

**Richard King Mellon
Foundation**

1974 Annual Report

Board of Trustees

Constance Prosser Burrell

Richard P. Mellon

Seward Prosser Mellon

Luther G. Holbrook

Andrew W. Mathieson

Arthur M. Scully, Jr.

Mason Walsh, Jr.

Officers

Constance Prosser Burrell, Chairman

Richard P. Mellon, President

Elston R. Law, Vice President and Director

George H. Taber, Vice President

Andrew W. Mathieson, Treasurer

Gerald T. Ellermeyer, Controller

Richard King Mellon Foundation

1974 Annual Report

Table of Contents

2	Introduction
5	Statistical Charts
6	Medicine
12	Education
20	Social Services
26	Civic Affairs & Conservation
32	Cultural Program
35	Appropriations and Grants Paid
40	Statement of Net Assets
41	Statement of Changes in the Fund
42	Investments

Introduction

The Richard King Mellon Foundation made grant payments in 1974 to 77 grantees totaling \$9,775,925, approximately 3% less than in the previous year due, in part, to a decline in 1974 in both investment asset value and net income. \$3,883,500 of this amount represented payments on 44 new grants during the year. At the end of 1974, forward commitments on approved grants totaled \$12,569,255.



During the past year grants were awarded in five broad categories: Medicine, Education, Social Services, Civic Affairs and Conservation, and Cultural Activities. Medicine and Education received renewed emphasis in 1974 with 32% of funds committed to the former and 29% to the latter. Social Services also received a generous share with 22% of the total.

1974 was an unusual year. From

1969 to 1973 between 63% and 88% of grants approved were for programs in Pittsburgh and Western Pennsylvania. It would be fair to say that range represents the continuing interest of the Trustees in this area. This year was an exception in that 51% of the grants made were in Pittsburgh and Western Pennsylvania. This does not represent a departure from the Foundation's general policy of concentrating its major efforts in



that geographic area.

The Foundation continued to encourage cooperative efforts between institutions. The Trustees strongly endorse the necessity for elimination of duplication of resources and were pleased to support three instances of such cooperation hoping that these and others will lead institutions to seek means by which they may work jointly or severally toward a husbanding of resources.

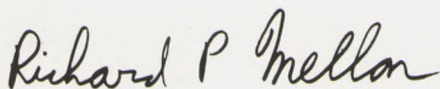
The largest single commitment was for fellowships in the area of management at the Wharton School of the University of Pennsylvania. The Foundation has supported management in public affairs in the past and looks on this grant as general support of the science of management whether for business or public affairs.

Three major but unrelated grants were made for medical purposes. One to establish a National Poison Center at Children's Hospital in Pittsburgh has the promise of provoking action in other geographic areas to coordinate activities in a continually frustrating area of children's medicine. A second was supportive of family practice medical education at Thomas Jefferson University that will carry out related clinical activi-

ties at selected hospitals across the Commonwealth and a third continued the Trustees' long demonstrated interest in the University of Pittsburgh School of Medicine.

In continuing to concentrate their interests in Pittsburgh and Western Pennsylvania the Trustees took note of the many areas still needing attention. It is a fact that in a time of reduced funds available for new commitments, the needs of a city and region do not lessen in any correlative way and it becomes a management priority to continue to weigh resources carefully so as to help maintain progress among the essential institutions of the community.

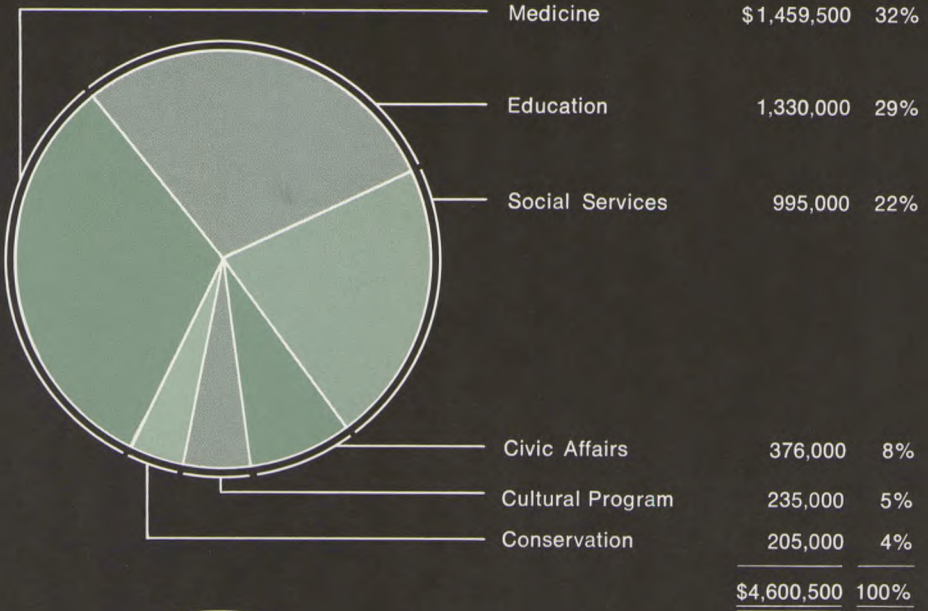
Finally, it is with regret that we note the resignations of two of our key people. Mr. DeCourcy E. McIntosh left on June 30, 1974 to accept a challenging assignment in another part of the country, and Mr. Elston R. Law, our Director for the past five years, has announced his retirement during 1975. We are in debt to both of these gentlemen for their many services over the years.



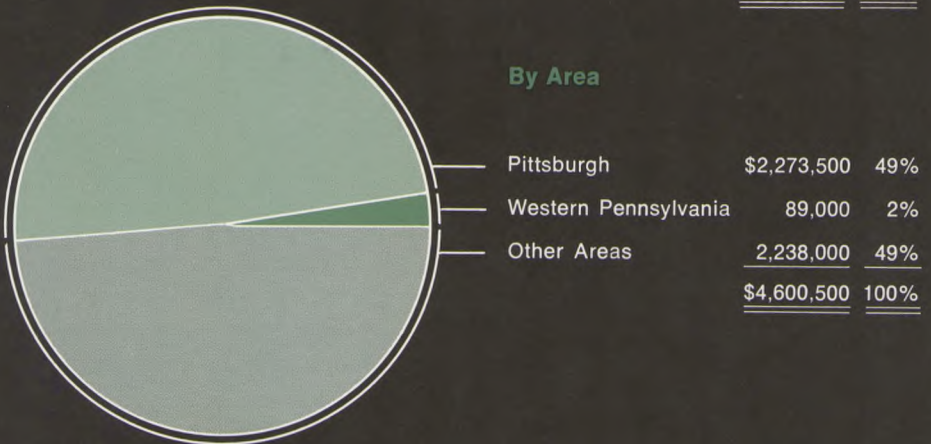
Richard P. Mellon
President

1974 Grants Approved

By Category



By Area



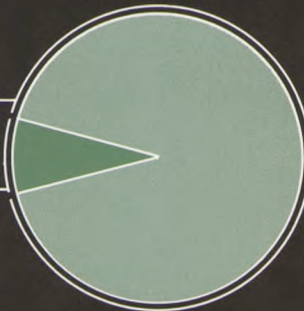
1947 - 1974 Net Income and Grants Paid

Net Income

1947-1973
\$61,071,193
90%

1974
\$6,627,081
10%

Total
\$67,698,274

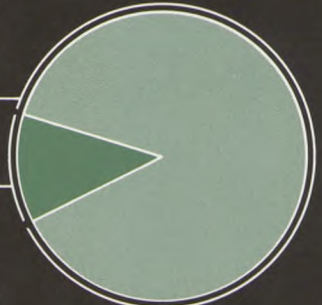


Grants Paid

1947-1973
\$68,866,131
88%

1974
\$9,775,925
12%

Total
\$78,642,056



Medicine



Dr. F. Sargent Cheever, recently retired Vice Chancellor of the Health Professions of the University of Pittsburgh and President of the University Health Center, in whose name distinguished professorships have been established at the School of Medicine.

During 1974 the Richard King Mellon Foundation directed 32% of its available funds to medicine. It was the largest category for the year, maintaining a strong interest on the part of the Trustees in the furtherance of medical education and health care.

The Foundation continued its involvement with the University

Health Center of Pittsburgh. This corporation, having as members five teaching hospitals and the University of Pittsburgh, was formed to coordinate activities of these institutions and eliminate wasteful duplication of activities and expense. The Foundation continues to hope for a further rate of progress in achieving a unity to the corporation which can

only strengthen teaching and medical care in Pittsburgh.

Three grants totaling \$744,500 were made for Health Center projects in 1974.

Distinguished Professorships

Dr. F. Sargent Cheever, a former Dean of the School of Medicine, retired in 1974 from the position of Vice Chancellor of the Health Professions of the University of Pittsburgh and President of the University Health Center. In honor of his twenty-five years of service, the University proposed establishing the F. Sargent Cheever Distinguished Professorships in the School of Medicine. The Trustees of the Foundation authorized a grant of \$300,000 to be used to help establish this fund which will be designed to aid outstanding faculty members in pursuit of new knowledge as well as to attract and retain individuals with unusual abilities. In announcing the grant the Trustees said, "It is made in recognition and sincere admiration for the leadership which Dr. Cheever has provided over the many years of his career in the health professions at the University of Pittsburgh. His role as the first President of the University Health Center and as Vice Chancellor of Health Professions for the past several years has been one which has made an invaluable contribution to Pittsburgh and the Western Pennsylvania area."

