

**Richard King Mellon
Foundation**

1972 Annual Report

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Richard King Mellon Foundation

1972 Annual Report

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Introduction

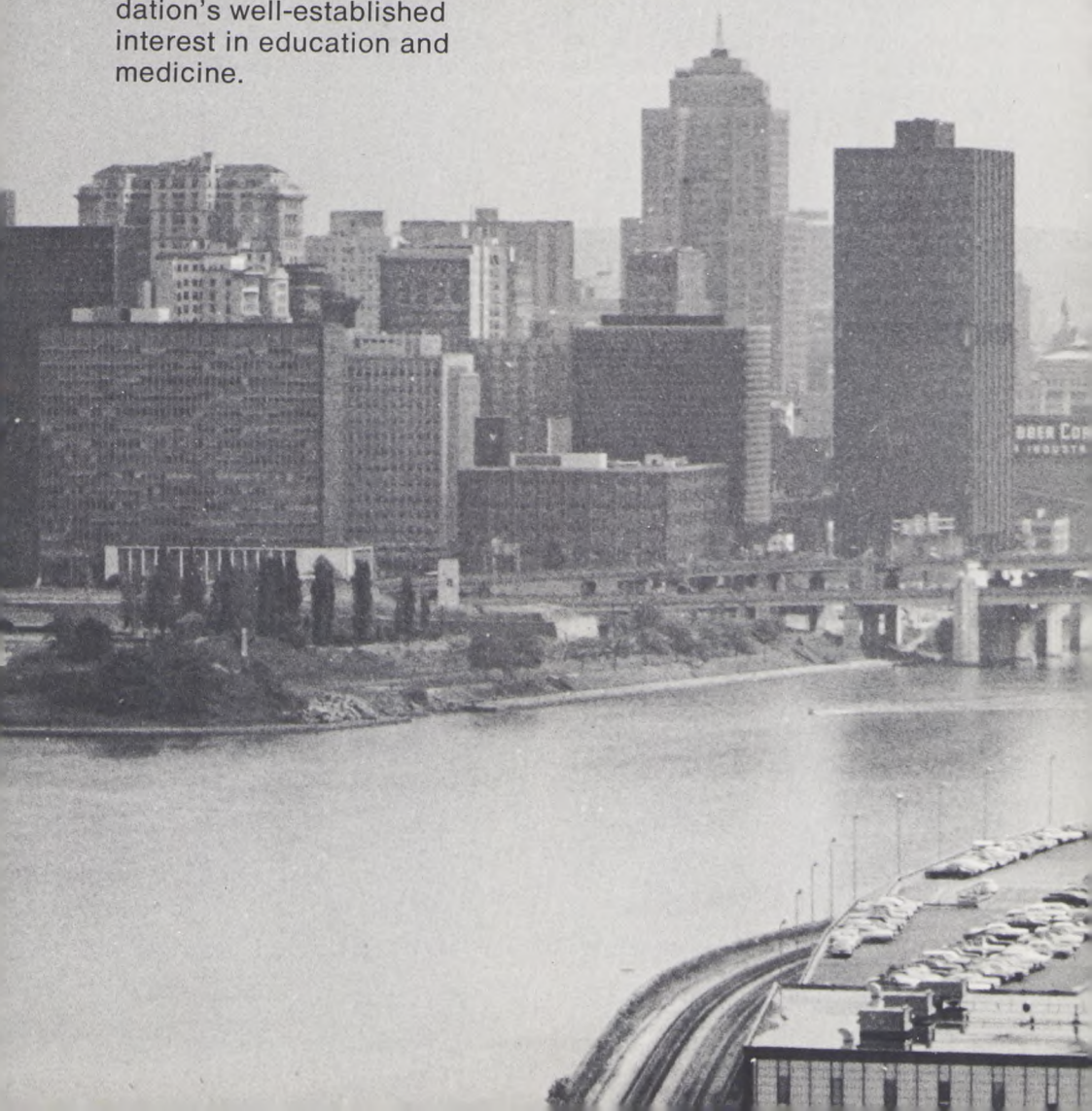
During 1972, the Richard King Mellon Foundation's twenty-fifth year, the Trustees appropriated \$9,291,846 in 76 separate grants to charitable organizations, bringing total appropriations by the Foundation in its lifetime to \$66,502,936.



Total grants paid by the Foundation since its beginning twenty-five years ago have exceeded income by \$4,901,408, and the pattern continued in 1972.

The year's grants were spread among six broad categories: education, medicine, welfare, civic affairs, conservation, and cultural activities. Education and medicine received particular emphasis, with allocations to these categories amounting to 32 and 26 percent, respectively, of total 1972 appropriations. These ratios conform to the Foundation's well-established interest in education and medicine.

While the 1972 grant program resembles those of previous years in many respects, certain planned changes took place. In education, for example, more grants were designated for specific academic or administrative programs and fewer for capital construction. A large grant for medical research fellowships represented the Foundation's first venture into medical research. In the welfare category, a heavier-than-usual concentration upon blindness and mental health and mental retardation is evident.



The disappointing results of many programs for the disadvantaged in Pittsburgh caused the Trustees to adopt a policy of greater selectivity with regard to continued support of such programs and to give greater relative emphasis to housing and traditional youth programs.

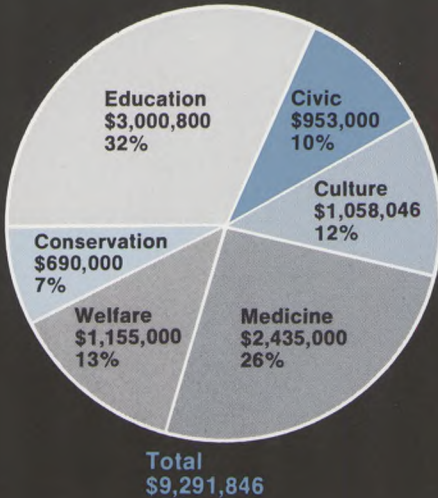
Grants to Pittsburgh organizations account for 46 percent of 1972 appropriations. Awards to organizations elsewhere in Western Pennsylvania comprise another 17

percent; thus, 63 percent of all funds appropriated in 1972 benefited the Foundation's own geographic region. This allocation of resources is consistent with that which has prevailed since the Foundation's inception in 1947.

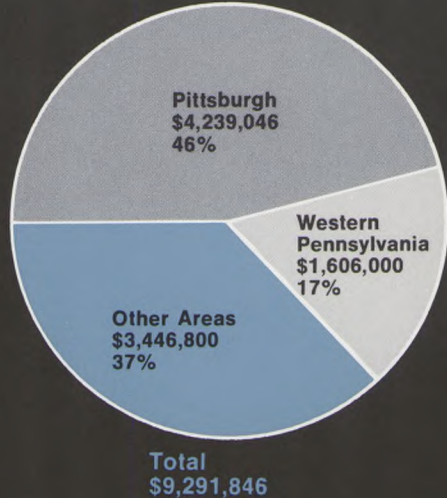
It should be noted, however, that a steady increase in resources has enabled the Foundation to contribute to many worthwhile endeavors outside Western Pennsylvania. In 1972, for example, 37 percent of new grant funds was

1972 Grants Approved

By Category



By Area



directed toward programs operating in many other parts of the United States. We hope that the Foundation will always be able to devote part of its resources to selected needs of other localities and of the nation as a whole.

Two factors combined in 1972 to yield a growth in assets of approximately 50 percent during the year. These factors were appreciation in market value of investments and receipt of distributions from the Estate of the late Richard

K. Mellon. At the year's end, the Foundation's net asset value was \$317,377,043.

The pages which follow contain descriptions of the grants in the Foundation's six categories of activity and offer comment upon some of the problems encountered and accomplishments realized in these fields.

Richard P Mellon

President

1947-1972

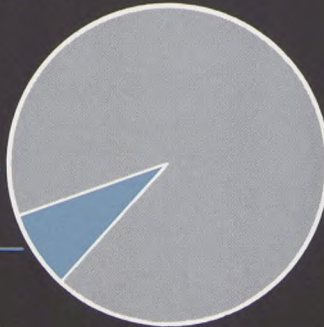
Net Income and Grants Paid

Net Income

1947-1971
\$49,358,239
92%

1972
\$4,503,789
8%

Total
\$53,862,028

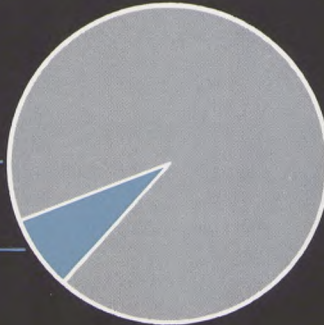


Grants Paid

1947-1971
\$54,048,590
92%

1972
\$4,714,846
8%

Total
\$58,763,436



Education

The Richard King Mellon Foundation places major emphasis upon the improvement of higher education in Pittsburgh. In 1972, grants were made to Carnegie-Mellon University, the University of Pittsburgh, and Chatham College, three Pittsburgh institutions which contribute much to the city's intellectual vitality.

The largest grant—\$1,000,000—was awarded to Carnegie-Mellon University for a dual-purpose program to improve the university's overall management functions and to strengthen selected academic programs.

Contemporary and Neo-Classical: the contemporary architecture of Science Hall, foreground, blends effectively with the College of Fine Arts, background, on the campus of Carnegie-Mellon University.



Half of the money was designated for a President's discretionary fund, to be used (1) to establish a management information system designed to increase operating efficiency and (2) to inaugurate a program of renovation for the university's facilities. The remaining \$500,000 will be expended for further development of the psychology department, which has pioneered in information processing psychology; for expansion of the University's year-old Environmental Studies Institute; and for purchase of advanced analytical and materials testing equipment, including air pollution monitoring instruments.

At the University of Pittsburgh, the

Foundation supported a special program within the School of Law for development of black lawyers. The aim of the program is to provide more black attorneys to serve the black communities of Pittsburgh and Allegheny County, where there are presently relatively few black attorneys who devote most of their time to the practice of law. Now in its fifth year, the program can claim a success rate better than 60 percent.

Also at the University of Pittsburgh, the Foundation continued support of the Arsenal Family and Children's Center, which for many years has served as the city's principal graduate clinical and training center for child care and child development specialists, child psychiatrists, pediatricians, social workers, and even theological students. In recent months the Center has played a key role in the community's burgeoning day-care movement. The Foundation's grant extends through 1973.

