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRS. The amendments are of two types: (i) those that clarify the FASB's intent about the application of existing fair value measurement and disclosure requirements and (ii) those that change a particular principle or requirement for measuring fair value or for disclosing information about fair value measurements. The update is effective for annual periods beginning after December 15, 2011. Foundation management does not believe the adoption of this update will have a material impact on the Foundation's financial statements.

### Note 2: Taxes

The Foundation is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The Foundation is subject to a federal excise tax equal to 2 percent of net investment income, which consists of interest and dividend income, realized gains on sales of investments less realized losses to the extent that they can be offset against realized gains, less related investment expenses. The Foundation met certain distribution requirements defined in Section 4940 of the Internal Revenue Code, resulting in a reduced tax of 1 percent of net investment income for the years ended December 31, 2011 and 2010.

At December 31, 2011 and 2010, deferred federal excise taxes are provided at 1 percent, which is the rate expected to be paid on unrealized gains on investments.

The Foundation is subject to the authoritative guidance on accounting for uncertainty in income taxes issued under GAAP. This guidance establishes a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction) and requires certain expanded tax disclosures. The Foundation has recorded no uncertain tax liabilities pursuant to this guidance. The Foundation continually reviews its tax positions and such conclusions under the guidance based on factors including, but not limited to, ongoing analyses of tax laws and regulations.

### Note 3: Commitments

The Foundation is a Limited Partner in limited partnerships for investment purposes. At December 31, 2011 and 2010, the Foundation had contractually committed to additional investments of \$98.7 million and \$113.0 million, respectively.

At December 31, 2011, the Foundation had outstanding trades to purchase and sell investments with a settlement date in 2012 of \$74.7 million and \$67.1 million for a net payable of \$7.6 million. At December 31, 2010, the Foundation had outstanding trades to purchase and sell investments with a settlement date in 2011 of \$53.9 million and \$14.6 million for a net payable of \$39.3 million. These transactions are reflected within the financial statements on a net basis.

## Notes to Financial Statements (continued)

### Note 4: Fair Value Measurements

The following table presents the investments carried on the Statements of Financial Position by level within the valuation hierarchy as of December 31, 2011 and 2010:

Investments at Fair Value as of December 31, 2011				
Investments	Level 1	Level 2	Level 3	Total
Equities	\$ 805,770,556	\$ 160,394,358	\$ 2,055,544	\$ 968,220,458
Fixed income	145,624,669	350,904,487	577,000	497,106,156
Temporary investments	82,173,734	141,481	0	82,315,215
Alternative investments	0	0	348,687,045	348,687,045
Total investments	\$1,033,568,959	\$511,440,326	\$351,319,589	\$1,896,328,874

#### Payables from unsettled securities purchases, net at Fair Value as of December 31, 2011

Payables, net	Level 1	Level 2	Level 3	Total
Equities	\$(1,417,709)	\$ 0	\$ 0	\$(1,417,709)
Fixed income	0	(5,054,091)		(5,054,091)
Alternative investments	0	0	(1,094,000)	(1,094,000)
Total payables, net	\$(1,417,709)	\$(5,054,091)	\$(1,094,000)	\$(7,565,800)

#### Investments at Fair Value as of December 31, 2010

Investments	Level 1	Level 2	Level 3	Total
Equities	\$ 894,884,622	\$ 177,107,319	\$ 1,646,583	\$1,073,638,524
Fixed income	59,742,421	366,200,218	1,780,703	427,723,342
Temporary investments	129,064,212	150,255	0	129,214,467
Alternative investments	0	0	381,375,635	381,375,635
Total investments	\$1,083,691,255	\$543,457,792	\$384,802,921	\$2,011,951,968

#### Payables from unsettled securities purchases, net at Fair Value as of December 31, 2010

Payables, net	Level 1	Level 2	Level 3	Total
Equities	\$(575,602)	\$ 0	\$ 0	\$(575,602)
Fixed income	0	(35,652,856)	276,000	(35,376,856)
Alternative investments	0	0	(3,400,000)	(3,400,000)
Total payables, net	\$(575,602)	\$(35,652,856)	\$(3,124,000)	\$(39,352,458)

There were no significant transfers between Levels 1, 2, and 3 during the year ended December 31, 2011.

The following tables present a roll-forward of the amounts for the years ended December 31, 2011 and 2010, for investments classified within Level 3:

#### Fair Value Measurements using Level 3 Inputs for the year ended December 31, 2011

Investments	Balance at December 31, 2010	Net Investment Income	Realized Gain/(Loss)	Change in Unrealized Gain/(Loss)	(Sales)	Purchases	Balance at December 31, 2011
Equities	\$ 1,646,583	\$ 32,547	\$ (4,770)	\$ (206,819)	\$ (114,250)	\$ 702,253	\$ 2,055,544
Fixed income	1,780,703	40,245	79,903	(183,791)	(1,260,960)	120,900	577,000
Alternative investments	381,375,635	27,850,282	3,444,815	2,422,497	(102,619,000)	36,212,816	348,687,045
Total investments	\$384,802,921	\$27,923,074	\$3,519,948	\$2,031,887	\$(103,994,210)	\$37,035,969	\$351,319,589

## Notes to Financial Statements (continued)

#### Fair Value Measurements using Level 3 Inputs for the year ended December 31, 2010

Investments	Balance at December 31, 2009	Net Investment Income	Realized Gain/(Loss)	Change in Unrealized Gain/(Loss)	Net (Sales) Purchases	Balance at December 31, 2010
Equities	\$ 1,548,658	\$ 0	\$(1,761,793)	\$ 1,761,793	\$ 97,925	\$ 1,646,583
Fixed income	1,009,558	0	73,764	615,242	82,139	1,780,703
Alternative investments	345,721,099	21,182,077	(720,441)	39,545,671	(24,352,771)	381,375,635
Total investments	\$348,279,315	\$21,182,077	\$(2,408,470)	\$41,922,706	\$(24,172,707)	\$384,802,921

The Foundation has certain investments that do not have readily determinable fair values but permit direct redemption or distributions at times specified under the governing documents. As a practical expedient, the Foundation relies on the net asset value (NAV) of these investments as their fair value. The net asset values that have been provided by the investees have been derived from the fair values of the underlying investments as of the reporting date. The following table summarizes the nature of these investments and any related liquidation restrictions or other factors which may impact the ultimate value realized.