National Poison Center

\$344,500 was awarded to Children's Hospital on a matching basis to establish a National Poison Center Network with headquarters at the Pittsburgh Poison Center in Children's Hospital. The latter was

established in 1972. Through a public awareness program, the Pittsburgh Center has become well known and during 1974 handled about 2500 referral calls a month. Twenty-one area hospitals are affiliated with the Center and maintain telecopier communications with it, enabling the member hospitals to have advance notice both of referrals, and frequently the poison involved, as well as method of treatment.

Through the Center, the hospitals have immediate access to the nation's largest data bank on product formulation, kept current through close liaison with manufacturers. The Center also provides training for emergency room staffs, and engages in research activities testing toxicity of new products.

There is at present no adequate means of providing quick information on product toxicity or treatment on a nationwide basis. It is estimated there are 600 centers throughout the country, but they vary widely as to service provided and are not inter-related. Some are in hospitals; some are merely referral agencies in coroners' offices.

A feasibility study done at the Pittsburgh Center indicates a need for 21 regional centers across the nation in selected hospitals and 23 satellite centers, each having its own member area hospital affiliates. A regional center would have 24-hour telecopier communication with the National Center in Pittsburgh, thereby having access to the data bank, 30 consultants and other services of the Center. Each regional and satellite center would also have its own public awareness program. It is estimated that financial network requirements of the National Center would be met within the first eighteen months of opera-

Medicine

tion by membership fees and income from services rendered.

At this time, the network has regional centers serving a population of approximately 23,500,000 people in eleven states: Alaska, Colorado, Illinois, Michigan, Missouri, New Mexico, Western New York, Oregon, Pennsylvania, Washington and Wisconsin.

Ambulatory Care Program

Ambulatory care had its beginning in Pittsburgh thirty-five years ago when the Falk Clinic was built and given to the University of Pittsburgh, School of Medicine. Since then it has served as the outpatient facility for two member hospitals of the University Health Center. Five years ago the Health Center began to modernize and renovate the building and a search was begun for a full-time director of ambulatory care who would coordinate the outpatient programs of all the member hospitals of the Health Center. In 1973 that appointment was made and the renovation program and operating program for the Falk Clinic were put into service.

The Foundation authorized a grant of \$100,000 to help with this renovation and modernization, not just as a capital construction grant, but with the belief that this facility would become a resource through which the members of the Health Center would begin to share services in a more meaningful manner. By having a modern outpatient facility incorporating all the specialties of the member hospitals under the auspices of the School of Medicine, it will behoove those specialties and their hospitals to more closely coordinate their activities in providing total health care. With this as a start it is hoped that other departments



will cooperate more fully in their equipment, space, and manpower needs.

Family Practice

In 1973 the Foundation encouraged the affiliation of the Latrobe Area Hospital, located fifty miles east of Pittsburgh, with the Jefferson Medical College in Philadelphia for the purpose of establishing a Family Practice Education Program. Jefferson Medical College has similar affiliations with sixteen other hospitals in Pennsylvania. During 1974 the Foundation made a grant of \$250,000 to Jefferson Medical College so that it may continue to strengthen its teaching programs at these hospitals.

A majority of third and fourth year clinical and educational programs in family practice are carried out in these seventeen hospitals. Jefferson is continuing to develop relationships with these hospitals to arrange to share more equally teaching responsibilities for medical students, for residents, and specialties provided by allied personnel and for programs of continuing medical education. To do this, it is necessary to develop teaching faculties in each of the affiliated hospitals and to coordinate teaching programs so that there is a well planned, inter-relationship between the teaching a student receives at Jefferson and

◀
"Mr. Yuk" is the label distributed by the Pittsburgh Poison Center through its public awareness program. Children understand its message.

▷
Family practice medical students and residents are contributing to the quality of health care at Latrobe Area Hospital as well as attaining their clinical education.



Medicine

that which is given at an affiliated hospital.

Studies suggest that physicians tend to practice medicine where they have completed their residency training. The development of a family practice residency at Jefferson with rotation of residents to these outlying hospitals may provide the basis for encouraging more physicians to settle in less populated areas of the Commonwealth.

From a beginning in 1973 which saw the Foundation interested in a teaching program at a local western Pennsylvania hospital, and which seemed to benefit both the hospital and potentially benefit the area in providing better medical service and new physicians, the Foundation saw an opportunity to help provide these same benefits across the Commonwealth of Pennsylvania by making a substantial grant to Jefferson Medical College.

Cooperative Program in Medical Education

The Foundation made two grants, each for \$150,000 to Harvard University and the Massachusetts Institute of Technology. These grants were to provide funds for the Harvard-M.I.T. Program in Health Sciences and Technology to enable them to attract senior faculty members from these two institutions into this joint program.

The major collaborative effort in which Harvard and M.I.T. are engaged is designed to focus science and technology on human health needs. The complementary strengths of both institutions are being directed to developing new kinds of physicians and other health scientists and to applying modern science and technology to health and medical problems. These prob-

lems often require the concern and competences not only of the biological sciences and the medical professions, but also of other disciplines such as the physical sciences and engineering, the social sciences, management, public administration and law.

One of the major needs of the program is to induce senior faculty people at both institutions to accept what in effect is a shift in their careers entailing some risk to their reputations and a potential change in their interests. The Foundation's grants are intended over a short period of time to help the program with this inducement.

Community Health Care

The Pittsburgh Free Clinic received a second grant of \$50,000 for its Day Medical Program payable half in 1974, half in 1975. The Foundation had made a previous grant of \$25,000 in 1972 for the '73 program.

The Pittsburgh Free Clinic serves a broad range of medically indigent people in urban Pittsburgh.

Patients are served in three primary care programs—the Evening Walk-in Clinic, the Family Planning Clinic, and the Day Medical Program. The Day Medical Program provides a full-time health team enabling the Clinic to practice comprehensive and preventive medicine. It also provides continuity of care of Clinic patients, and opportunities for health education of its clients. Counseling is offered to patients and the community in preventive health measures and health maintenance, particularly in regard to dietary and nutritional information, venereal disease, and adherence to prescribed medical regimes.

The Clinic provides help for a

population in Pittsburgh which apparently does not wish to avail itself of traditional medical services. These patients include the members of urban poverty groups, young people who either do not know how to use existing medical facilities or have a distrust of them, and others who for one reason or another do

not wish to attend established health clinics and hospitals. The Clinic is currently beginning a geriatrics program and provides specific hours in a separate part of the building for elderly people.

The following is a list of 1974 awards for medical programs:

Children's Hospital of Pittsburgh Pittsburgh Poison Center Pittsburgh, Pennsylvania <i>Establish a National Poison Center Network</i>	\$ 344,500
Comprehensive Health Planning Association of Western Pennsylvania, Inc. Pittsburgh, Pennsylvania <i>Establish a public information and education component for emergency medical service in western Pennsylvania</i>	40,000
Harvard University Cambridge, Massachusetts <i>Health Sciences and Technology Program</i>	150,000
Massachusetts Institute of Technology Cambridge, Massachusetts <i>Health Sciences and Technology Program</i>	150,000
Ohio Valley General Hospital McKees Rocks, Pennsylvania <i>Building and remodeling program</i>	25,000
Pittsburgh Free Clinic Pittsburgh, Pennsylvania <i>Day Medical Program</i>	50,000
Thomas Jefferson University Philadelphia, Pennsylvania <i>Strengthen Family Practice Program</i>	250,000
University Health Center of Pittsburgh Pittsburgh, Pennsylvania <i>Renovation of Falk Clinic</i>	100,000
University of Pittsburgh, School of Medicine Pittsburgh, Pennsylvania <i>Establish F. Sargent Cheever Distinguished Professorships</i>	300,000
D. T. Watson Home for Crippled Children Leetsdale, Pennsylvania <i>Renovation program</i>	50,000
	<u>\$1,459,500</u>

Education

The second largest area of interest to the Trustees of the Richard King Mellon Foundation during 1974 was that of Education. The program concentrated in higher education, but continued to support specific projects in secondary and community education. For the first time support was given to an international program which provides leadership for educational efforts in the fields of health and nutrition in Latin American countries.

One large grant was made to provide an endowed fellowship program. It proved an exception to the usual policy of the Foundation, but was made to honor a particular man as well as provide funds for unusually able students of management.

The Foundation continued to make commitments to public education within the Pittsburgh area, but restricted its higher educational grants to the private sector in recognition of the continuing grave difficulties private institutions are facing.

Programs which result from inter-institutional cooperation are of particular interest to the Foundation's Trustees. Efforts aimed at eliminating duplication of resources and expenses are desperately needed in higher education and it is the Foundation's ambition to promote and encourage such relationships whether between two institutions or many.

Endowment Support

The University of Pennsylvania at its Wharton School received a grant of \$600,000 to establish an endowment fellowship program to honor John A. Mayer, former Chairman and Chief Executive Officer of the Mellon National Corporation.

Mr. Mayer, a graduate of the Wharton School and a Trustee of the

University of Pennsylvania, had been with the Mellon Bank for twenty-three years. For the past eleven years, Mr. Mayer served as the Bank's Chief Executive Officer and under his leadership the Bank has grown from a 2.9 billion dollar bank to a 9.6 billion dollar multi-national bank holding company. The grant will be used by the University of Pennsylvania to endow the John A. Mayer Fellowship Program for M.B.A. students in the Wharton School of Management. Recipients will be selected from the incoming class on the basis of exceptional promise of future managerial leadership. Selection will be made by a faculty committee named by the Dean of the Wharton School and it is intended that recipients will be from among the very top applicants.

Stipends will be adjusted according to need with the minimum grant being \$1,000 and the maximum at present, being \$3,000. The intent is to be flexible so that the maximum may be increased over time as students' budgets and needs increase. Awards may be supplemented by other scholarship funds in cases of exceptional need.

It is expected that eight to ten John A. Mayer Fellows will be named in each entering class and that sixteen to twenty Fellows will be in the School at any given time.