Chatham College received an award to underwrite a follow-up study of certain comprehensive changes put into effect on the Chatham campus two years ago. Chatham has kept careful records of the effects of these changes, which included experimental admissions and grading systems and a new approach to the relationship between a liberal arts college and the city. Now, with help from the Foundation, the college will assess these records and look further into new trends in liberal arts education and new approaches to admissions.

Interuniversity Cooperation

The Pittsburgh area has eight universities and four-year colleges and one community college. Each institution obviously has its own special purposes, but so do their functions overlap in some ways. Insofar as duplication broadens educational opportunity and fosters



healthy competition, it is desirable; but today there are strong financial and academic advantages to avoiding excessive duplication. The Foundation intends to encourage Pittsburgh colleges and universities at every opportunity to exploit the advantages of joint effort.

Experience shows that, given the proper attitude, cooperation can be made to work where it never existed before. In 1971 a grant of \$50,000 was made jointly to Cedar Crest College and Muhlenberg College, a women's college and a coeducational college, respectively, in Allentown, Pennsylvania. The grant funds were used to hire outside counsel to survey the operations of both colleges and suggest steps that might be taken jointly to strengthen one another. Although the two college campuses lie not much farther than a mile apart, there had been little communication between them, particularly among faculties and trustees. But both college presidents, anxious to move their institutions forward, saw and understood the potential for beneficial cooperation which geography afforded them.

The Institute for Educational Development, which conducted the survey, encouraged the two colleges to begin at once coordination of long-range planning, development of new programs and new majors, and consolidation of various administrative and support functions. The two colleges agreed to the Institute's recommendations and are presently searching for a chancellor who will be given power to implement their agreement.

Dr. Samuel B. Gould, President of the Institute for Educational Development, has stated that, "All this represents not only an unusual mutual effort but an unprecedented pace at which to meet the pressures of change and necessity . . . The whole process and its goals cannot help but be of interest and help

to other colleges in the country which have reasonable proximity to others but have always been reluctant to join forces except in very occasional and informal ways. The Muhlenberg/Cedar Crest Plan . . . could show that collaboration is possible with mutual benefit without loss of individual college identification or essential aspects of sovereignty."

A further opportunity to encourage cooperation among small colleges arose in 1972 when the seven independent colleges of West Virginia decided to sponsor a comprehensive study of private higher education in that state. Now completed, the study implies that the further development of higher education in West Virginia will depend upon close cooperation between the public and private sectors. Whatever the outcome of the legislative proposal recommended by the study, it is clear that the independent colleges in West Virginia understand their mutual problems better for having participated in this thorough self-examination, which the Foundation assisted in financing through the West Virginia Foundation for Independent Colleges, Inc.

New Approaches

The Foundation continued in 1972 to seek new programs of exceptional merit at individual colleges, without particular regard for location. Two projects were selected for funding in 1972, one at Hampshire College, Amherst, Massachusetts, and the other at Colgate University, Hamilton, New York.

Hampshire was founded by Amherst, Mount Holyoke, and Smith Colleges and the University of Massachusetts in order to provide a setting for exploration of various critical problems in higher education, particularly the cost/quality dilemma. The college opened in 1970, following 11 years of planning. Key elements of its new approach are (1) no faculty tenure without



One of Hampshire College's central landmarks is the Harold F. Johnson Library Center. The College's new performance center, rising nearby, will house the visual and performing arts, indoor athletics, and student recreation facilities.

limit of time, (2) heavy emphasis upon non-traditional and independent study, (3) extensive cooperation with Amherst, Mount Holyoke, Smith and the University of Massachusetts.

In order for Hampshire to carry out its objectives, a campus for 1,500 students must be completed by 1974. The college will use the Foundation's grant of \$500,000, therefore,

toward construction of a multi-purpose structure to house the visual and performing arts, indoor athletics, and student recreation—an unusual combination of activities under one roof. Even with its campus still incomplete, Hampshire College has proved to be a demonstration of great value to American higher education.

Colgate, the recipient of the second award in this category, is one of a small number of colleges to begin operating on a twelve-month basis. In addition, the upstate New York college has reordered its academic calendar, instituted a program of freshman seminars, and created an alternative curriculum which will offer opportunities to earn the B.A. degree by demonstration of proficiency rather than by accumulation of course credits. Along with the Carnegie Corporation of New York, the Foundation supplied the front money Colgate needed in order to take these important steps.

Colgate's new program is a particularly creative response to financial and academic pressures widely felt in higher education today. It also represents an important venture by a traditional college into the area of non-traditional study.

Flood Relief

The Foundation responded to a disaster in Pennsylvania private higher education, the flooding of the campus of Wilkes College in June, 1972, with a grant of \$100,000. Wilkes College, located along the western bank of the Susquehanna in Wilkes-Barre, Pennsylvania, sustained more damage than any other private institution in the flood area—an estimated \$10,000,000-worth. While federal funds will cover much of the total cost of rebuilding, supplementary private funding will be needed to restore the college to its pre-flood condition.

Helping School Systems

By stressing higher education in its grant program, the Foundation does not intend to ignore the need for improvement of educational quality at the elementary and sec-



Experts on the faculty of Bank Street College of Education discussing the preparation of course materials for use in elementary school classrooms across the United States.

ondary levels. It is not easy, however, for a private foundation to assist more than peripherally with what is essentially a public responsibility. Recognizing this fact, the Foundation set a precedent for itself by awarding a grant of \$125,000 to Bank Street College of Education in New York City for establishment of a center to provide technical assistance to school systems, state and federal education agencies, and other organizations concerned with improving the quality of American schools.

Bank Street was founded in 1916 as a graduate school of education, but today the college operates school consultation projects enrolling 29,000 children in 19 different states, ranging from Hawaii to Alabama. These projects focus on the educational delivery system, and Bank Street has demonstrated real success in turning slum schools around. As a result, the college is offered frequent opportunities to work with public school systems in new locations. The intent of the Foundation's grant is to provide the college with additional resources and administrative support with which to meet these challenges. The center formed under the grant will be not a separate physical facility, but an organizational mechanism for coordinating and expanding existing programs concerned with improving the quality of schools.

Bank Street President John H. Niemeyer has stated, "To change classrooms so that they become learning environments in which children not only learn but develop the motivation, skills, and enjoyment which help them become continuing, self-directed learners is a highly complex process. For this to happen, teachers and their supervisors must change; even parents must change. And change is often painful. Yet this painful change is what Bank Street undertakes to effect when it

moves into a consulting role to improve education."

It is hoped that the experience of the Bank Street grant will assist the Foundation in devising ways of helping to improve the quality of education closer to home, in Pittsburgh and Allegheny County schools.

Pittsburgh Area Schools

In 1972, the Foundation supported a hot-breakfast program for schoolchildren in Manchester, a poor neighborhood of Pittsburgh, and awarded a two-year grant for continuation of Reading Is FUNdamental, a program to encourage reading as a fundamental skill among children, particularly those in poverty areas.

The Foundation also joined with the Howard Heinz Endowment in



These Pittsburgh schoolchildren from poverty neighborhoods eat a hot meal at least once a day due to the combined efforts of the Pittsburgh Public Schools, Women in the Urban Crisis, Inc., and the Foundation.

Education

providing the Allegheny Intermediate Unit with the private funds required for an evaluation of the management of the \$10,000,000, federally-funded Exceptional Children's Program of the Allegheny County public schools. The study is expected to point the way toward better management of an educational system for the 14,000 mentally retarded or otherwise severely handicapped children in the County. The Allegheny Intermediate Unit is the successor to the Allegheny County School Board.

The Foundation supported programs at three private elementary schools in the Pittsburgh area. A three-year grant of \$150,000 will fund the research and teacher training programs of Shady Lane School. Shady Lane, the first school in the district to adopt "open education" on the model of British Infant and Junior Schools, has already served as a valuable training center for teachers learning that method of elementary instruction.

The increasing popularity of the open classroom and non-graded instruction has given rise to a need for reliable, new methods of assessing the progress of a child's education. A two-year grant of \$50,000 will enable the Falk School, the demonstration school of the University of Pittsburgh, to begin devising a series of tests to be used in assessing pupil growth at non-graded schools. The emphasis will be upon measurement and evaluation in the language arts.

Finally, the Foundation awarded a grant of \$50,000 for the relocation of Pace School. Pace is a school for children ages six through twelve with severe learning disabilities. Its present location, in McKeesport, Pennsylvania, imposes a hardship on many parents who must transport their children over great distances. The new location in the East Liberty section of Pittsburgh will be more convenient, and the new building, when fully renovated, will provide much-needed room for expansion.