Category of Investment	Investment Strategy	Number of Funds	Fair Value Determined Using NAV	Unfunded Commitments (\$millions)	Redemption Terms	Remaining Life
Equities	Private placement stock	1	\$ 43,996,339	\$ 0	(1)	n/a
Equities	International and emerging markets	5	114,446,429	0	(2)	n/a
Fixed income	Long-term debt, global, high yield	7	105,209,294	0	(3)	59% n/a, 36% 13 years, 5% 22 years
Alternative investments	Buyouts, distress debt, energy, real estate, and venture capital	211	348,687,045	98.7	(4)	(5)
Totals		224	\$612,339,107	\$98.7		

All percentages below based on percent of total fair value of investments determined using NAV:

- (1) Subject to shareholder approval 80% stock redeemable now and 20% redeemable July 1, 2012
- (2) All funds subject to 7–30 days prior notice, 82% subject to monthly redemptions, 18% subject to quarterly redemptions
- (3) 59% subject to monthly redemption with 10–30 days prior notice, 41% subject to quarterly redemptions
- (4) All redemptions, sales, or transfers subject to approval of general partner
- (5) 19% 1 year, 42% 2–5 years, 29% 6–10 years, 10% 11–15 years; all funds subject to extensions between 0–3 years

There are no current plans to sell any of these investments.

### Note 5: Subsequent Events

The Foundation evaluated all activity through May 24, 2012, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the Notes to Financial Statements.

## Report of Independent Auditors

### To the Trustees of Richard King Mellon Foundation:

In our opinion, the accompanying statements of financial position and the related statements of activities and changes in net assets and of cash flows present fairly, in all material respects, the financial position of the Richard King Mellon Foundation at December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Richard King Mellon Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting

principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The summary of investments as of December 31, 2011 and 2010, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*PriceWaterhouseCoopers LLP*

May 24, 2012

# Policy and Grant Guidelines

Approved in December 2009 and effective January 1, 2010, the Trustees established the following grant-making objectives and grant program priorities.

## Objectives

The Foundation seeks to improve the competitive position of the region; strengthen the vitality of southwestern Pennsylvania, particularly the city of Pittsburgh and its neighborhoods; and protect precious green and natural infrastructure, particularly in western Pennsylvania.

## Program Priorities

### Southwestern Pennsylvania

#### Regional Economic Development

- University research and technology initiatives
- Initiatives promoting innovation, business diversification, local agriculture, and workforce excellence
- Urban community revitalization
- Regional cultural and recreational tourism

#### Education

- Colleges and universities integral to local communities
- Programs responsive to workforce market demands
- Programs designed to improve the quality of education performance
- Independent schools

#### Human Services

- Programs designed to achieve holistic and broadscale outcomes
- Early childhood programs focused on school readiness
- Career-focused, after-school programs
- Capacity-building initiatives

Program Priorities (continued)

### Western Pennsylvania

#### Conservation

- Land conservation with an emphasis on habitat protection and sustainable timber management
- Watershed protection and restoration with an emphasis on projects that are strategic
- Sustainable environments

The Foundation gives priority to projects and programs that have clearly defined outcomes and an evaluation component and has a preference for partnering with other donors on initiatives. The Foundation accepts applications throughout the year. The Foundation uses the Common Grant Application format, developed by Grantmakers of Western Pennsylvania, which may be obtained at the website address [foundationcenter.org/grantmaker/rkmellon/](http://foundationcenter.org/grantmaker/rkmellon/) or by contacting the Foundation offices.

#### Attention:

Information and Grants Manager  
Richard King Mellon Foundation  
BNY Mellon Center  
Suite 4106, 500 Grant Street  
Pittsburgh, PA 15219-2502

**telephone** 412 392 2800  
**fax** 412 392 2837

The Foundation does not consider requests on behalf of individuals or from outside the United States. The Foundation does not encourage requests from outside Pennsylvania.



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*Duquesne University of the Holy Ghost (front cover), founded in 1878, is located on a 49-acre campus in the city of Pittsburgh. Running underneath the campus is the Armstrong Tunnel, named in honor of Joseph G. Armstrong, Mayor of Pittsburgh, 1914–1918, who was nicknamed “Joe the Builder.”*

*The Clifford B. Connelley Trade School (back cover) in the Lower Hill District is being transformed by Pittsburgh Gateways Corporation into the Energy Innovation Center. Shown here is the carved-stone entrance depicting the building trades of the school that was built in 1930.*

Richard  
King  
Mellon  
Foundation

## 2011 Annual Report

BNY Mellon Center  
Suite 4106, 500 Grant Street  
Pittsburgh, PA 15219-2502

telephone 412 392 2800  
fax 412 392 2837

website  
[foundationcenter.org/grantmaker/rkmellon/](http://foundationcenter.org/grantmaker/rkmellon/)