It is the Foundation's hope that these fellowships will be instrumental in attracting highly talented young people into the field of business management and help provide responsible leadership for our Nation's financial and industrial institutions.

Institutional Support

Two grants were made in 1974 for capital programs. The first was





Wilberforce University: These two photographs are representative of the widespread destruction on the campus due to the tornado which, in a matter of minutes, did more than \$5,000,000 damage.

a grant of \$100,000 to Wilberforce University toward the \$5,000,000 campaign to rebuild its campus which was partially destroyed by tornados on April 3, 1974. The longest tornado in the history of the nation touched down near Zenia, Ohio that day and either partially or wholly destroyed dormitories, the administration building, the audi-

torium, the health center, the gymnasium, classrooms, the library and other buildings. To its credit, the administration of Wilberforce immediately launched a widespread campaign among foundations, corporations and friends of the institution, and has achieved its goal so that the first Negro college established in the United States will continue to

Education

provide for its 1200 students.

Robert Morris College in Pittsburgh has a total enrollment of 3,500. Its philosophy is a steadfast commitment to the needs of the business community of western Pennsylvania for middle management personnel educated in business administration and as a result has received wide support from the business community. It offers a four year bachelor of science degree in business administration including majors in management, marketing, economics, accounting, transportation, office administration and business teacher education. Two associate degree programs are offered—the College Nursing Program in cooperation with Sewickley Valley Hospital and the College Radiologic Technology Program with Allegheny General Hospital.

The College building program was complete with the exception of \$750,000 needed for a redesigned and expanded Student Center. \$100,000 was granted toward that Center.

Institutional Cooperation

In 1971 the Richard King Mellon Foundation made a grant of \$75,000 to enable Haverford College and Bryn Mawr College to explore means by which the two institutions might cooperate in sharing each others educational resources. These institutions, one male and the other female, located about a mile apart in Philadelphia's suburbs already had cooperated with one another to an unusually high degree. During 1974 cooperation had progressed to the point that the two colleges plan to consolidate their business operations and integrate their library as single units serving both institutions.

The business consolidation in-

volves recurring savings in personnel costs and thus requires no outside financing. The library integration project which was of particular interest to the Foundation cannot save enough in administrative costs to fully pay for increases in the cost of books and materials plus a desired extension of service. To reach a goal of a single library collection serving both colleges requires a substantial investment estimated at \$300,000.

The Foundation authorized a grant of \$150,000 which will be paid as matched on a dollar for dollar basis for contributions obtained elsewhere.

A grant of \$20,000 was paid to the Central Pennsylvania Consortium in Gettysburg, Pennsylvania. The Consortium consists of Dickinson, Franklin and Marshall, Gettysburg and Wilson Colleges. It has been in existence for five years and has been concerned with establishing cooperative programs among the four colleges which are intended to permit savings and eliminate waste. There have been off campus semester programs involving each of these colleges but more importantly they have been working toward making more effective use of their resources such as faculty, curriculum, library holdings, and administrative savings. The Consortium currently is working on four new projects. One is a thorough evaluation of the Consortium's progress by the Middle States Association's Commission on Higher Education. A Faculty Bank is underway which would provide faculty services for each of the campuses and provide a stipend for each faculty member's additional work. Modern methods of teaching are being investigated through the use of a shared media specialist by the four colleges and finally, better library coordination is being actively



One of the teachers recruited by the Pittsburgh Public School System during its summer training program. She is well prepared to teach an integrated elementary class.

pursued with an appropriate committee appointed to make recommendations. The Richard King Mellon Foundation provided \$20,000 for the evaluation by the Middle States Association's Commission on Higher Education.

Public Education

The Foundation supported three programs in the area of elementary and secondary public education in the Pittsburgh area.

The Pittsburgh Public School System has had a program in exist-

Education

ence for several years which is designed to identify the best prospective black teachers for its elementary and secondary schools.

Ten senior year students are selected each summer from such colleges as Hampton Institute, Central State, Wilberforce, and Cheyney State. They are engaged for a seven week teaching intern program during the summer and serve as teacher assistants and tutors under the supervision and observation of experienced teachers in the Pittsburgh Public School System.

The teacher interns are paid a salary of \$150 per week and provided housing and travel allowances. The Foundation provided \$21,000 to underwrite this program in 1974.

A six thousand dollar grant was given to the Mt. Lebanon School District in a suburb of Pittsburgh for a teacher support service training plan. The plan involves the employment of a full time teacher working directly for the principal in each elementary school. The teacher has experience in learning disabilities, guidance counseling, child growth development and such specialties as reading and mathematics. The purpose of the appointment is to have the teacher work with those normally intelligent children characterized as under-achievers who have no enthusiasm for learning and formal education.

Fundamental to the program is the principle that the interests of the child are best served by keeping him with his regular group of classmates rather than segregating him in special classes. The pupil services teacher therefore works through the regular classroom teacher and the parents, and coordinates the use of specialists such

as speech therapists and psychologists.

The Reading Is FUNdamental project received a \$100,000 grant for further extension of its program throughout the Pittsburgh area during 1974 and 1975. Reading Is FUNdamental is a national program sponsored locally by Chatham College and the Urban League of Pittsburgh in cooperation with the Pittsburgh Board of Public Education. It encourages reading as a fundamental skill among children in poverty areas by providing free books and giving children a pride of ownership in possessing books.

By April 1975 Reading Is FUNdamental had distributed 293,485 books to Pittsburgh children over a five year period. For the first time, in 1974 the organization held distributions in every one of the 44 elementary public schools in the City of Pittsburgh which qualify for federal assistance under Title I of the Elementary and Secondary Education Act. Book clubs have been started in selected neighborhoods and book club cards have been given to children in participating schools enabling them to purchase additional books for 10¢ each from bookmobiles which are used in the neighborhoods in the afternoons after school. Since the start of the book clubs, 145,910 books have been purchased by children for 10¢ each.

Fellowship Programs

The Foundation made two unusual contributions in the area of fellowships in that both were directed toward fellowships outside of the Country. The Fletcher School of Law and Diplomacy at Tufts University received a grant of \$108,000 payable over a three year period to



Reading Is FUNdamental has distributed almost 300,000 books to Pittsburgh children over the past five years. Ownership of a book in a home unable to afford books can be the catalyst that begins a lifetime enhanced by reading skills.

Education

expand its seven year old Latin American Teaching Fellowship Program into the fields of nutrition, nutritional development and health.

This program is dedicated to aiding the development process in Latin America by the transference of technology through assisting and strengthening higher education. It maintains close contact with over 90 universities and institutions in Latin America and at their request has provided more than 100 teaching fellows to those institutions over the past seven years. Recruitment of these fellows is carried out through 120 universities in the United States and Canada.

Each teaching fellow spends a maximum of two years at the assigned institution. The average annual support costs of \$10,000 are provided either by the host institution, government funding, or corporate support.

The Fletcher School has had little difficulty in receiving corporate support in the fields of economics, business administration and computer technology. It currently has 65 requests for individuals capable of teaching and carrying on applied research in the areas of nutrition, health and related fields. The Richard King Mellon Foundation is providing one-half of the administra-

tive cost of sending eighteen fellows in these fields to Latin America over the next three years.

\$100,000 was granted to The Winston Churchill Foundation of the United States. The Winston Churchill Foundation is dedicated to supporting Churchill College which was founded in 1959 at Cambridge University in England.

In establishing the College, Sir Winston Churchill was anxious that it have a strong Anglo-American relationship so that a cross fertilization of scientific and technical ideas would be of value to both countries.

Foundation scholarships of \$3,500 from one to three years are offered to exceptionally able students enrolled in twenty-eight leading American colleges and universities known for excellent programs in engineering, finance and mathematics.

In addition to scholarships, approximately ten Overseas Fellows who have shown promise in teaching or research are appointed at Churchill College each year.

The Winston Churchill Foundation is endeavoring to raise a \$1,000,000 endowment to underwrite this scholarship and fellowship program.

The Foundation made the following grants in support of education in 1974:

The Central Pennsylvania Consortium Gettysburg, Pennsylvania <i>Middle States Evaluation</i>	\$ 20,000
Haverford College and Bryn Mawr College Bryn Mawr, Pennsylvania <i>Joint Library Project</i>	150,000
Latin American Teaching Fellowships, Tufts University-Fletcher School of Law & Diplomacy Medford, Massachusetts <i>Fellowships in Nutrition and Health</i>	108,000

Mt. Lebanon School District Mt. Lebanon, Pennsylvania <i>Teacher Support Service Training Plan</i>	6,000
Pittsburgh Public Schools Pittsburgh, Pennsylvania <i>Recruitment of black teachers</i>	21,000
Reading Is FUNdamental, c/o Chatham College Pittsburgh, Pennsylvania <i>Operating support</i>	100,000
Robert Morris College Pittsburgh, Pennsylvania <i>Expansion of Student Center</i>	100,000
United Negro College Fund, Inc. New York, New York <i>Operating support</i>	25,000
University of Pennsylvania, Wharton School Philadelphia, Pennsylvania <i>John A. Mayer Fellowships</i>	600,000
Wilberforce University Wilberforce, Ohio <i>Rebuilding of campus</i>	100,000
The Winston Churchill Foundation of the United States, Ltd. Roosevelt, New York <i>Fellowship endowment</i>	100,000
	<u>\$1,330,000</u>

Social Services

During 1974 the Foundation committed \$995,000 or 22% of the total grant program in the area of Social Services. Of this amount \$895,000 was directed to support the delivery of social services in the Pittsburgh area. The balance went to two projects which were of national scope. Once again the largest single grant went to the operation of the Richard King Mellon Foundation Optacon Project.