A list of the Foundation's educational appropriations in 1972 follows:

Allegheny College Meadville, Pennsylvania <i>Challenge Grant for Construction of New Library</i>	\$ 500,000
Allegheny Intermediate Unit Pittsburgh, Pennsylvania <i>Management Study of Exceptional Children's Program</i>	15,000
Bank Street College of Education New York, New York <i>Establishment of Center for Technical Assistance to School Systems</i> ..	125,000
Carnegie-Mellon University Pittsburgh, Pennsylvania <i>President's Discretionary Fund, Development of Department of Psychology, Expansion of Environmental Studies Institute</i>	1,000,000

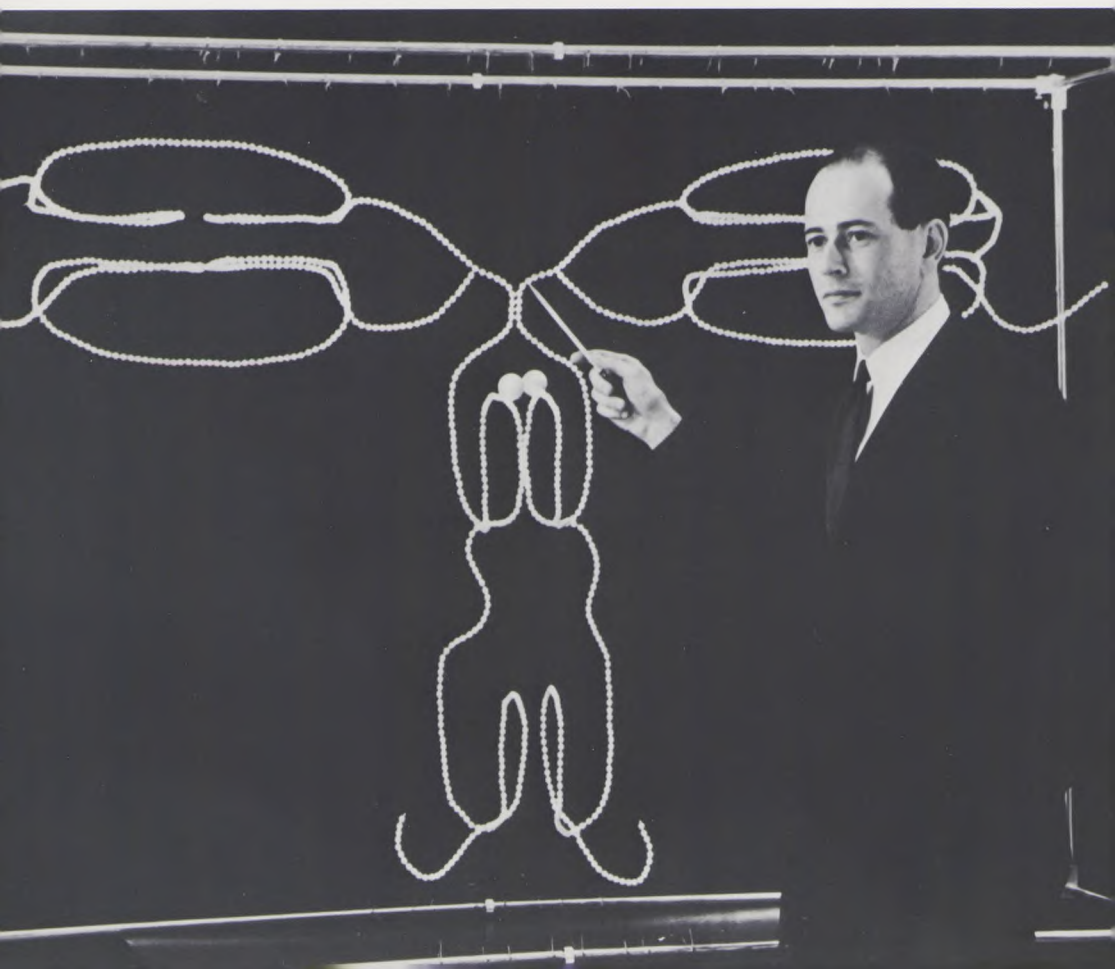
Chatham College Pittsburgh, Pennsylvania <i>Assessment of Academic Program</i>	\$ 30,000
Choate School Foundation, Inc. Wallingford, Connecticut <i>Scholarship Program</i>	16,800
Colgate University Hamilton, New York <i>Implementation of New Academic Program</i>	100,000
Hampshire College Amherst, Massachusetts <i>Construction of Performance Center</i>	500,000
Johns Hopkins University Washington, D. C. <i>Research and Teaching Program on "The International Environment for Multinational Corporations"</i>	150,000
Pace School McKeesport, Pennsylvania <i>Relocation</i>	50,000
Pittsburgh Public Schools Pittsburgh, Pennsylvania <i>Hot Breakfast Program</i>	19,000
Reading is FUNdamental c/o Chatham College Pittsburgh, Pennsylvania <i>Operating Funds</i>	100,000
Shady Lane School Pittsburgh, Pennsylvania <i>Research and Teacher Training</i>	150,000
United Negro College Fund, Inc. New York, New York <i>General Support</i>	25,000
University of Pittsburgh Pittsburgh, Pennsylvania <i>Arsenal Family & Children's Center Operating Funds</i>	50,000
Falk School <i>Development of Test Instruments for Non-Graded Schools</i>	50,000
School of Law <i>Program for Encouragement of Black Students</i>	10,000
West Virginia Foundation for Independent Colleges, Inc. South Charleston, West Virginia <i>Comprehensive Study of Private Higher Education in West Virginia</i>	10,000
Wilkes College Wilkes-Barre, Pennsylvania <i>Replacement of Library Holdings Destroyed by Flood</i>	100,000
	<u>\$3,000,800</u>

Medicine

Medical education and the delivery of health care are the primary focus of the Richard King Mellon Foundation's medical program. The program was broadened in 1972, however, to include, for the first time, a major grant for medical research. The \$1,000,000 award was made to Rockefeller University for establishment of two fellowships for post-doctoral research in medical science.

The young men and women to be selected as Richard King Mellon Foundation Fellows at Rockefeller University will be individuals who show unusual potential for leadership in medical research and education. Rockefeller University will provide them with an opportunity for sustained, independent work in a frontier research area. Typically a Fellow will stay at the University for three to five years in a non-tenured faculty appointment.

Dr. Gerald M. Edelman, Professor at the Rockefeller University and co-winner of the 1972 Nobel Prize in Medicine, explains the structure of the key model of immunity—gamma globulin—by means of a poppit-bead model.



The Foundation believes that support for the research of young medical scientists of unusual ability is an effective way to stimulate the scientific breakthroughs that will form the basis of better health care delivery in the future. Rockefeller University has demonstrated a capacity for breaking new ground in medical science ever since its founding in 1901. Twelve Nobel laureates have worked there, including three 1972 laureates.

National Health Policy

Policy makers have felt an increasing need in recent years for an impartial body to speak with authority on matters pertaining to the health of the American public. Responding to this need, the National Academy of Sciences in 1970 established a national Institute of Medicine to conduct studies and issue statements on broad aspects of national policy for health care, medical education, and medical research. Institute membership will gradually expand to 400 distinguished individuals drawn not only from the health professions, but also from the social sciences, law, government service, and other professions.

The Institute was created not to direct government activities in the health field, but to serve as informed advisor to Congress, the Executive Branch, and various federal agencies. It will derive income from studies commissioned by the federal government, but will receive no congressional appropriation. It depends, therefore, upon private funds for support of basic operations. The Foundation awarded the Institute a grant of \$100,000 a year for three years for operating support in the period of its infancy.

University Health Center

The Richard King Mellon Foundation, together with the Richard King

Mellon Charitable Trusts, has been deeply involved for many years in the formation of the University Health Center of Pittsburgh.

The University Health Center comprises six major medical institutions located in close proximity to one another in Pittsburgh. While retaining their autonomy, the six institutions have agreed to coordinate their actions and planning so as to "promote the operation and growth of . . . an efficient, well-rounded, and effective community and regional health resource." The members of the Health Center are Children's Hospital, Eye and Ear Hospital, Magee-Women's Hospital, Montefiore Hospital, Presbyterian-University Hospital, and the University of Pittsburgh through the Schools of the Health Professions and Western Psychiatric Institute and Clinic.

Experts have observed that the University Health Center of Pittsburgh represents a closer grouping of hospitals and university than exists anywhere else in the United States. Yet, despite the advantages of geographical proximity, common interests, and closely linked civic leadership, the Health Center concept has not been accepted by member hospitals to the degree that would serve the community best. Unique opportunities for efficient service and effective regional leadership in the government of health delivery may be at hand, but the path toward full realization of these opportunities seems studded with obstacles. It is hoped that gradually these obstacles can be eliminated. The Foundation will work toward this end everywhere it can usefully do so, assigning to Health Center development a priority higher than development of the separate member hospitals.

For example, in 1972 the Foundation approved a grant of \$90,000 to the Health Center for continued op-

eration for five more years of the Eye Pathology Laboratory of Eye and Ear Hospital. The only laboratory of its kind in Pennsylvania outside of Philadelphia, it provides facilities for teaching and for examination of ocular tissue removed at hospitals in the Health Center.

Also pertaining to the Health Center, the Foundation approved a grant of \$150,000 for expenditure on salaries within the Department of Medicine at Pitt Medical School over a period of three years. Such assistance is required to attract and retain the best available faculty.

Western Pennsylvania

A grant of \$80,000 was made to the Hospital Planning Association of Allegheny County, to enable the Association to add two senior planners to its staff. Hospital Planning was, until 1969, the only agency for areawide health planning in the Pittsburgh region. In late 1969, a federally-mandated organization, the Western Pennsylvania Comprehensive Health Planning Agency,

came into being, and since then Hospital Planning has been absorbed into this newer agency.

The Foundation helped St. John's General Hospital, located on the North Side of Pittsburgh, to expand its services by opening a new, 95-bed alcoholism and drug rehabilitation center. The center's program will include three phases—"drying out", rehabilitation, and transitional living.

The following grants were made for improvement of hospital facilities:

- \$100,000 toward the expansion of McKeesport Hospital which serves a population of 180,000 in the heavily industrialized southeastern part of Allegheny County;
- \$50,000 for expansion of dietary facilities at Greene County Memorial Hospital, Waynesburg, located in one of the poorest regions of Pennsylvania;
- \$175,000 for a plan of development at Westmoreland Hospital,

This tank, used for treatment of burns, skin diseases, and arthritic problems, is representative of up-to-date equipment in use at Latrobe Area Hospital.



Greensburg, that includes expansion of inpatient facilities and establishment of a community health center;

\$420,000 for construction of an ambulatory care center at Latrobe

Area Hospital, which has become, through the sustained efforts of this Foundation and others, a modern, full-service health center serving not just the town of Latrobe but numerous surrounding communities as well.

