

**Richard  
King  
Mellon  
Foundation**

**1975  
Annual Report**



# Richard King Mellon Foundation

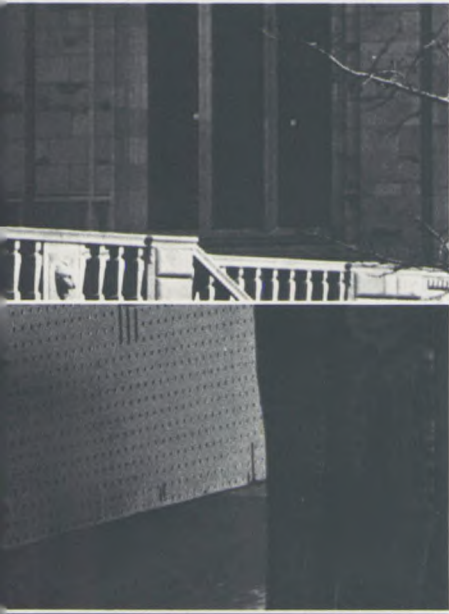
## 1975 Annual Report

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# Introduction



The Trustees of the Richard King Mellon Foundation authorized fifty-eight new commitments totaling \$8,218,100 during 1975, bringing the Foundation's total appropriations to charitable organizations during its twenty-eight year existence to \$99,395,579.



Grants were awarded during the past year in five broad categories: Education, Medicine, Social Services, Cultural Activities, and Civic Affairs and Conservation. The Trustees' well-established interest in the fields of education and medicine was demonstrated again in 1975. Grant approvals in these two categories represented 70% of the Foundation's total 1975 appropriations.



As has been the intent since the inception of the Foundation, the Trustees again centered their attention on the Pittsburgh region. Seventy-six per cent of the 1975 awards were made for projects in Pittsburgh and other Western Pennsylvania communities. Most of the appropriations made outside Western Pennsylvania were awards in the field of medicine.



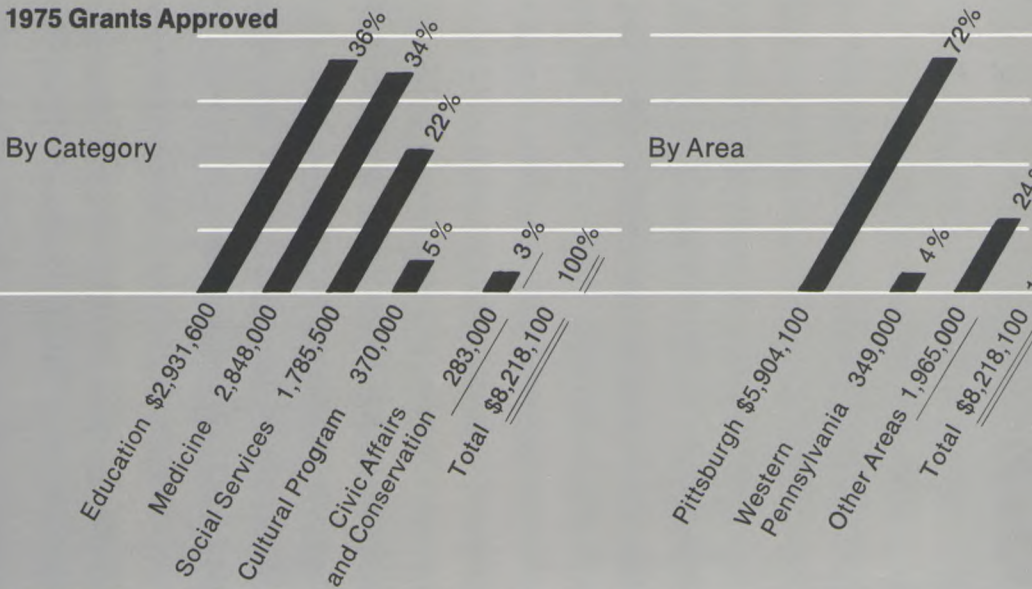
During the year, the Foundation made grant payments totaling \$12,332,673. Of this amount,

\$7,059,300 represented payments on awards approved in 1975. In the twenty-eight years since the Foundation's inception, it has made grant payments of \$90,974,729, an amount which exceeds the net income for the same period by \$16,594,531. Unpaid grants at the end of the year amounted to \$8,420,850.

In these times of limited resources, budgetary strains, and duplications of effort, the Trustees are particularly interested in projects which enable organizations to improve management capabilities leading to more efficient and economical oper-

ation. These undertakings are encouraged as a means of both improving current efficiency and productivity and defining institutional goals. In 1975, the Foundation approved grants of this nature in the categories of Education, Medicine, and Social Services. Management grants totaling \$1,250,000 were awarded to Carnegie-Mellon University, the University of Pittsburgh, and Chatham College. In addition, a \$1,000,000 commitment was made to the University Health Center of Pittsburgh to institute and staff a management system designed to help the Center and its six member

### 1975 Grants Approved



institutions operate as a more integrated and efficient unit.

Two other separate grants totaling \$330,000 were approved for the Health Center to support the establishment of specific programs at Children's Hospital and Western Psychiatric Institute and Clinic.