The Foundation initiated the Optacon Project in 1973. It is aimed to provide a new and valuable tool to the blind of the Pittsburgh region and to demonstrate the Optacon's usefulness in such a way as to encourage government agencies to make the machine a part of their own programs of assistance to blind people.

The second year of this two-year project began in June of 1974 and \$288,000 was appropriated to subsidize an additional purchase of seventy-six Optacons and fund a study by the American Foundation for the Blind to evaluate the effectiveness of the program. The American Foundation for the Blind survey will be made available to interested agencies throughout the nation.

A leadership grant of \$218,000 representing the largest amount committed by the Foundation to the United Way of Allegheny County or its predecessors was authorized. In April of 1974 a long sought merger between the United Fund and the Community Chest was accomplished and the name of the new organization is the United Way of Allegheny County. As a result of a careful study by the Pennsylvania Economy League and a thorough investigation on the part of the leadership of the United Fund and Community Chest, one organization will now be responsible for performing the

functions of fund raising, detailed allocation of funds, and operational planning. In conjunction with the reorganization, new staff leadership has been recruited and it is believed that a more coordinated and responsible organization will be the result.

Aid for the Handicapped

Over the years one of the Foundation's primary interests in the Pittsburgh area has been in various agencies which devote their time and efforts to helping those people of all ages who for physical or mental reasons are unable to perform within the normal range of day-to-day activities.

As greater understanding of the reasons for these disabilities and greater means for identifying people needing help have developed, it is the Foundation's belief that these agencies in Pittsburgh are better serving their clientele than was the case ten years ago.

In 1974 the Foundation supported three humane agencies, each serving a different population and each with different kinds of programs but having in common a substantial contribution to people who are so often neglected.

Goodwill Industries of Pittsburgh received a contribution of \$100,000 for its capital fund requirements to effect repairs and renovations in a building which is used for the training of physically and mentally handicapped people in learning a means of supporting themselves and leading an independent existence. During the past year Goodwill has helped 1,465 handicapped and disadvantaged workers in the Pittsburgh area. As its program has expanded, it has been able to reach out to involve more people.

Goodwill Industries of Pittsburgh, a major vocational training center for the handicapped and disadvantaged of Pittsburgh, teaches many skills to its clients.



Social Services

For instance, in 1974 it began two new programs. One involves accepting 100 patients from Polk State Hospital for the mentally handicapped for training with the prospect of helping them to become independent citizens. The other new program is one to aid social security recipients earn a supplement of up to \$2,500 per year to keep them from turning to welfare for assistance.

Goodwill's operating activities are self-supporting. It paid almost \$1,400,000 in wages to its workers last year, placed 250 people in outside jobs and paid in excess of \$300,000 in taxes.

A grant of \$25,000 was made to the Robert Boyd Ward Home for Children so that the home might renovate its building to conform with the Allegheny County Board of Health safety standards. The Ward Home is a residential group care agency which provides care for socially disadvantaged adolescents from 12 to 17 years of age with emotional problems. The children live in the Home and attend nearby public schools. Referrals come from the other child welfare agencies in southwestern Pennsylvania which pay for the services.

Another capital grant in the amount of \$50,000 was made to Craig House-Technoma Workshop. It is a comprehensive day care school and partial hospital program for children with learning disabilities and emotional problems.

Craig House directs a county-wide specialty program for 5 to 12 year old children with emphasis on education. The treatment program involves education, recreation, arts and crafts, perceptual motor training and other activities.

There is a secondary program for 13 to 18 year olds which combines group experiences with education



Craig House-Technoma Workshop provides a multi-disciplinary group experience for children from the ages of five to eighteen. Its programs are designed to help these children cope more effectively with their world and develop their maximum potentials.

and the development of effective work habits and skills. Craig House-Technoma's approach is multi-disciplinary and family oriented. It combines the skills of psychiatrists, psychologists, social workers, special education teachers, child development specialists and a speech pathologist. The core of the program is to devise a means for these children to cope more effectively with their world and to develop their maximum potentials.

Each of these agencies is self-sufficient in regard to its operating budget. The services rendered are reimbursed either by governmental funds or in some cases by private tuitions or fees. None of these sources is available for maintenance, renovation and capital improvements. It seems a natural use of Foundation funds to provide these necessary expenditures resulting in an effective mixture of public and private funds.

National Programs

Two institutions with national programs were supported by the Foundation in 1974.

Recording for the Blind, Inc. was organized twenty years ago to provide blind students with recordings of books and other printed material. The organization's library of recorded material is the largest of its kind in the world. Since 1967 it has distributed over 345,000 recordings of educational books free of charge. Last year over 10,000 students including over 96% of all blind college students and 63% of all blind high school students relied on Recording for the Blind and used more than 64,000 recordings of books in the course of their studies.

Unlike the Optacon, Recording for the Blind does not provide the inde-

pendence of being able to read one's mail or one's newspaper as it arrives. However, it is the most efficient way in which students are able to absorb the enormous amount of study material necessary in today's secondary and higher educational programs.

The Foundation authorized a grant of \$75,000 to support the annual budget of Recording for the Blind over a three-year period.

The American Correctional Association, headquartered in College Park, Maryland, has begun a campaign to support a national accreditation program for correctional agencies which will encompass all type of services including juvenile detention institutions and after care as well as adult detention institutions and parole.

The American Correctional Association is a professional organization which numbers over 3,000 members who are principally involved with institutional confinement, parole, and probation. Most of the top administrative officers of penitentiaries and other detention facilities are members of this Association. Its goals are to better the administration and benefits of all aspects of correctional services.

The Association is seeking funds to support a national accreditation program for correctional agencies which would be somewhat analogous to regional college accreditation efforts. If progress in correctional programs is to be achieved, the goals of correctional agencies must be defined and the results of programs measured through the application of national standards.

In 1969 a program for accreditation was developed and field tested for the Association. It called for the establishment of the Commission on Accreditation for Corrections with

Social Services

full autonomy in matters relating to policy and process. Its Board has been selected from the general public, community based services, detention and institutional services, education and research, the judiciary, law enforcement, criminal defense, and business and labor.

The Commission is charged with the adoption of standards for accreditation, review of such standards, and recommendation of changes in programs, agencies, and institutions. It is intended that its recommendations will form a guide-

line for state legislatures and other funding agencies in their approach to correctional institutions.

The Foundation made a grant of \$25,000 which will be used toward the matching requirements of a five-year grant from the Law Enforcement Assistance Administration of the United States Justice Department.

The following is the list of grants approved for social service programs:

The American Correctional Association College Park, Maryland <i>Support National Accreditation Program</i>	\$ 25,000
Craig House-Technoma Workshop Pittsburgh, Pennsylvania <i>Capital needs</i>	50,000
Goodwill Industries of Pittsburgh Pittsburgh, Pennsylvania <i>Capital needs</i>	100,000
Optacon Project: 1974 Project appropriation, \$288,000 1974 Participant Appropriations: Allegheny Intermediate Unit Pittsburgh, Pennsylvania <i>Optacon purchases</i>	14,000
American Foundation for the Blind, Inc. New York, New York <i>Conduct survey of Optacon Program</i>	28,000
Greater Pittsburgh Guild for the Blind Bridgeville, Pennsylvania <i>Optacon purchases</i>	14,000
Pennsylvania Association for the Blind Pittsburgh Branch Pittsburgh, Pennsylvania <i>Optacon purchases</i>	133,000

Pittsburgh Public Schools Pittsburgh, Pennsylvania <i>Optacon purchases</i>	17,500
Vocational Rehabilitation Center of Allegheny County Pittsburgh, Pennsylvania <i>Optacon purchases</i>	57,000
Western Pennsylvania School for Blind Children Pittsburgh, Pennsylvania <i>Optacon purchases</i>	24,500
Pittsburgh Pastoral Institute Pittsburgh, Pennsylvania <i>Underwrite projects in education and research and development</i>	30,000
Recording for the Blind, Inc. New York, New York <i>Operating funds</i>	75,000
The Salvation Army Pittsburgh, Pennsylvania <i>Renovation of facilities</i>	50,000
The United Way of Allegheny County Pittsburgh, Pennsylvania <i>Operating funds</i>	218,000
Urban League of Pittsburgh, Inc. Pittsburgh, Pennsylvania <i>Community Day Care Program</i>	50,000
The Robert Boyd Ward Home for Children Pittsburgh, Pennsylvania <i>Renovation program</i>	25,000
Young Men's Christian Association Pittsburgh, Pennsylvania <i>Replace swimming pool at summer camp</i>	50,000
Youth Opportunities Unlimited, Inc. Pittsburgh, Pennsylvania <i>Operating funds</i>	34,000
	<u>\$995,000</u>

Civic Affairs and Conservation

The Trustees awarded grants in the amount of \$581,000 or 12% of the 1974 total in this category. The more significant contributions were made for national conservation programs although one large grant was made for a study on private philanthropy and public needs. Relatively minor dollar amounts were directed toward civic involvement in the Pittsburgh area. The Foundation is confident this signifies only a brief pause in the continuing need for progress in the Pittsburgh area, one which will provide workable plans for future activity.

National Affairs

In the area of public policy studies, the Committee for Economic Development has earned the respect and confidence of governmental and private individuals over the twenty-five years of its existence. Being an independent organization with two-hundred trustees who are leading businessmen and educators, it has been able to undertake solutions to difficult and often controversial problems with an abiding concern for the public interest and the conviction that greater understanding will lead to progress in regard to major issues.

In October 1973, C.E.D. undertook a thorough study on domestic energy problems. The study was finished in late 1974 and resulted in a report entitled, "Achieving Energy Independence." The study was conducted by a committee of thirty-four trustees assisted by thirty outside advisors. It includes such major topics as increasing effective energy supply, limiting increases in energy consumption, reducing risks associated with foreign supply, modifying transpor-

tation modes, metropolitan development, and other factors involved in the use of metropolitan energy.