In summary, the Foundation's 1972 medical program consisted of the following grants:

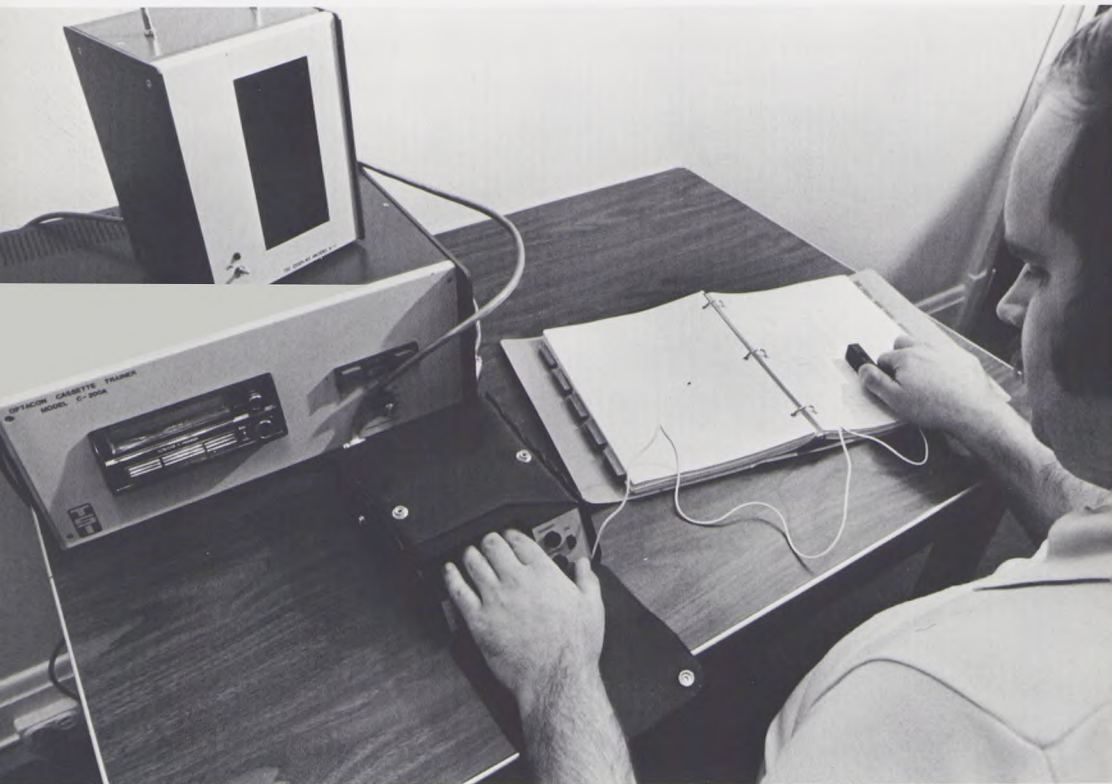
Greene County Memorial Hospital Waynesburg, Pennsylvania <i>Renovation of Dietary Facilities</i>	\$ 50,000
Hospital Planning Association of Allegheny County Pittsburgh, Pennsylvania <i>Staff Support</i>	80,000
Latrobe Area Hospital Latrobe, Pennsylvania <i>Construction of Ambulatory Care Center</i>	420,000
McKeesport Hospital McKeesport, Pennsylvania <i>Expansion Program</i>	100,000
National Academy of Science Washington, D.C. <i>Operating Funds for Institute of Medicine</i>	300,000
Phoebe Putney Memorial Hospital Albany, Georgia <i>Indigent Care Fund</i>	10,000
Pittsburgh Free Clinic Pittsburgh, Pennsylvania <i>Operating Funds</i>	25,000
Rockefeller University New York, New York <i>Establishment of Two Fellowships</i>	1,000,000
St. John's General Hospital Pittsburgh, Pennsylvania <i>Establishment of Alcoholism and Drug Rehabilitation Center</i>	35,000
University Health Center of Pittsburgh Pittsburgh, Pennsylvania <i>Funds for Ophthalmic Pathology Laboratory</i>	90,000
University of Pittsburgh, School of Medicine Pittsburgh, Pennsylvania <i>Salary Support, Department of Medicine</i>	150,000
Westmoreland Hospital Association Greensburg, Pennsylvania <i>Improvements to Inpatient Facilities, Establishment of Community Mental Health Center, Program in Group Health</i>	175,000
	<u>\$2,435,000</u>

Welfare

The Richard King Mellon Foundation is deeply committed to promoting the success of efforts to expand and improve social services in the Pittsburgh area. Thus, \$1,155,000 was allocated to welfare projects in 1972, with primary emphasis upon the blind and the mentally retarded.

The Greater Pittsburgh Guild for the Blind received a grant for purchase of four Optacons. An Optacon is a portable, electronic instrument which enables a totally blind person to read ordinary printed matter

At the Greater Pittsburgh Guild for the Blind, totally blind individuals are learning to read ordinary printed matter with the aid of an Optacon. As shown here, the Optacon user scans print with a tiny television camera held in his right hand, while using the index finger of his left hand to feel the image of each printed letter as it is converted into tactile form. Equipment at upper left aids teaching process.



immediately and independently through tactile impressions. The utility of such a device is obvious, but especially in the educational and vocational development of blind people is its impact likely to be significant.

The Optacon was developed at Stanford University with substantial backing from the U. S. Office of Education. There are only slightly more than 200 Optacons now in use in the United States and Western Europe, but interest in the device is growing steadily. The Greater Pittsburgh Guild for the Blind has already trained 10 of its clients to read with an Optacon.

While the Foundation's grant to the Guild was small, it has enabled the agency to add a totally new dimension to its rehabilitation program. Further, an enthusiastic initial response to the Optacon has encouraged the Foundation to formulate plans for establishing an area-wide Optacon training program and for subsidizing the purchase of Optacons by blind individuals in the Pittsburgh area.

It is possible, for example, that the Optacon could be utilized extensively at the Western Pennsylvania School for Blind Children. The School provides room, board, and educational facilities without charge to all blind children of the 31 counties of Western Pennsylvania. The Foundation awarded the school a grant of \$200,000 to help in constructing an addition to its campus near the University of Pittsburgh. The addition will house a center for diagnostic, evaluative, and educational services to multi-handicapped blind children.

The Foundation approved an additional grant in 1972 for extending the services of Recording for the Blind, Inc., to increasing numbers of blind college and high school students across the United States. The

Foundation has made grants totaling more than \$400,000 to Recording for the Blind over the last decade. The agency's master tape library of 20,000 titles—the largest of its kind in the world—now serves 91 percent of all blind college and graduate students and 48 percent of all blind high school students in the country. With the help of the Richard King Mellon Foundation and others, Recording for the Blind is now using new technology to process orders more efficiently and to cut in half the time it takes to make copies from master tapes.

The three grants discussed above illustrate the Foundation's concern with providing blind individuals with tools they need in order to increase their independence and ability to lead productive, rewarding lives.

In addition to its projects for the blind, the Foundation made a grant of \$200,000 in 1972 toward the capital-fund drive of Harmarville Rehabilitation Center near Pittsburgh, which hopes to replace its existing outmoded facilities with a new, 120-bed structure. The Harmarville Rehabilitation Center is one of only 10 private agencies in the United States accredited in physical, social, and vocational services. Harmarville takes the difficult cases, the ones with whom hospitals in the area cannot deal adequately. Over 56 percent of the patients are of employable age.

Harmarville has always been a self-sustaining operation. The Foundation's grant was made conditional upon successful marketing of a bond issue intended to finance a large part of the new construction.

Mental Retardation

The needs of no handicapped population are more pressing than those of the mentally retarded. While Allegheny County is fortunate in having the facilities that it does

Welfare

for custody and education of the mentally retarded, more and better programs must be established if the County's 50,000 retarded children and adults are to be served adequately.

A realistic appraisal of local needs led the Allegheny Valley School for Exceptional Children, a private agency founded in 1961, to an expansion of services that includes construction of a whole new campus for teenagers and young adults. The Allegheny Valley School presently cares for 210 children ranging in age

from a few weeks to 19 years. Eighty-five percent of these children have been referred by Allegheny County welfare agencies, and the school has a long waiting list. The new campus, located on a quiet farmsite, will more than double the school's existing capacity. The novel design calls for six cottages incorporating living quarters, classrooms, and workshops for 40 individuals each, thereby offering the advantages of smallness within a large organization. The Foundation's grant of \$250,000 will

Residents of the Allegheny Valley School for Exceptional Children surveying construction in progress at the School's new campus for teenagers and young adults. On the campus will be six cottages housing 40 individuals each.



aid construction of one of the cottages.

The Pennsylvania Supreme Court has ruled that all retarded children in the Commonwealth have a "right to education" from kindergarten age through their twenty-first birthday. Even before this decision was handed down, groups within the County had made progress toward easing the plight of the retarded and their families. The Foundation believes the resultant expansion and diversity to be of great benefit to the community, and so long as each

new approach to the problem covers new ground, there would seem to be little need to favor one to the exclusion of others.

Upon passage of the comprehensive Mental Health and Mental Retardation Act of 1966, units of local government around the country became responsible for assuring the availability of a broad range of mental health services on the local level. The Allegheny County Commissioners soon afterwards established a new agency, the Allegheny County Mental Health and Mental



Welfare

Retardation Program (MH/MR) to discharge this responsibility on their behalf. In the eastern suburbs of the County, where there was no agency to provide services to the mentally disabled, MH/MR joined forces with a citizens' group, and the Allegheny East Mental Health and Mental Retardation Center was born. A grant from the Foundation has helped the Center to establish

headquarters in a renovated office building in Wilkinsburg, where a multi-discipline staff administers programs to serve the roughly 10 percent of the east suburban population of 180,000 that will need mental health services at some time. It is apparent that private foundations have a central part to play in helping such federally-mandated programs take root in local soil.

A view of Serenity Farms, Washington County, Pennsylvania, a rehabilitation institute for alcoholics. The Farms' residents are responsible for all improvements to the property. A Foundation grant provided for annexation of an adjoining dairy farm which will be operated as part of the overall rehabilitation program.