The Foundation made a grant of \$250,000 for this study which was one of three major energy studies released in 1974. One was produced by the Ford Foundation and one by the staff of the Federal Energy Agency.

It is the belief of the Trustees of the Foundation that the more responsible points of view which can be expressed through diligent study of problems facing our nation, the more opportunities for discussion and action will be presented. In this particular case, the three studies complemented each other well and left no doubt as to the seriousness of the energy situation during the foreseeable future.

The Foundation authorized a contribution of \$100,000 to the Commission on Private Philanthropy and Public Needs in Washington, D.C.

The Commission was established in 1973 under the leadership of John D. Rockefeller III who formed a broadly representative citizens group to examine the balance between public and private effort in this area and to develop recommendations on steps that might be taken to strengthen the private non-profit sector. At the time of its formation, the Commission had the encouragement of leading members of Congress and the Administration who are concerned with financial responsibilities. The Commission's work includes

1. Policy considerations respecting the present system of incentives to private philanthropic giving.
2. Specific considerations relating to the present treatment of private contributors.

3. Specific considerations relating to the present methods of supervising, regulating and classifying charitable institutions.
4. Impact of death tax considerations upon private philanthropy.
5. Alternative means of achieving the results sought by present structure of private

philanthropy in the United States.

As a subsidiary benefit from the many subcommittees formed under this Committee, numerous papers have been published in regard to specific aspects of private philanthropy in public areas.

It is the intent of the study that it be as wide ranging as is possible to listen to all points of view in

High school and college students in the Student Conservation Association, Inc.'s program provide the manpower to build needed facilities in our National Parks.



Civic Affairs and Conservation

regard to private philanthropy and public needs. The Richard King Mellon Foundation welcomes this thorough study of foundation activities and looks forward to the recommendations of the Commission.

Two national organizations received contributions in the area of conservation—one an educational project which has been underway since 1957 and the other a research project which began in 1972.

The Student Conservation Association, Inc., was awarded a \$75,000 contribution to be paid over three years. The Association operates summer-work education programs for high school and college students in the national parks of this Country.

One goal of the Association is to offer young people from varied backgrounds the opportunity to gain greater insight into and respect for the natural and cultural heritage of the national parks. A second goal is to assist public conservation agencies by performing tasks which are outside their budgets by having high school and college students personally participate in efforts to improve the national parks.

Since its inception, the Student Conservation Association has operated high school and college work-education programs in fifty national parks for more than 2,000 students. Programs are usually carried out in remote locations and on projects normally difficult for the Park Service because of location, supervision and lack of funds.

The Association plans to expand the program from 300 students in 1975 to 500 in 1977. The Foundation's grant is intended to help with this expansion.

Recognizing the profound difficulties facing technology in disposing of ever-increasing quantities of

solid waste, the Foundation made a grant of \$25,000 to the National Center for Resource Recovery Foundation. The Center was organized in 1972 with a Board of some of the nation's top leaders in business, labor and the public sector.

In its two-year existence, the Center has established itself as a principal source of information and research in the field of solid waste disposal and resource recovery. A recent accomplishment has been the conclusion of a contract with the City of New Orleans for the construction of a waste-disposal system. It will mechanically separate solid waste, provide burnable refuse for energy and allow the recovery for recycling of metals and glass at less than half the present cost of disposal. As is true of many organizations, the Center has no difficulty in raising project funds but finds it difficult to meet its operating budget. The Trustees of the Foundation authorized a one-time grant in 1974 toward that operating budget.

Pittsburgh and Western Pennsylvania

The Foundation continued its substantial support of the Pittsburgh History and Landmarks Foundation with a grant of \$75,000 for a special project fund to be used to encourage restoration and revitalization in Pittsburgh communities. The fund will also underwrite the cost of special publications.

The Pittsburgh History and Landmarks Foundation has 2100 members and is growing at the rate of 25 to 30 members per month. It is the only restoration group in the country with a successful mixed-income, inner-city restoration program. It has been cited by the



The Pittsburgh History and Landmarks Foundation from its headquarters in an old post office on Northside, Pittsburgh manages an extremely successful inner-city restoration program.

National Trust for Historic Preservation as a leader in community preservation activities and was awarded the largest supporting low-interest loan ever granted by that organization.

While the Pittsburgh History and Landmarks Foundation is preeminent in preservation and restoration within the City of Pittsburgh, its conservation counterpart is the Western Pennsylvania Conservancy. The Conservancy considers its

primary area of interest to be all of the western half of Pennsylvania. Its abilities to attract a high membership and both private and public support for its activities make it a natural comparison to the Pittsburgh History and Landmarks Foundation.

In connection with the University of Pennsylvania, the Conservancy has undertaken a study of the Laurel Ridge of the Allegheny Mountains. The Laurel Ridge is approximately



60 miles east of Pittsburgh and is the westernmost major mountain ridge in Pennsylvania

The Study will consist of a thorough investigation into current land use of the Laurel Ridge area and will make suggestions as to future use. The University of Pennsylvania is interested in the project for they consider it a

prototype study which will develop methods for designing land capability of forested mountains in Pennsylvania. The Foundation authorized a grant of \$30,000 for this project.

The following is the list of grants approved for civic affairs and conservation:

Civic Affairs

Allegheny Conference on Community Development	
Pittsburgh, Pennsylvania	
<i>Operating budget</i>	\$ 15,000
Commission on Private Philanthropy and Public Needs	
Washington, D. C.	
<i>Research project</i>	100,000
Committee for Economic Development	
New York, New York	
<i>Energy study</i>	250,000
Pennsylvania Economy League, Inc., Western Division	
Pittsburgh, Pennsylvania	
<i>Operating budget</i>	11,000
	<u>\$376,000</u>



The Laurel Ridge of the Allegheny Mountains shown here in the early spring mist was the area selected for a thorough land-use study which will develop methods for designing land capability of forested mountains in Pennsylvania.

Conservation

National Center for Resource Recovery Foundation	
Washington, D. C.	
<i>Operating budget</i>	\$ 25,000
Pittsburgh History & Landmarks Foundation	
Pittsburgh, Pennsylvania	
<i>Special projects fund</i>	75,000
Student Conservation Association, Inc.	
Vashon, Washington	
<i>Operating budget</i>	75,000
Western Pennsylvania Conservancy	
Pittsburgh, Pennsylvania	
<i>Land-Use study</i>	30,000
	<u>\$205,000</u>

Cultural Program

In 1973 the Foundation devoted 50% of its resources to cultural programs which included a \$10,000,000 grant to Carnegie Institute toward its \$32,900,000 development program. It is only natural then that in 1974 the emphasis returned to the Foundation's historical interests of Medicine and Education. During 1974 cultural support amounted to \$235,000 or 5% of the year's total contributions. One sizeable grant was authorized to provide

continuing support for the Pittsburgh Symphony Society and three smaller grants were made, two for youth cultural activities in Pittsburgh and one to complete the furnishing of the Green Room in the White House.

Performing Arts

The Pittsburgh Symphony Orchestra, one of the major symphony orchestras in the nation, has in-

The Pittsburgh Youth Symphony provides a training ground for young people who aspire to become musical professionals.



creased its annual attendance at performances from 250,000 to almost 550,000 over a ten-year period. One reason for this is its new downtown location, Heinz Hall, which has been critically acclaimed as one of the finest symphony halls in the country. During that same period the Symphony successfully eliminated a deficit of almost \$300,000 as a result of a successful annual sustaining fund campaign.

The Pittsburgh Symphony has one

of the best earned-income percentages among major orchestras. As labor and maintenance costs increase, it has become of greater necessity for corporations and foundations to help support the best in the performing arts in Pittsburgh.

A grant of \$150,000 was made to be paid \$50,000 per year for the next three years beginning in 1974.

A totally separate organization is the Pittsburgh Youth Symphony Orchestra Association, Inc. which was founded twenty years ago with the objective of training aspiring young musicians for serious careers in music. Naturally, junior and senior symphony orchestras do have close relations and during 1974 the Assistant Conductor of the Pittsburgh Symphony was the music director of the Pittsburgh Youth Symphony.

Currently there are 120 members of the Orchestra chosen through rigorous competitive auditions. They come from Pittsburgh, western Pennsylvania, western Ohio and northeastern West Virginia. Their ages range from twelve to twenty-three.

The Pittsburgh Youth Symphony has been inordinately successful in placing its graduates in significant musical positions in this country and abroad.

The Foundation contributed \$10,000 to be used for the Pittsburgh Youth Symphony's higher priorities during 1974.

Among its many activities, the Carnegie Institute of Pittsburgh sponsors an organization named "The First Stage" which began in 1962 as a children's theater project. Its current programs consist of three live stage productions brought to Pittsburgh from New York and other areas of the country. Audiences of third, fourth and



Cultural Program

fifth grade students in and around the City have approximated 35,000 in number each season.

The First Stage provides for many young children their only exposure to live professionally produced theater. If theater is going to continue to exist in this country, there must be a demand for it from each generation. With this in mind, the Trustees of the Foundation approved a grant of \$40,000 to support "The First Stage" operating budget over a two-year period.

Historic Renovation

In 1971 and 1972 the Foundation made substantial grants for the

complete renovation and decoration of the White House Green Room. Included were the acquisition of rare furnishings appropriate to the executive mansion's early history. In 1974 the Foundation appropriated an additional \$35,000 to complete the decoration of the Green Room.

Estimates are that approximately 2,000,000 American citizens per year visit the White House and its historic rooms. The Trustees believe this renovation of the Green Room to be in the best interests of all Americans, for the White House is, in effect, a national museum.

The following is the list of grants approved for the cultural program:

The First Stage Performing Arts for Children, Carnegie Institute Pittsburgh, Pennsylvania <i>Operating funds</i>	\$ 40,000
Pittsburgh Symphony Society Pittsburgh, Pennsylvania <i>Sustaining Fund</i>	150,000
Pittsburgh Youth Symphony Orchestra Association, Inc. Pittsburgh, Pennsylvania <i>General support</i>	10,000
Treasurer of the United States Washington, D.C. <i>Redecorate the White House Green Room</i>	35,000
	\$235,000

Appropriations and Grants Paid

Richard King Mellon Foundation

	12/31/73 Unpaid	1974		12/31/74 Unpaid
		Approved	Paid	
A Better Chance—Independent Schools Talent Search, Inc. Boston, Massachusetts	\$ 27,000		\$ 27,000	
ACTION-Housing, Inc. Pittsburgh, Pennsylvania	67,000		67,000	
Allegheny College Meadville, Pennsylvania	500,000		500,000	
Allegheny Conference on Community Development Pittsburgh, Pennsylvania	120,000	\$ 15,000	45,000	\$ 90,000
The American Correctional Association College Park, Maryland		25,000	25,000	
Bank Street College of Education New York, New York	50,000		50,000	
Brookings Institution Washington, D. C.	200,000		100,000	100,000
Carnegie Institute Pittsburgh, Pennsylvania Museum of Natural History	10,000,000		500,000	9,500,000
The First Stage Performing Arts for Children		40,000	20,000	20,000
The Central Pennsylvania Consortium c/o Gettysburg College Gettysburg, Pennsylvania		20,000	20,000	
Children's Hospital of Pittsburgh Pittsburgh Poison Center Pittsburgh, Pennsylvania		344,500	161,500	183,000
Commission on Private Philanthropy and Public Needs Washington, D. C.		100,000	100,000	
Committee for Economic Development New York, New York	15,000	250,000	265,000	
Comprehensive Health Planning Association of Western Pennsylvania, Inc. Pittsburgh, Pennsylvania		40,000	40,000	
Craig House-Technoma Workshop Pittsburgh, Pennsylvania		50,000	50,000	
Dartmouth College Hanover, New Hampshire	25,000		25,000	
Ducks Unlimited, Inc. New York, New York	200,000		200,000	
East Central College Consortium c/o Hiram College Hiram, Ohio	150,000		150,000	
Goodwill Industries of Pittsburgh Pittsburgh, Pennsylvania		100,000	100,000	

Appropriations and Grant Paid

	12/31/73 Unpaid	1974		12/31/74 Unpaid
		Approved	Paid	
Harvard University (Joint program with Massachusetts Institute of Technology—Health Sciences and Technology) Cambridge, Massachusetts		\$ 150,000	\$ 150,000	
Haverford and Bryn Mawr Colleges Haverford, Pennsylvania		150,000	50,000	\$100,000
Horizon Homes, Inc. Pittsburgh, Pennsylvania	\$ 50,000		50,000	
Institute for Educational Development New York, New York	50,000		50,000	
Johns Hopkins University Washington, D. C.	100,000		100,000	
Latrobe Area Hospital Latrobe, Pennsylvania	360,000		245,000	115,000
Lehigh University Bethlehem, Pennsylvania	500,000		500,000	
Massachusetts Institute of Technology (Joint program with Harvard University—Health Sciences and Technology) Cambridge, Massachusetts		150,000	150,000	
Metropolitan Pittsburgh Public Broadcasting Pittsburgh, Pennsylvania	200,000		200,000	
Mt. Lebanon School District Pittsburgh, Pennsylvania		6,000	6,000	
Muhlenberg and Cedar Crest Colleges Allentown, Pennsylvania	100,000		50,000	50,000
National Academy of Science Washington, D. C.	200,000		200,000	
National Audubon Society New York, New York	300,000		139,355	160,645
National Center for Resource Recovery Foundation Washington, D. C.		25,000	25,000	
National Juvenile Court Foundation, Inc. Reno, Nevada	200,000		100,000	100,000
National Merit Scholarship Corporation Evanston, Illinois	210,800		38,270	172,530
Ohio Valley General Hospital McKees Rocks, Pennsylvania		25,000	25,000	
Optacon Program: Allegheny Intermediate Unit Pittsburgh, Pennsylvania		14,000		14,000

Richard King Mellon Foundation

	12/31/73 Unpaid	1974		12/31/74 Unpaid
		Approved	Paid	
American Foundation for the Blind, Inc. New York, New York		\$ 28,000	\$ 14,000	\$ 14,000
Greater Pittsburgh Guild for the Blind Bridgeville, Pennsylvania	\$ 14,500	14,000	14,500	14,000
Pennsylvania Association for the Blind, Pittsburgh Branch Pittsburgh, Pennsylvania	60,000	224,500	284,500	
Pittsburgh Public Schools Pittsburgh, Pennsylvania		17,500		17,500
Vocational Rehabilitation Center of Allegheny County Pittsburgh, Pennsylvania	52,500	63,000	101,500	14,000
Western Pennsylvania School for Blind Children Pittsburgh, Pennsylvania	53,300	24,500	53,300	24,500
Unappropriated	99,580	(97,500)		2,080
Penn's Southwest Association Pittsburgh, Pennsylvania	450,000		300,000	150,000
Pennsylvania Association for the Blind, Pittsburgh Branch Pittsburgh, Pennsylvania	300,000		300,000	
Pennsylvania Economy League, Inc. Western Division Pittsburgh, Pennsylvania	11,000	11,000	22,000	
The Pennsylvania State University University Park, Pennsylvania	60,000		40,000	20,000
Pittsburgh Free Clinic Pittsburgh, Pennsylvania		50,000	25,000	25,000
Pittsburgh History & Landmarks Foundation Pittsburgh, Pennsylvania		75,000	75,000	
Pittsburgh Pastoral Institute Pittsburgh, Pennsylvania		30,000	30,000	
Pittsburgh Public Schools Pittsburgh, Pennsylvania		21,000	21,000	
Pittsburgh Symphony Society Pittsburgh, Pennsylvania		150,000	50,000	100,000
Pittsburgh Youth Symphony Orchestra Association, Inc. Pittsburgh, Pennsylvania		10,000	10,000	
Protestant Episcopal Diocese of Pittsburgh Pittsburgh, Pennsylvania	20,000		20,000	
Reading Is FUNdamental c/o Chatham College Pittsburgh, Pennsylvania		100,000	50,000	50,000

Appropriations and Grant Paid

	12/31/73 Unpaid	1974		12/31/74 Unpaid
		Approved	Paid	
Recording for the Blind, Inc. New York, New York		\$ 75,000	\$ 75,000	
Robert Morris College Pittsburgh, Pennsylvania		100,000	100,000	
The Salvation Army Pittsburgh, Pennsylvania		50,000	50,000	
St. John's General Hospital of Allegheny County Pittsburgh, Pennsylvania	\$ 20,000	(20,000) *		
Shady Lane School Pittsburgh, Pennsylvania	50,000		50,000	
Stanford University Palo Alto, California	300,000		150,000	\$ 150,000
Student Conservation Association, Inc. Vashon, Washington		75,000	25,000	50,000
Thomas Jefferson University Philadelphia, Pennsylvania		250,000	250,000	
Treasurer of the United States (The White House) Washington, D. C.		35,000	35,000	
Tufts University Fletcher School of Law and Diplomacy (Latin-American Teaching Fellowships) Medford, Massachusetts		108,000	36,000	72,000
The United Way of Allegheny County Pittsburgh, Pennsylvania	200,000	218,000	418,000	
United Negro College Fund, Inc. New York, New York	25,000	25,000	50,000	
University Health Center of Pittsburgh Pittsburgh, Pennsylvania Eye and Ear Hospital	1,554,000		318,000	1,236,000
Falk Clinic		100,000	100,000	
Magee-Womens Hospital	500,000		500,000	
University of Pennsylvania Philadelphia, Pennsylvania		600,000	600,000	
University of Pittsburgh School of Medicine Pittsburgh, Pennsylvania	50,000	300,000	350,000	
Urban League of Pittsburgh, Inc. Pittsburgh, Pennsylvania	15,000	50,000	40,000	25,000
Vocational Rehabilitation Center of Allegheny County Pittsburgh, Pennsylvania	250,000		250,000	

*Rescinded

Richard King Mellon Foundation

	12/31/73 Unpaid	1974		12/31/74 Unpaid
		Approved	Paid	
The Robert Boyd Ward Home for Children c/o Methodist Church Union Pittsburgh, Pennsylvania		\$ 25,000	\$ 25,000	
D. T. Watson Home for Crippled Children Leetsdale, Pennsylvania		50,000	50,000	
Western Pennsylvania Conservancy Pittsburgh, Pennsylvania	\$ 30,000	30,000	60,000	
Wilberforce University Wilberforce, Ohio		100,000	100,000	
The Winston Churchill Foundation of the United States, Ltd. Roosevelt, New York		100,000	100,000	
World Affairs Council of Pittsburgh Pittsburgh, Pennsylvania	25,000		25,000	
Young Men's Christian Association Pittsburgh, Pennsylvania		50,000	50,000	
Youth Opportunities Unlimited, Inc. Pittsburgh, Pennsylvania		34,000	34,000	
Totals	<u>\$17,764,680</u>	<u>\$4,580,500</u>	<u>\$9,775,925</u>	<u>\$12,569,255</u>

Statement of Net Assets

December 31, 1974

Richard King Mellon Foundation

Cash and receivables		\$	534,082
Investments, at market quotations:			
Stocks and other equity securities	\$184,169,794		
Temporary investments	36,284,186		
Other investments and deposits	<u>1,458,195</u>		221,912,175
Program-related investments, at cost:			
Capital Stock of Columbia Corporation	5,275,727		
Capital Stock of Paramount Development, Inc.	648,200		
Pittsburgh Historical Collection	<u>22,631</u>		5,946,558
Total assets			228,392,815
Less amounts reserved for:			
Grants approved but not paid	12,569,255		
Federal excise tax	<u>295,489</u>		12,864,744
Net assets			<u>\$215,528,071</u>

The notes on page 48 are an integral part of the financial statements.