The following is a list of awards made in 1972 for welfare and social service programs, including those described above:

Allegheny East Mental Health & Mental Retardation Center Pittsburgh, Pennsylvania	Milestone Centers	
<i>Purchase and Renovation of Headquarters Building</i>		\$ 50,000
Allegheny Valley School for Exceptional Children Pittsburgh, Pennsylvania	AV School for Exc Children	
<i>Construction of School and Home for Mentally Retarded Teenagers and Young Adults</i>		250,000
American Red Cross, Pittsburgh-Allegheny County Chapter Pittsburgh, Pennsylvania		
<i>Flood Relief Operations</i>		15,000
The Georgia Easter Seal Society for Crippled Children and Adults, Inc. Albany, Georgia	ES Southern GA	
<i>Speech and Hearing Clinic</i>		10,000
Goodwill Industries of Pittsburgh Pittsburgh, Pennsylvania		
<i>Repairs to Headquarters Building</i>		30,000
Greater Pittsburgh Guild for the Blind Pittsburgh, Pennsylvania	Blind's Vision Rehab	
<i>Optacon Training Program</i>		20,000
Harmarville Rehabilitation Center, Inc. Harmarville, Pennsylvania		
<i>Construction of New Rehabilitation Center</i>		200,000
Pittsburgh Pastoral Institute Pittsburgh, Pennsylvania		
<i>Operating Funds</i>		50,000
Recording for the Blind, Inc. New York, New York		
<i>Expansion of Services to Blind Students</i>		100,000
Serenity Farms, Inc. Hickory, Pennsylvania		
<i>Expansion of Alcoholic Rehabilitation Center</i>		60,000
Society of St. Vincent de Paul Pittsburgh, Pennsylvania		
<i>Warehouse Repairs and Equipment Purchase</i>		20,000
United Fund of Allegheny County Pittsburgh, Pennsylvania		
<i>Annual Contribution</i>		150,000
Western Pennsylvania School for Blind Children Pittsburgh, Pennsylvania		
<i>Expansion of Facilities for Multiple-Handicapped Children</i>		200,000
		<u>\$1,155,000</u>

Civic Affairs

The successful civic renewal known as the “Pittsburgh Renaissance” was one of the Foundation’s main preoccupations during its earlier years. Later, emphasis shifted from physical renewal to the social and economic problems of urban living. Today, urban issues remain one of the Foundation’s most pressing concerns, particularly as they relate to Pittsburgh, because despite the remarkable achievements of the past there is always so much that can and should be done.

Pittsburgh is perhaps more fortunate than many large American cities. It is strong economically and yet not subject to the population pressures that defy attempts to improve conditions elsewhere. It is an energetic city with great human and financial resources to apply to such problems as crime, substandard housing, and inadequate public transportation. And, while solutions to these problems and many others are still not at hand, there persists a feeling—based on past experience—that if available resources are properly coordinated, the city will move forward.

As a part of the Pittsburgh community, the Foundation attempts to assist this process of civic coordina-

tion whenever possible. Such efforts do not always bear fruit within a given twelve-month period, however. This was so in 1972, when the \$953,000 appropriated for civic grants would seem to represent a far lesser concern with civic action than is actually the case. A certain amount of planning begun in 1972 but not reflected in this report will mature into action in 1973 and subsequent years, thus making more readily evident the extent of the Foundation’s continuing involvement in the betterment of its own community.

In the meantime, the civic programs funded by the Foundation in 1972, fall into three categories: (1) housing and community development, (2) youth programs, and (3) public affairs.

Housing and Community Development

One of the most useful services a foundation can perform on the local housing scene is the introduction of human services, such as good management, into housing programs. It has been discovered belatedly that one of the main factors contributing to the failure of many low-income housing projects has been the lack of adequate management. Although

funds for management services have been available under FHA mortgages, they have been inadequate, and established real estate management firms generally have been either unwilling or unable to take on the difficulties involved in managing low-income housing.

Two Pittsburgh agencies, the Urban League of Pittsburgh and the Allegheny Housing Rehabilitation Corporation (AHRCO) have put together a housing management training program that, when fully implemented, will (1) meet the existing need for trained management personnel, particularly from the ghetto areas in which they will serve, and (2) serve as a prototype which, if successful, can be adopted elsewhere.

The one-year program contemplates the selection of 24 people from various Pittsburgh communities to be given on-the-job training by AHRCO and regular instruction in property management at Duquesne University in conjunction with the Greater Pittsburgh Board of Realtors. Funding has been provided by the Foundation, the Pennsylvania Department of Community Affairs, and various Pittsburgh corporations.

In 1972, the Foundation continued

its support of ACTION-Housing, Inc., a non-profit agency providing good housing for families of modest income in the Pittsburgh region. One of ACTION-Housing's most ambitious projects is a 1,000-unit complex in the East Hills area of Pittsburgh. A grant from the Foundation covered site preparation costs for a public park within this project. The park, which will be maintained by the city, has been designed to fulfill the need of the project's 3,500 residents for an outdoor recreation center.

Smaller grants from the Foundation have assisted neighborhood self-help programs in several parts of Pittsburgh. One of these took the form of seed money for the Squirrel Hill Urban Coalition, a group dedicated to prevention of decay in a large, middle-class neighborhood in the city. Another enabled Operation Better Block, Inc., to expand its beautification work in the Homewood-Brushton area.

Youth Programs

The Foundation recognizes the continuing need of recreational and character-building agencies for support of their attempts to furnish underprivileged youth with con-

Lincoln-Larimer Athletic Association: coach briefing Midget League football team on winning strategy.



structive alternatives to street loitering, drugs, and delinquency. Three grants illustrate this aspect of the Foundation's civic program.

First, an award of \$50,000 was made to the Lincoln-Larimer Athletic Association for development of a youth center in a black, lower-middle-class neighborhood of Pittsburgh. Since 1968, the Association has run a well-supervised athletic program for boys and girls aged 8-14 in the neighborhood. The Foundation funds will be used to transform a former beverage distribution warehouse into classroom and gameroom space for the Association's indoor activities. A basketball court is planned for the roof.

Second, the nine-week summer program of Youth Opportunities Unlimited (YOU), Inc., was supported by the Foundation in 1972, as it has been since 1970. YOU draws some 300 youths from the Charles Street neighborhood, one of Pittsburgh's poorest black areas, and takes them on day trips to southwestern Pennsylvania points of interest—as well as providing a supervised daily recreation program.

Third, the Foundation joined with others in enabling Urban Youth Action to continue its unusual program of involving underprivileged teenagers in community service in Pittsburgh's Hill District and Homewood-Brushton areas.

The Foundation's 1972 grant program reached middle-class youth as well as those from poverty backgrounds. For example, Junior Achievement of Southwestern Pennsylvania received a grant for retirement of debt on its new headquarters building in Pittsburgh. The building provides working space for the 2,100 Allegheny County high school students participating in Junior Achievement's business experience programs.

The Foundation also made small capital grants to two Western

Pennsylvania scouting groups—the East Boroughs Council, Boy Scouts of America, and the Keystone Tall Tree Girl Scout Council, Inc.—for improvement and expansion of their camp facilities.

Public Affairs

As in past years, the Foundation devoted a part of its efforts in the field of civic affairs to the cultivation of a better understanding on the local level of important public issues.

The World Affairs Council of Pittsburgh received a three-year grant for operation of its educational program which provides secondary school students in the Pittsburgh area with opportunities to participate in international affairs seminars featuring distinguished statesmen from the United States and foreign countries.

A three-year grant to Metropolitan Pittsburgh Public Broadcasting represents a continuation of the Foundation's support of the annual budget of WQED-TV *Newsroom*, a nightly news program, now in its fourth year on the air, which focuses on local issues.



Group discussion in progress at World Affairs Council's recent all-day World Affairs Institute on the topic, "Brazil—Emerging Superpower".

The Foundation made the following grants in the field of civic affairs in 1972:

ACTION-Housing, Inc.		
Pittsburgh, Pennsylvania		
<i>East Hills Public Park</i>	\$40,000	
<i>Staff Support</i>	50,000	\$ 90,000
Allegheny Conference on Community Development		
Pittsburgh, Pennsylvania		
<i>Operating Funds</i>		25,000
Boy Scouts of America, East Boroughs Council		
Pittsburgh, Pennsylvania		
<i>Construction of Swimming Pool</i>		50,000
Junior Achievement of Southwest Pennsylvania, Inc.		
Pittsburgh, Pennsylvania		
<i>Headquarters Building Project</i>		100,000
Keystone Tall Tree Girl Scout Council		
Kittanning, Pennsylvania		
<i>Construction of New Camping Centers</i>		35,000
Lincoln-Larimer Athletic Association, Inc.		
Pittsburgh, Pennsylvania		
<i>Development of Youth Center</i>		50,000
Metropolitan Pittsburgh Public Broadcasting		
Pittsburgh, Pennsylvania		
<i>Continuation of Newsroom</i>		350,000
Operation Better Block, Inc.		
Pittsburgh, Pennsylvania		
<i>Expansion of Neighborhood Self-Help Programs</i>		10,000
Pennsylvania Economy League, Inc., Western Division		
Pittsburgh, Pennsylvania		
<i>Operating Funds</i>		11,000
Pittsburgh Association for the Improvement of the Poor		
Pittsburgh, Pennsylvania		
<i>Summer Camp Improvements</i>		12,000
Squirrel Hill Urban Coalition		
c/o United Jewish Federation of Pittsburgh		
Pittsburgh, Pennsylvania		
<i>Operating Funds</i>		15,000
Urban League of Pittsburgh, Inc.		
Pittsburgh, Pennsylvania		
<i>Housing Management Training Program</i>		100,000
Urban Youth Action, Inc.		
Pittsburgh, Pennsylvania		
<i>Operating Funds</i>		10,000
World Affairs Council of Pittsburgh		
Pittsburgh, Pennsylvania		
<i>Continuation of Education Program</i>		75,000
Youth Opportunities Unlimited, Inc.		
Pittsburgh, Pennsylvania		
<i>Summer Program for Disadvantaged Youth</i>		20,000
		<u>\$953,000</u>

Conservation

The Richard King Mellon Foundation committed \$690,000 in 1972 for land and wildlife conservation and for environmental education.

These are but two aspects of the ecology movement, which is so alive and so highly publicized in America today. It is the policy of the Foundation, however, to avoid the more sensational aspects of this movement—selecting, instead, projects

A view of Four Holes Swamp, one of the last primeval blackwater cypress swamps in America, its complex web of life preserved by National Audubon Society and The Nature Conservancy.



which appear likely to achieve tangible, lasting results within a relatively short span of time.

A grant for the newest National Audubon sanctuary, Four Holes Swamp, exemplifies this policy. A black-water cypress swamp about 35 miles from Charleston, South Carolina, Four Holes was saved from commercial exploitation in December, 1970, when the National Audubon Society signed a contract to

purchase the 3,500-acre tract for \$1,450,000. A loan from The Nature Conservancy enabled the Society to meet the down payment, and grants from this Foundation and others have given substantial impetus to the campaign now in progress to raise the balance.

Four Holes Swamp is significant because it contains the last large stand of virgin cypress trees on the North American continent. Some of the trees are over 100 feet tall and more than 700 years old. They are probably the finest quality virgin cypress trees in existence anywhere. The Swamp also contains rare and endangered wildlife species.