Statement of Changes in the Fund

Richard King Mellon Foundation

	Year Ended December 31, 1974	Cumulative from Inception on November 14, 1947 to December 31, 1974
Contributions received	\$ 1,102,569	\$130,801,555
Realized gain or (loss) from disposition of investments . . .	(4,664,363)	21,994,938
Unrealized appreciation or (depreciation) on invest- ments, at market quotations.	(50,666,716)	86,244,615
	(54,228,510)	239,041,108
Investment income	\$7,764,414	\$75,947,203
Less:		
Administrative and investment expenses . .	841,844	6,988,836
Federal excise tax	295,489	1,260,093
	<u>1,137,333</u>	<u>8,248,929</u>
Net income	6,627,081	67,698,274
Grants paid	<u>9,775,925</u>	<u>78,642,056</u>
Grants paid in excess of net income	<u>(3,148,844)</u>	<u>(10,943,782)</u>
Increase or (decrease) in fund	<u>\$(57,377,354)</u>	228,097,326
Less amount reserved for grants approved but not paid		<u>12,569,255</u>
Net assets, December 31, 1974		<u>\$215,528,071</u>

The notes on page 48 are an integral part of the financial statements.

Investments

December 31, 1974

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1974
STOCKS AND OTHER EQUITY SECURITIES			
	<i>Airlines and air freight</i>		
1,800	Emery Air Freight Corp.	\$ 104,602	\$ 60,300
		<u>104,602</u>	<u>60,300</u>
	<i>Amusement</i>		
11,475	Walt Disney Productions	869,508	245,278
		<u>869,508</u>	<u>245,278</u>
	<i>Apparel and textiles</i>		
6,000	Simplicity Pattern Co., Inc.	295,839	54,750
		<u>295,839</u>	<u>54,750</u>
	<i>Banking</i>		
3,500	Citicorp.	139,379	99,312
11,000	Citizens & Southern National Bank	229,639	68,750
6,000	First International Bancshares, Inc.	345,216	210,000
6,800	NCNB Corp.	201,312	51,000
19,000	Northwest Bancorporation	741,785	636,500
15,000	Virginia National Bankshares, Inc.	419,737	195,000
8,000	Wachovia Corp.	289,427	99,000
		<u>2,366,495</u>	<u>1,359,562</u>
	<i>Brewing and distilling</i>		
4,000	Anheuser-Busch Inc.	197,073	96,000
		<u>197,073</u>	<u>96,000</u>
	<i>Broadcasting and cable TV</i>		
20,000	American Broadcasting Companies, Inc.	512,640	265,000
		<u>512,640</u>	<u>265,000</u>
	<i>Building materials</i>		
4,400	Georgia-Pacific Corp.	146,834	112,200
5,600	Weyerhaeuser Co.	169,735	153,300
		<u>316,569</u>	<u>265,500</u>
	<i>Business services</i>		
2,000	American District Telegraph Co.	111,722	33,000
		<u>111,722</u>	<u>33,000</u>
	<i>Chemical</i>		
12,240	Air Products & Chemicals, Inc.	611,692	587,520
15,000	Hercules, Inc.	497,136	360,000
6,667	International Minerals & Chemical Corp.	242,291	258,333
5,000	National Starch & Chemical Corp.	271,199	151,250
		<u>1,622,318</u>	<u>1,357,103</u>
	<i>Coal</i>		
3,000	Utah International, Inc.	134,976	118,500
		<u>134,976</u>	<u>118,500</u>
	<i>Construction and material handling</i>		
10,000	Clark Equipment Co.	546,312	230,000
		<u>546,312</u>	<u>230,000</u>

Richard King Mellon Foundation

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1974
<i>Containers</i>			
10,816	Pittway Corp.	\$ 378,148	\$ 183,872
		<u>378,148</u>	<u>183,872</u>
<i>Cosmetic and household products</i>			
13,500	Avon Products, Inc.	1,417,618	388,125
2,500	Chesebrough-Pond's Inc.	197,000	92,187
30,200	Colgate-Palmolive Co.	910,279	728,575
5,000	Economics Laboratory, Inc.	179,286	120,000
2,000	International Flavors & Fragrances, Inc.	95,098	49,500
3,500	Procter & Gamble Co.	353,034	285,250
2,400	Revlon, Inc.	149,204	114,300
2,000	Tampax, Inc.	142,258	62,000
		<u>3,443,777</u>	<u>1,839,937</u>
<i>Drug</i>			
10,200	Eli Lilly & Co., Inc.	658,582	693,600
12,650	Merck & Co., Inc.	1,077,057	839,644
6,400	Schering-Plough, Inc.	476,531	336,000
20,000	Syntex Corp.	776,601	787,500
4,000	Warner-Lambert Co.	160,076	104,000
		<u>3,148,847</u>	<u>2,760,744</u>
<i>Electrical equipment</i>			
17,000	Emerson Electric Co.	602,411	416,500
21,000	General Electric Co.	1,409,745	700,875
7,000	Sony Corp.	91,700	41,125
		<u>2,103,856</u>	<u>1,158,500</u>
<i>Electronics</i>			
35,500	AMP, Inc.	1,088,660	847,563
1,500	Hewlett-Packard Co.	108,199	90,187
10,000	Motorola, Inc.	592,246	341,250
1,700	Texas Instruments, Inc.	155,161	115,175
		<u>1,944,266</u>	<u>1,394,175</u>
<i>Food products</i>			
30,000	Beatrice Foods Co.	704,998	427,500
6,000	Carnation Co.	391,521	354,000
8,600	Coca-Cola Co.	1,129,852	455,800
10,000	Kraftco Corp.	458,726	348,750
21,012	Norton Simon, Inc.	591,669	228,506
2,300	PepsiCo., Inc.	166,973	93,437
25,500	Ralston Purina Co.	882,340	949,875
6,000	Standard Brands, Inc.	318,967	321,750
		<u>4,645,046</u>	<u>3,179,618</u>
<i>Hospital supply</i>			
8,900	American Hospital Supply Corp.	321,523	229,175
6,500	C. R. Bard, Inc.	169,820	76,375
3,700	Becton, Dickinson & Co.	126,732	101,750
11,200	Johnson & Johnson	1,283,875	905,800
		<u>1,901,950</u>	<u>1,313,100</u>
<i>Industrial machinery and materials</i>			
6,000	Black & Decker Manufacturing Co.	218,152	126,000
4,000	Hughes Tool Co.	189,052	293,000
		<u>407,204</u>	<u>419,000</u>

Investments, (continued)

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1974
<i>Insurance</i>			
35,000	Capital Holding Corp.	\$ 997,362	\$ 848,750
10,000	Colonial Penn Group, Inc.	457,642	247,500
19,500	Connecticut General Insurance Corp.	989,791	616,687
621,450	General Reinsurance Corp.	4,296,493	107,510,850
10,000	Liberty National Life Insurance Co.	350,020	277,500
2,000	MGIC Investment Corp.	115,653	18,750
6,000	Marlennan Corp.	289,600	264,000
6,500	Monumental Corp.	143,072	56,875
16,000	N.L.T. Corp.	421,725	222,000
30,000	Southwestern Life Corp.	1,211,506	765,000
		<u>9,272,864</u>	<u>110,827,912</u>
<i>Merchandising</i>			
8,900	Jack Eckerd Corp.	228,261	133,500
22,000	S. S. Kresge Co.	730,691	486,750
8,000	Melville Shoe Corp.	180,159	51,000
9,000	Sears, Roebuck & Co.	131,386	434,250
		<u>1,270,497</u>	<u>1,105,500</u>
<i>Multi-industry</i>			
30,000	Textron, Inc.	976,560	367,500
		<u>976,560</u>	<u>367,500</u>
<i>Non-ferrous metals and mining</i>			
251,218	Aluminum Company of America	9,521,247	7,505,138
10,200	Amax, Inc.	494,108	313,650
28,000	Hanna Mining Co.	1,474,854	700,000
		<u>11,490,209</u>	<u>8,518,788</u>
<i>Office equipment and photocopy</i>			
7,000	Avery Products Corp.	306,873	157,500
29,100	Bradford Computer & Systems, Inc.	1,036,651	243,713
12,800	Burroughs Corp.	1,423,752	966,400
10,000	Data General Corp.	370,272	142,500
1,900	Digital Equipment Corp.	154,956	96,425
17,425	International Business Machines Corp.	2,470,896	2,927,400
5,200	Minnesota Mining & Mfg. Co.	349,446	239,850
2,000	Moore Corp., Ltd.	115,131	81,500
55,000	Rank Organisation Ltd.	424,310	103,125
3,000	Xerox Corp.	389,067	154,500
		<u>7,041,354</u>	<u>5,112,913</u>
<i>Oil and gas</i>			
2,000	Atlantic Richfield Co.	217,785	181,500
1,600	Exxon Corp.	146,458	103,400
2,200	Getty Oil Co.	247,470	348,150
1,985,268	Gulf Oil Corp.	32,132,009	34,990,349
6,000	Kerr-McGee Corp.	371,200	429,000
2,000	Mobil Oil Corp.	124,507	72,000
1,500	Ocean Drilling & Exploration Co.	60,379	56,625
10,000	Phillips Petroleum Co.	485,184	432,500
2,000	Standard Oil Co. of Indiana	85,296	87,000
20,000	Texaco, Inc.	751,244	417,500
		<u>34,621,532</u>	<u>37,118,024</u>

Richard King Mellon Foundation

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1974
	<i>Oil and gas servicing</i>		
1,100	Halliburton Co.	\$ 172,627	\$ 150,838
4,500	Schlumberger, N.V.	472,483	485,437
		<u>645,110</u>	<u>636,275</u>
	<i>Paper</i>		
10,000	Kimberly-Clark Corp.	410,515	246,250
		<u>410,515</u>	<u>246,250</u>
	<i>Photographic</i>		
13,300	Eastman Kodak Co.	1,732,733	836,238
4,000	Polaroid Corp.	544,841	74,500
		<u>2,277,574</u>	<u>910,738</u>
	<i>Public utility—telephone, etc.</i>		
6,000	American Telephone & Telegraph Co.	307,430	267,750
9,000	Continental Telephone Corp.	213,383	91,125
4,000	General Telephone & Electronics Corp.	117,088	67,500
		<u>637,901</u>	<u>426,375</u>
	<i>Publishing and printing</i>		
4,400	Deluxe Check Printers, Inc.	133,258	106,700
15,000	Gannett Co. Inc.	567,967	348,750
20,000	Times-Mirror Co.	372,260	207,500
		<u>1,073,485</u>	<u>662,950</u>
	<i>Restaurants and lodgings</i>		
6,200	Holiday Inns Inc.	137,186	32,550
17,553	Marriott Corp.	467,850	118,483
18,000	McDonald's Corp.	782,249	528,750
		<u>1,387,285</u>	<u>679,783</u>
	<i>Tobacco</i>		
12,000	Philip Morris, Inc.	716,359	576,000
		<u>716,359</u>	<u>576,000</u>
	<i>Trucking</i>		
4,000	Roadway Express, Inc.	130,871	109,000
		<u>130,871</u>	<u>109,000</u>
	<i>Other industries</i>		
3,850	Natomas Co.	193,483	135,231
18,587	Rowe Price New Era Fund, Inc.	199,996	157,432
43,505	Rowe Price New Horizons Fund, Inc.	404,466	211,434
5,000	Scholl, Inc.	152,485	33,750
		<u>950,430</u>	<u>537,847</u>
	TOTAL STOCKS AND OTHER EQUITY SECURITIES	<u>97,953,694</u>	<u>184,169,794</u>

Investments, (continued)

Face Amount	Amount at	
	Book Value	Market Quotations at December 31, 1974
TEMPORARY INVESTMENTS		
<i>Certificates of deposit</i>		
	Mellon Bank N.A.	
\$4,000,000	10.125%, due April 4, 1975	\$ 4,000,000 \$ 4,000,000
3,000,000	10.50%, due January 6, 1975	3,000,000 3,000,000
3,000,000	9.50%, due June 12, 1975	3,000,000 3,000,000
2,400,000	8.625%, due March 19, 1975	2,400,000 2,400,000
2,000,000	9.50%, due January 6, 1975	2,000,000 2,000,000
2,000,000	8.625%, due February 12, 1975	2,000,000 2,000,000
2,000,000	8.625%, due February 27, 1975	2,000,000 2,000,000
1,500,000	9.00%, due January 23, 1975	1,500,000 1,500,000
1,500,000	8.75%, due March 26, 1975	1,500,000 1,500,000
1,000,000	8.50%, due February 24, 1975	1,000,000 1,000,000
	Total certificates of deposit	22,400,000 22,400,000
	<i>Demand notes</i>	
487,000	CIT Financial Corp., 8.877%	487,000 487,000
	Commercial Credit Co.	
57,000	8.877%	57,000 57,000
94,000	9.002%	94,000 94,000
25,000	E. I. duPont Co., 8.877%	25,000 25,000
226,000	First Boston Corp., 8.877%	226,000 226,000
224,000	Ford Motor Credit Co., 8.877%	224,000 224,000
23,000	General Electric Credit Corp., 8.741%	23,000 23,000
744,000	General Electric Co., 8.741%	744,000 744,000
3,539,000	General Motors Acceptance Corp., 8.877%	3,539,000 3,539,000
237,000	RCA Corp., 8.877%	237,000 237,000
5,000	U. S. Steel Corp., 8.877%	5,000 5,000
	Total demand notes	5,661,000 5,661,000
	<i>Discount and interest-bearing notes</i>	
	Allstate Financial Corp. Discount Notes	
680,000	9.65%, due January 21, 1975	674,896 674,896
210,000	9.65%, due January 14, 1975	208,987 208,987
	American Brands Discount Notes	
600,000	9.50%, due January 16, 1975	595,250 595,250
535,000	9.50%, due January 20, 1975	530,200 530,200
	Ford Motor Credit Co. Discount Notes	
210,000	9.249%, due January 14, 1975	208,435 208,435
330,000	9.50%, due January 21, 1975	327,475 327,475
1,030,000	9.625%, due January 29, 1975	1,022,014 1,022,014
	General Motors Acceptance Corp. Interest-Bearing Notes	
1,321,000	9.394%, due January 3, 1975	1,321,000 1,321,000
852,000	9.575%, due January 10, 1975	852,000 852,000
	Southern Bell Telephone Co. Discount Notes	
590,000	9.625%, due January 17, 1975	585,583 585,583
	Total discount and interest-bearing notes	6,325,840 6,325,840

Richard King Mellon Foundation

Face Amount		Amount at	
		Book Value	Market Quotations at December 31, 1974
	<i>Other</i>		
\$1,550,000	Repurchase Agreement with Mellon Bank N. A. 8.00%, due January 15, 1975	\$ 1,550,000	\$ 1,550,000
250,000	U. S. Treasury Bills 7.361%, due February 20, 1975	245,246	247,833
100,000	7.722%, due January 30, 1975	98,005	99,513
	Total other	1,893,251	1,897,346
	TOTAL TEMPORARY INVESTMENTS	36,280,091	36,284,186
	 OTHER INVESTMENTS AND DEPOSITS		
	U. S. Government agency bonds and debentures		
	Federal Home Loan Banks Consolidated Bonds		
300,000	8.15%, due November 26, 1979	308,015	303,600
300,000	8.60%, due November 26, 1976	300,000	303,375
100,000	8.65%, due May 25, 1979	100,000	102,750
100,000	9.375%, due February 27, 1978	100,000	103,750
	Federal Land Banks Consolidated Bonds		
100,000	8.70%, due January 23, 1978	100,000	102,750
100,000	8.70%, due October 20, 1980	100,000	103,750
	Federal National Mortgage Association Debentures		
200,000	9.80%, due June 11, 1979	200,000	212,750
	Total U. S. Government agency bonds and debentures	1,208,015	1,232,725
	Fractional interests in surface and minerals in properties located in Maryland and West Virginia	113,260	112,970
87,500	Limited Partnership in New York Plaza Associates, Plaza II	87,500	87,500
25,000	Dwelling House Building and Loan Association, 5.125% Savings Account	25,000	25,000
	TOTAL OTHER INVESTMENTS AND DEPOSITS ..	1,433,775	1,458,195
	TOTAL INVESTMENTS	\$135,667,560	\$221,912,175

NOTES TO FINANCIAL STATEMENTS

NOTE 1—Significant Accounting Policies

Basis of Accounting

The accounts of the Foundation are maintained on the cash basis except that federal excise taxes and grants approved but not paid are recorded as liabilities on the accrual basis.

Investments

For financial reporting purposes, investments are stated at current market quotations which, in the case of large holdings, do not necessarily represent realizable values. The book value of investments is cost or, for donated assets, the market quotations or appraised values at the date of receipt by the Foundation.

Realized gain or loss from disposition of investments is determined by specific cost identification, except that average cost is used for dispositions of donated investments. Unrealized appreciation or depreciation on investments is the difference between the book value and current market quotations of investments held at the end of the year.

Program-Related Investments

Program-related investments represent expenditures made in connection with charitable programs of the Foundation.

NOTE 2—Federal Excise Tax

Federal excise tax represents a four percent tax on net investment income as defined by the Tax Reform Act of 1969.

NOTE 3—Estate Distributions

Through December 31, 1974, the Foundation received \$76,891,210 in cash and securities from the Estate of the late Richard K. Mellon, representing distributions received on account of its interest in the Estate. In consideration of these distributions from the Estate to the Foundation prior to the audit and confirmation 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 and to pay to the Executors on demand such amount as may be necessary to save them harmless from any loss resulting from their making such advancement prior to the audit and confirmation of a final account. An accounting filed by the Estate covering, inter alia, \$75,431,331 of the cash and securities so distributed to the Foundation has received final approval by the court having jurisdiction over the administration of the Estate.

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, 1974, 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, 1974, 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, 1974, and the changes in the fund for the year then ended and for the period from November 14, 1947 to December 31, 1974, and the supporting schedules present fairly the information included therein, all in accordance with generally accepted accounting principles applied on a consistent basis.

COOPERS & LYBRAND

Pittsburgh, Pennsylvania
April 15, 1975

Information for Applicants

All inquiries and applications for grants should be addressed to

**Mr. George H. Taber
Vice President and Director
Richard King Mellon Foundation
525 William Penn Place
Pittsburgh, Pennsylvania 15230**

Applications should take the form of a letter containing a statement of the applicant's general aims and an explanation of the specific purpose for which funds are sought, including goals, proposed method of operation, and itemized budget. Documentation of the applicant's classification under current Treasury Department regulations should be forwarded with the application.

The Richard King Mellon Foundation is a private, grant-making foundation with no restrictions as to fields of interest or geographic area. As a matter of practice, however, the Foundation's grant program has always emphasized institutions and organizations in Pittsburgh and Western Pennsylvania. The regional character of the Foundation's activities is reflected in this and all previous published reports.

The Foundation will not consider requests on behalf of individuals.

Richard King Mellon Foundation