The National Audubon Society has already accomplished much by rescuing Four Holes Swamp from destruction. But there is much more to be done before the sanctuary's potential as a scientific and educational resource can be fully realized. In particular, a thoughtful master plan has to be developed for overall management of the new sanctuary, including design of a transportation system to permit large numbers of people to see the swamp without disturbing wildlife or polluting the water. Proximity to major highways is such that 20,000 people a year are expected to visit Four Holes once it is open to the public.

Local energies have been widely evident in the Four Holes Swamp project. It is an obvious fact, but one often overlooked, that local initiative is as important to land and wildlife conservation as action on the national level.

Environmental Education

The Western Pennsylvania Conservancy is a citizens' conservation organization which performs the dual role of preserving significant tracts of undeveloped land in Western Pennsylvania and educating the



Conservation

public on environmental issues, especially the issue of land conservation. Since merging with the Pittsburgh Parks and Playgrounds Society, the Conservancy has also begun to exert influence on the urban scene.

Although the Conservancy already enjoys a broad base of community support, it hopes to expand its capabilities through a drive to increase membership income by two thirds. The drive is part of a comprehensive public relations program, supported by grants from the Richard King Mellon Foundation and other local foundations, to strengthen the Con-

servancy's ties with the public.

The Foundation also made an award to the National Park Foundation to assist that body in implementing its National Environmental Education Development (NEED) program for students from kindergarten through twelfth grade. The amount of the grant, \$350,000, represents roughly one-half of the cost of the program for the initial three-year period.

It has been forecast that by 1976 about one million students will use the NEED curriculum, which has been designed to build upon such standard school subjects as arith-

On the upper Allegheny River. The Western Pennsylvania Conservancy works to preserve unspoiled natural areas such as this.



metic, social studies, and music. The Richard King Mellon Foundation's purpose in supporting the program is to help create in the minds of young Americans an awareness of man's place in and responsibility for the total environment. It is too soon, of course, to measure the program's accomplishments.

Finally, related to the Foundation's support of the NEED program was an award to the National Parks Centennial Commission to match federal funds in underwriting a Second World Conference on National Parks. This conference was a primary focal point of a celebration of the centennial of the establishment of Yellowstone National Park in 1872. The recommendations of the conference, which was attended by leaders from 90 nations, comprise a major resource for developing guidelines for the management of national park systems in the future and are likely to form an important chapter in the literature of conservation and land management.



A nature trail for the handicapped built with Foundation funds in the Asbury Woods Nature Center, a facility of Millcreek Township School District, Erie, Pennsylvania.

1972 appropriations in the field of conservation are listed below:

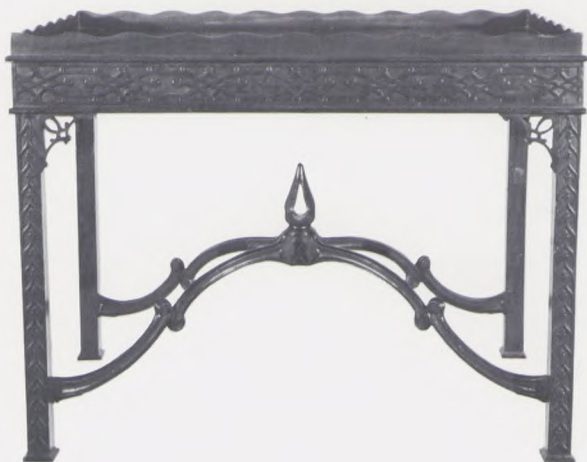
National Audubon Society New York, New York	
<i>Acquisition of Four Holes Swamp</i>	\$ 150,000
National Parks Centennial Commission Washington, D.C.	
<i>Second World Conference of National Parks</i>	90,000
National Park Foundation Washington, D.C.	
<i>National Environmental Education Development Program</i>	350,000
Western Pennsylvania Conservancy Pittsburgh, Pennsylvania	
<i>Membership Drive and Public Relations Program</i>	100,000
	<u>\$ 690,000</u>

Cultural Program

The Richard King Mellon Foundation devoted approximately 12 percent of its 1972 grant program to support of cultural institutions, with primary emphasis upon museums in the Pittsburgh area.

The largest award in this category was made to the Museum of Art, Carnegie Institute, for acquiring outstanding examples of early American furniture for the Museum's decorative arts section. This acquisition program is part of the Museum's long-range plan of displaying to the public the best possible examples of American furniture design and craftsmanship of all periods.

The initial group of items acquired at auction with the grant funds includes a chest-on-chest, a block-front chest, a shelf clock, a sewing table, a tea table, and an armchair—all works of art exemplifying the high quality and sophistication of American craftsmanship in the late eighteenth and early nineteenth centuries.





American furniture at the Museum of Art, Carnegie Institute: (top row, l.-r.) bombe-base chest-on-chest, mahogany, Salem, Massachusetts, c. 1780; shelf clock, mahogany case with satin-wood inlay, works by Nathaniel Munroe, Concord, Massachusetts, c. 1800-1810; armchair, mahogany, New York, c. 1770-1780; (bottom row, l.-r.) tea or china table, mahogany, Portsmouth, New Hampshire, c. 1770-1780; looking glass, walnut veneered pine, attributed to John Elliott, Philadelphia, Pennsylvania, c. 1740; block-front chest, mahogany, made by John Cogswell, Boston, Massachusetts, c. 1760-1780.

The Foundation also donated to the Museum of Art, Carnegie Institute seven oil paintings by the Pittsburgh genre painter, David G. Blythe (1815-1865), one of the few major artists to have flourished on the Pittsburgh scene. His works often record scenes of "low life" in the Pittsburgh of his day. *The First Mayor of Pittsburgh*, one of the paintings in the group donated to the Museum, is particularly characteristic of Blythe's renderings of the humble and the comic.

The Blythe paintings were part of a collection of paintings, prints, maps, documents, and books—all having to do with Western Pennsylvania history and culture—put together by the Foundation over a period of years with a view toward eventual display to the public in Pittsburgh. In addition to the Museum of Art, Carnegie Institute, other recipients of part of this collection in 1972 were the Pennsylvania Historical and Museum Commission, the Historical Society of Western Pennsylvania, and the Pittsburgh History & Landmarks Foundation. Documents pertaining to the history of Fort Ligonier were given to the Fort Ligonier Memorial Foundation in 1966.

One of the rarest items in the collection was an early printed edition of George Washington's account of his western expedition in 1754. Now property of the Pennsylvania Historical and Museum Commission, this document will be displayed in the Fort Pitt Museum.

The White House

In 1972, the Foundation made a final grant for completion of the renovation and decoration of the White House Green Room. This project, originally funded by the Foundation in 1971, has included acquisition of rare furnishings appropriate to the period of the Executive Mansion's

early history. The Green Room and other newly-refurbished public rooms of the White House are seen by some two million tourists and official guests each year.

The Foundation also provided funds in 1972 for completion of the exhibits inside the inner-fort buildings at Fort Ligonier. These exhibits, which include lifelike mannequins in period costume, depict life in the Fort as it is supposed to have been at the time of the French and Indian War.

The basic reconstruction and furnishing of Fort Ligonier is now complete. Visitor interest has increased to such an extent that the Fort Ligonier Memorial Foundation is now planning to expand support facilities so as to permit easier flow of traffic through the entire Fort and museum complex.

A New Museum

One of the most active and successful projects in Pennsylvania for preservation and display of local culture is the Brandywine River Museum of the Tri-County Conservancy of the Brandywine, Inc. The Museum opened in 1971 with the avowed purpose of documenting, collecting, and displaying examples of the Brandywine school of art and illustration, established in the early 1900's and perpetuated today by such artists as Andrew and James Wyeth. Attendance at the Museum since its opening has exceeded 300,000. The Foundation made a challenge grant to the Museum in 1972 of \$250,000. The grant and matching funds have been applied to the Museum's capital requirements.

The central aim of the foregoing grants was to support museums and other organizations, particularly those on the local scene, where the American public can expand its appreciation of significant aspects

of American history and artistic heritage.

Natural history, too, is an interest of the Foundation, as evidenced by continuing support of the professional staff and international programs of the natural history division of Carnegie Institute. In 1972, as in every year since 1964, the Foundation provided the Institute with funds for professional staff development, for training foreign scientists in its laboratories, and for operation of its field research station, Powdermill Nature Reserve.

Performing Arts

During the summer of 1972, the Duquesne University Tamburitzans toured Czechoslovakia, France, Greece, and Bulgaria on a grant from the Richard King Mellon Foundation.

The Tamburitzans are a remarkable student musical troupe specializing in the folk songs and dances of Eastern Europe. The student performers, for the most part, come from Pittsburgh and its environs. All attend Duquesne University on full scholarships derived from concert revenues.

The 1972 foreign tour was the Tamburitzans' seventh since 1950. It was, by all accounts, a tremendous success. The enthusiastic response of a newspaper writer in Greece was typical: "The American students from Duquesne University we recommend as the best dance group in the Americas . . . Every minute that they danced or sang—everything they did—they did with a smile."

It was particularly gratifying for the Foundation to have been able to

These four young ladies, members of the Duquesne University Tamburitzans, are performing "Dances of Azerbaijan".



Cultural Program

show foreign countries such a unique sample of Pittsburgh's culture.

Other Pittsburgh performing arts groups aided by grants from the Foundation in 1972 were the American Wind Symphony Orchestra and the Civic Light Opera Association, Inc. The American Wind Symphony Orchestra, made up of talented young musicians selected from colleges all over the nation, gives performances from a barge which moves up and down the Ohio, Allegheny, and Monongahela rivers

each summer, stopping at numerous riverside towns. The Foundation's grant provided for renovations to the barge.

The Civic Light Opera, which received an operating grant, provides a summer program of musical comedy in downtown Pittsburgh.

Although the Foundation does not usually support performing arts groups based outside Pittsburgh, The National Ballet received an award in 1972 for staging a new production of "Graduation Ball."

The following is a summary of the Foundation's grants for cultural programs in 1972:

American Wind Symphony Orchestra			
Pittsburgh, Pennsylvania			
<i>River Barge Improvements</i>	.....	\$	10,000
Carnegie Institute			
Pittsburgh, Pennsylvania			
<i>Purchase of American Furniture and Other Decorative Arts</i>	.....	\$280,000	✓
<i>Seven Oil Paintings By David G. Blythe</i>	.....	24,500	
<i>Restoration and Reframing of Blythe Paintings</i>	.....	3,200	
<i>Staff Salary Support and International Program</i>	.....	185,000	✓
<i>Powdermill Nature Reserve</i>	.....	22,500	✓
			515,200
Civic Light Opera Association of Greater Pittsburgh, Inc.			
Pittsburgh, Pennsylvania			
<i>Operating Funds</i>	.....		50,000
Duquesne University Tamburitzans, Inc.			
Pittsburgh, Pennsylvania			
<i>Supplemental Grant for Concert Tour of Eastern Europe</i>	.....		18,821
Fort Ligonier Memorial Foundation, Inc.			
Ligonier, Pennsylvania			
<i>Supplemental Grant for Furnishing and Renovating Inner Fort Buildings</i>	.....		16,000
Pennsylvania Historical and Museum Commission			
Harrisburg, Pennsylvania			
<i>Donation of Three Maps, Nine Documents, and Three Books for Display at Fort Pitt Museum</i>	.....		17,270
Historical Society of Western Pennsylvania			
Pittsburgh, Pennsylvania			
<i>Donation of One Oil Painting and Seven Documents</i>	.....		13,000
National Ballet Society			
Washington, D.C.			
<i>For "Graduation Ball" Production</i>	.....		40,000

Pittsburgh History & Landmarks Foundation	
Pittsburgh, Pennsylvania	
<i>Donation of Sixteen Prints, One Oil Painting, One Drawing,</i>	
<i>One Letter, and One Photograph</i>	\$ 7,755
Treasurer of the United States of America	
Washington, D.C.	
<i>Supplemental Grant for Redecoration of White House Green Room</i>	120,000
The Tri-County Conservancy of the Brandywine, Inc.	
Chadds Ford, Pennsylvania	
<i>Challenge Grant for Capital Requirements of Brandywine River Museum</i>	<u>250,000</u>
	<u>\$1,058,046</u>

Appropriations and Grants Paid

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
ACTION-Housing, Inc. Pittsburgh, Pa.	\$ 25,000	\$ 90,000	\$ 115,000	—
Allegheny College Meadville, Pa.	—	500,000	—	\$ 500,000
Allegheny Conference on Community Development Pittsburgh, Pa.	—	25,000	25,000	—
Allegheny East Mental Health & Mental Retardation Center Pittsburgh, Pa.	—	50,000	—	50,000
Allegheny Intermediate Unit Pittsburgh, Pa.	—	15,000	—	15,000
Allegheny Valley School for Exceptional Children Pittsburgh, Pa.	—	250,000	125,000	125,000
American Red Cross, Pittsburgh- Allegheny County Chapter Pittsburgh, Pa.	—	15,000	15,000	—
American Wind Symphony Orchestra Pittsburgh, Pa.	—	10,000	10,000	—
Bank Street College of Education New York, N. Y.	—	125,000	—	125,000
Boy Scouts of America, East Boroughs Council Pittsburgh, Pa.	—	50,000	50,000	—
Carnegie Institute Pittsburgh, Pa. Department of the Museum	347,500	207,500	247,500	307,500
Museum of Art	—	283,200	283,200	—
Museum of Art	—	24,500	24,500*	—
Carnegie-Mellon University Pittsburgh, Pa.	—	1,000,000	—	1,000,000
Chatham College Pittsburgh, Pa.	—	30,000	—	30,000
Choate School Foundation, Inc. Wallingford, Conn.	—	16,800	16,800	—

Richard King Mellon Foundation

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
Civic Light Opera Association of Greater Pittsburgh, Inc. Pittsburgh, Pa.	---	\$ 50,000	\$ 50,000	---
Colgate University Hamilton, N. Y.	---	100,000	100,000	---
Dartmouth College Hanover, N. H.	\$ 50,000	---	---	\$ 50,000
Ducks Unlimited, Inc. New York, N. Y.	300,000	---	---	300,000
Duquesne University Tamburitzans, Inc. Pittsburgh, Pa.	50,000	18,821	68,821	---
Fort Ligonier Memorial Foundation, Inc. Ligonier, Pa.	---	16,000	16,000	---
The Georgia Easter Seal Society for Crippled Children and Adults, Inc. Albany, Ga.	---	10,000	10,000	---
Goodwill Industries of Pittsburgh Pittsburgh, Pa.	---	30,000	30,000	---
Greater Pittsburgh Guild for the Blind Pittsburgh, Pa.	---	20,000	20,000	---
Greene County Memorial Hospital Waynesburg, Pa.	---	50,000	50,000	---
Hampshire College Amherst, Mass.	---	500,000	250,000	250,000
Harmarville Rehabilitation Center, Inc. Harmarville, Pa.	---	200,000	---	200,000
Historical Society of Western Pennsylvania Pittsburgh, Pa.	---	13,000	13,000*	---
Hospital Planning Association of Allegheny County Pittsburgh, Pa.	---	80,000	80,000	---

Appropriations and Grants Paid

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
Independent Schools Talent Search Program "A Better Chance"				
Boston, Mass.	\$ 20,000	—	—	\$ 20,000
Johns Hopkins University				
Washington, D.C.	—	\$ 150,000	—	150,000
Junior Achievement of Southwest Pennsylvania, Inc.				
Pittsburgh, Pa.	—	100,000	\$ 100,000	—
Keystone Tall Tree Girl Scout Council				
Kittanning, Pa.	—	35,000	—	35,000
Latrobe Area Hospital				
Latrobe, Pa.	200,000	420,000	—	620,000
Lincoln-Larimer Athletic Association, Inc.				
Pittsburgh, Pa.	—	50,000	—	50,000
McKeesport Hospital				
McKeesport, Pa.	—	100,000	—	100,000
Metropolitan Pittsburgh Public Broadcasting				
Pittsburgh, Pa.	—	350,000	50,000	300,000
National Academy of Science				
Washington, D.C.	—	300,000	—	300,000
National Audubon Society				
New York, N. Y.	—	150,000	150,000	—
National Ballet Society				
Washington, D.C.	—	40,000	40,000	—
National Industrial Conference Board, Inc.				
New York, N. Y.	10,000	—	—	10,000
National Parks Centennial Commission				
Washington, D.C.	—	90,000	90,000	—
National Park Foundation				
Washington, D.C.	—	350,000	350,000	—
Negro Educational Emergency Drive				
Pittsburgh, Pa.	60,000	—	—	60,000

Richard King Mellon Foundation

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
Operation Better Block, Inc. Pittsburgh, Pa.	—	\$ 10,000	\$ 10,000	—
Pace School McKeesport, Pa.	—	50,000	—	\$ 50,000
Pennsylvania Economy League, Inc. Western Division Pittsburgh, Pa.	—	11,000	11,000	—
Pennsylvania Historical and Museum Commission Harrisburg, Pa.	—	17,270	17,270*	—
Phoebe Putney Memorial Hospital Albany, Ga.	—	10,000	10,000	—
Pittsburgh Association for the Improvement of the Poor Pittsburgh, Pa.	—	12,000	12,000	—
Pittsburgh Ballet Theatre, Inc. Pittsburgh, Pa.	\$ 25,000	—	—	25,000
Pittsburgh Free Clinic Pittsburgh, Pa.	—	25,000	—	25,000
Pittsburgh History & Landmarks Foundation Pittsburgh, Pa.	250,000 —	— 7,755	250,000 7,755*	— —
Pittsburgh Pastoral Institute Pittsburgh, Pa.	—	50,000	50,000	—
Pittsburgh Public Schools Pittsburgh, Pa.	25,000	19,000	44,000	—
The Pittsburgh Symphony Society Pittsburgh, Pa.	625,000	—	625,000	—
Point Park College Pittsburgh, Pa.	50,000	—	50,000	—
Psychological Service of Pittsburgh Pittsburgh, Pa.	50,000	—	25,000	25,000
Reading is FUNdamental c/o Chatham College Pittsburgh, Pa.	—	100,000	—	100,000
Recording for the Blind, Inc. New York, N. Y.	—	100,000	50,000	50,000

Appropriations and Grants Paid

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
Rockefeller University New York, N. Y.	—	\$1,000,000	—	\$1,000,000
St. John's General Hospital Pittsburgh, Pa.	—	35,000	\$ 35,000	—
Serenity Farms, Inc. Hickory, Pa.	—	60,000	60,000	—
Shady Lane School Pittsburgh, Pa.	—	150,000	—	150,000
Smithsonian Institution Washington, D.C.	\$ 200,000	—	200,000	—
Society of St. Vincent de Paul Pittsburgh, Pa.	—	20,000	20,000	—
Squirrel Hill Urban Coalition c/o United Jewish Federation of Pittsburgh Pittsburgh, Pa.	—	15,000	5,000	10,000
Treasurer of the United States of America Washington, D.C.	250,000	120,000	100,000	270,000
The Tri-County Conservancy of the Brandywine, Inc. Chadds Ford, Pa.	—	250,000	—	250,000
United Fund of Allegheny County Pittsburgh, Pa.	—	150,000	—	150,000
United Negro College Fund, Inc. New York, N. Y.	—	25,000	25,000	—
University Health Center of Pittsburgh Pittsburgh, Pa.	—	90,000	18,000	72,000
University of Pittsburgh Pittsburgh, Pa. Arsenal Family & Children's Center ...	—	50,000	—	50,000
Falk School	—	50,000	25,000	25,000
School of Law	—	10,000	10,000	—
School of Medicine	—	150,000	50,000	100,000
Urban League of Pittsburgh, Inc. Pittsburgh, Pa.	—	100,000	—	100,000
Urban Youth Action, Inc. Pittsburgh, Pa.	—	10,000	10,000	—

Richard King Mellon Foundation

	12/31/71 Unpaid	1972		12/31/72 Unpaid
		Approved	Paid	
Western Pennsylvania Comprehensive Health Planning Agency, Inc. Pittsburgh, Pa.	\$ 50,000	—	\$ 50,000	—
Western Pennsylvania Conservancy Pittsburgh, Pa.	—	\$ 100,000	35,000	\$ 65,000
Western Pennsylvania School for Blind Children Pittsburgh, Pa.	—	200,000	—	200,000
Westmoreland Hospital Association Greensburg, Pa.	—	175,000	175,000	—
West Virginia Foundation for Independent Colleges, Inc. South Charleston, W. Va.	—	10,000	10,000	—
Wilkes College Wilkes-Barre, Pa.	—	100,000	—	100,000
Woods Hole Oceanographic Institution Woods Hole, Mass.	250,000	—	—	250,000
World Affairs Council of Pittsburgh Pittsburgh, Pa.	25,000	75,000	25,000	75,000
YMCA of Pittsburgh Pittsburgh, Pa.	250,000	—	250,000	—
Youth Guidance, Inc. Pittsburgh, Pa.	50,000	—	50,000	—
Youth Opportunities Unlimited, Inc. Pittsburgh, Pa.	—	20,000	20,000	—
Total	<u>\$3,162,500</u>	<u>\$9,291,846</u>	<u>\$4,714,846</u>	<u>\$7,739,500</u>

*Grants-in-Kind

Statement of Net Assets

December 31, 1972

Cash and receivables		\$	205,697
Investments, at market quotations:			
Common stocks	\$253,320,258		
Certificates of deposit	59,020,000		
Cash equivalents	5,676,000		
Other investments	<u>1,576,450</u>		319,592,708
Program-related investments, at cost:			
Capital Stock of Columbia Corporation	4,785,727		
Capital Stock of Paramount Development, Inc.	760,200		
Pittsburgh Historical Collection	<u>22,631</u>		<u>5,568,558</u>
Total assets			325,366,963
Less amounts reserved for:			
Grants approved but not paid	7,739,500		
Federal excise tax	<u>250,420</u>		<u>7,989,920</u>
Net assets			<u>\$317,377,043</u>

NOTE TO FINANCIAL STATEMENTS

Through December 31, 1972, the Foundation received \$76,952,893 in cash and securities from the Estate of Richard King Mellon, representing distributions received on account of its interest in the Estate. In consideration of the distribution of this amount from the Estate to the Foundation prior to the filing and audit of the Estate's final account, the Foundation agreed to refund on demand all or any part of such distributions which may be determined to have been improperly made.

Statement of Changes in the Fund

	Year Ended December 31, 1972	Cumulative From Inception on November 14, 1947 To December 31, 1972
Contributions received	\$ 63,686,990	\$129,698,986
Gain from investments sold or distributed in payment of grants	23,451,100	28,030,262
Unrealized appreciation on investments, at market quotations	<u>23,271,173</u>	<u>172,288,703</u>
	110,409,263	330,017,951
Investment income	\$ 5,428,649	\$59,902,185
Less:		
Administrative and investment expenses	674,440	5,393,493
Federal excise tax	<u>250,420</u>	<u>646,664</u>
	924,860	6,040,157
Net income	4,503,789	53,862,028
Grants paid	<u>4,714,846</u>	<u>58,763,436</u>
Grants paid in excess of net income	<u>(211,057)</u>	<u>(4,901,408)</u>
Increase in fund	<u>\$110,198,206</u>	325,116,543
Less amount reserved for grants approved but not paid		<u>7,739,500</u>
Net assets, December 31, 1972		<u>\$317,377,043</u>

Investments

December 31, 1972

Number of Shares		Amount at	
		Market Quotations at Date of Receipt or Cost of Acquisition	Market Quotations at Dec. 31, 1972
COMMON STOCKS			
258,343	Aluminum Company of America	\$14,627,142	\$ 13,724,472
14,000	AMP, Inc.	967,601	1,792,000
1,000	Avon Products, Inc.	127,157	136,750
38,000	C. R. Bard, Inc.	1,174,530	1,425,000
29,100	Bradford Computer & Systems, Inc.	1,032,116	1,331,325
20,000	Capital Holding Corp.	539,516	577,500
5,000	Caterpillar Tractor Co.	247,310	332,500
12,000	Champion International Corp.	367,082	267,000
6,000	Citizens & Southern Realty Investors	213,043	219,000
2,000	Clark Equipment Co.	86,208	108,500
12,000	Connecticut General Insurance Corp.	906,287	1,000,500
35,000	Cyprus Mines Corp.	1,189,050	1,076,250
18,000	Digital Equipment Corp.	1,427,901	1,651,500
15,000	Emerson Electric Co.	1,070,701	1,368,750
23,000	General Electric Co.	1,544,502	1,676,125
310,725	General Reinsurance Corp.	4,296,493	146,972,925
1,985,268	Gulf Oil Corp.	32,132,009	53,602,236
28,000	Hanna Mining Co.	1,474,854	1,676,500
2,500	Henredon Furniture Industries, Inc.	100,363	79,375
9,000	International Business Machines Corp.	790,760	3,618,000
25,000	International Tel. & Tel. Corp.	1,466,119	1,506,250
27,000	Jonathan Logan, Inc.	1,506,247	1,667,250
10,000	Kraftco Corp.	458,726	495,000
20,200	Eli Lilly & Co., Inc.	1,296,112	1,608,425
5,000	Marriott Corp.	178,565	182,500
24,000	McDonald's Corp.	920,225	1,830,000
33,000	McGraw-Edison Co.	1,173,121	1,332,375
48,000	Melville Shoe Corp.	1,494,067	1,590,000
31,000	Northwest Bancorporation	1,200,611	1,898,750
10,000	Quaker Oats Co.	392,522	450,000
20,000	Ralston Purina Co.	670,871	892,500
9,000	Sears, Roebuck & Co.	127,414	1,044,000
20,000	Southwestern Life Insurance Co.	808,733	827,500
42,000	TRW, Inc.	1,481,547	1,433,250
25,000	Tandy Corp.	938,485	1,150,000
45,000	Textron, Inc.	1,464,455	1,541,250
38,000	Virginia National Bankshares	1,062,300	1,235,000
	Total Common Stocks	<u>80,954,745</u>	<u>253,320,258</u>

Investments (continued)

Face Amount		Amount at	
		Market Quotations at Date of Receipt or Cost of Acquisition	Market Quotations at Dec. 31, 1972
CERTIFICATES OF DEPOSIT			
\$25,000,000	Mellon Bank N.A., 5% Certificate of Deposit Maturity January 15, 1973	\$ 25,000,000	\$ 25,000,000
25,000,000	Mellon Bank N.A., 5% Certificate of Deposit Maturity January 15, 1973	25,000,000	25,000,000
2,000,000	Mellon Bank N.A., 5% Certificate of Deposit Maturity January 15, 1973	2,000,000	2,000,000
1,500,000	Mellon Bank N.A., 4.875% Certificate of Deposit Maturity January 23, 1973	1,500,000	1,500,000
2,000,000	Mellon Bank N.A., 4.875% Certificate of Deposit Maturity January 23, 1973	2,000,000	2,000,000
1,520,000	Mellon Bank N.A., 5.25% Certificate of Deposit Maturity January 29, 1973	1,520,000	1,520,000
2,000,000	Mellon Bank N.A., 5% Certificate of Deposit Maturity February 15, 1973	<u>2,000,000</u>	<u>2,000,000</u>
	Total Certificates of Deposit	<u>59,020,000</u>	<u>59,020,000</u>
CASH EQUIVALENTS			
470,000	CIT Financial Corp., 5.523% Demand Notes	470,000	470,000
1,033,000	Commercial Credit Co., 5.656% Demand Notes ..	1,033,000	1,033,000
25,000	Dwelling House Building and Loan Assoc., 5% Savings Account	25,000	25,000
359,000	Ford Motor Credit Co., 5.656% Demand Notes ...	359,000	359,000
251,000	General Electric Credit Corp., 5.656% Demand Notes	<u>251,000</u>	<u>251,000</u>
302,000	General Electric Co., 5.656% Demand Notes	302,000	302,000

Investments (continued)

Face Amount		Amount at	
		Market Quotations at Date of Receipt or Cost of Acquisition	Market Quotations at Dec. 31, 1972
\$ 3,057,000	General Motors Acceptance Corp., 5.656% Demand Notes	\$ 3,057,000	\$ 3,057,000
48,000	RCA Corp., 5.656% Demand Notes	48,000	48,000
131,000	Westinghouse Credit Corp., 5.656% Demand Notes	131,000	131,000
	Total Cash Equivalents	5,676,000	5,676,000
OTHER INVESTMENTS			
1,440,000	William Coal Corp., Notes, 6.625%, due September 15, 1981	1,440,000	1,363,190
	Fractional interests in surface and minerals in properties located in Maryland and West Virginia	113,260	113,260
100,000	Limited Partnership in New York Plaza Associates —Plaza II	100,000	100,000
	Total Other Investments	1,653,260	1,576,450
	TOTAL INVESTMENTS	\$147,304,005	\$319,592,708

To the Trustees of Richard King Mellon Foundation:

We have examined the statement of net assets of Richard King Mellon Foundation as of December 31, 1972, the related statement of changes in the fund for the year then ended and for the period from the Foundation's inception on November 14, 1947 to December 31, 1972, and the supporting schedules of investments and appropriations and grants paid. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the above-mentioned financial statements present fairly the net assets of Richard King Mellon Foundation at December 31, 1972, and the changes in the fund for the year then ended and for the period from November 14, 1947 to December 31, 1972, and the supporting schedules present fairly the information included therein, all in accordance with generally accepted accounting principles applied on a consistent basis.

LYBRAND, ROSS BROS. & MONTGOMERY

Pittsburgh, Pennsylvania
March 2, 1973

Application Procedure

The Richard King Mellon Foundation is a general purpose, private foundation which gives special consideration to Pittsburgh and Western Pennsylvania projects. Applications for grants should take the form of a letter setting forth the applicant's general purposes and a description of the specific purpose for which funds are sought, including goals, method of implementation, and itemized budget. All relevant information as to the applicant organization's classification under existing Treasury Department regulations should be enclosed as well as proof of tax exemption. Letters of application and all inquiries should be addressed to

Mr. Elston R. Law
Vice President and Director
Richard King Mellon Foundation
525 William Penn Place
Pittsburgh, Pennsylvania 15230

The Foundation will not consider requests on behalf of individuals.

Richard King Mellon Foundation