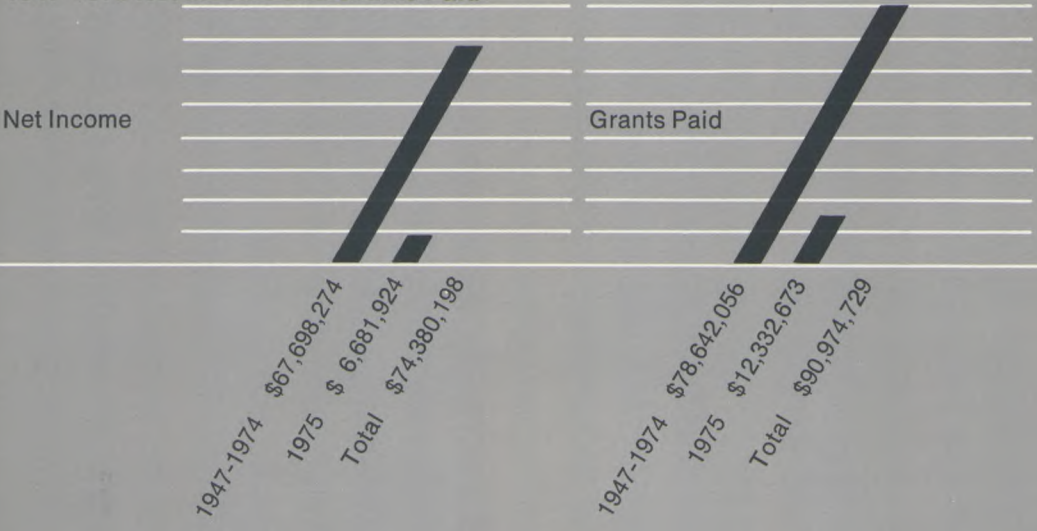
For the second year in a row, a relatively significant amount of funds was approved in the Social Services category. This reflects the Foundation's deep commitment to promoting efforts to successfully expand and improve social services in the Pittsburgh area. In line with

general policy, the Foundation provided capital or project support to various agencies whose services to the handicapped and the disadvantaged are essential to the Pittsburgh community.

The ability of the Foundation to continue its grant programs, as further described in the chapters of this report, is in great measure related to the Foundation's asset base which increased from \$215,528,071 to \$222,027,854 during 1975.

*Richard P Mellon*  
 Richard P. Mellon  
 President

**1947-1975 Net Income and Grants Paid**





*The Carnegie-Mellon University campus in juxtaposition with the University of Pittsburgh Cathedral of Learning reflects the educational strength of Pittsburgh. Both institutions were recipients of major grants from the Foundation in 1975.*

During 1975, the Trustees of the Richard King Mellon Foundation placed major emphasis in the field of education. Commitments totaled \$2,931,600, the largest category of grants for the year. There was a pronounced accent on the advancement of higher education; however, the Foundation's interest in improving programs on the primary and secondary levels was also evident.

The Trustees of the Foundation have long been interested in the development of management capabilities of non-profit institutions. Grants of a

special management nature were made to Carnegie-Mellon University, the University of Pittsburgh, and Chatham College, three institutions which contribute much to the intellectual vitality of Pittsburgh. These institutions were the recipients of major grants to fund programs which are intended to strengthen and improve existing operations and build a more solid base for future growth.

As in past years, the Trustees concentrated on improving the quality and availability of education at various levels within the private sector while



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making selected commitments to publicly supported systems in Pittsburgh.

Although the majority of the 1975 awards provided direct institutional support, awards were also authorized for selected scholarship programs.

### **Higher Education**

In an academic environment marked by severe economic constraints, shifts in educational patterns and needs, and faced with the possibility of level or declining enrollments, a comprehensive system for planning and allocating resources is an essential mechanism for effective university management. To meet this need, the University of Pittsburgh established a Planning and Resource Management System to facilitate long-range planning, budgeting, institutional management and policy formulation. One of four major components of the Planning and Resource Management System is the Management Information System, a computerized, fully integrated, University-wide system of six information data bases concerning students, financial reports, planning and budget information, staff and faculty payrolls, alumni records, and curricula. When completed, the System will also contain specialized data files to support program planning, budgeting, financial analysis, and program evaluation.

The Management Information System was conceived in 1972 as a ten-year project, divided into four major phases of development. However, the more recent stabilization of enrollments and resources which requires more detailed program analysis and reallocation of funds, the increased reporting requirements by governmental agencies, and the need for

improved management of an increasingly complex institution made it apparent that the completion of the System should be accelerated. A \$500,000 grant from the Richard King Mellon Foundation will help the University of Pittsburgh reduce the development timetable for this System by three years and, more importantly, bring closer to completion the larger University Planning and Resource Management System.

The largest grant of the year, \$1,500,000, was awarded to Carnegie-Mellon University for a three-pronged program aimed at maintaining and improving the institution's educational excellence. A management grant of \$500,000 was awarded for a Presidential Discretionary Fund to stimulate educational innovation, increase productivity, and improve teaching and research quality. Increasing productivity without sacrificing educational and research quality is a vital goal of the University. \$500,000 was also provided to organize a new Institute for Public Policy Analysis which will bring together the intellectual resources of Carnegie-Mellon University in science, engineering, social and political sciences, economics, and management sciences to study the effect government decisions have on the economy. The balance of the grant was designated for capital projects. \$300,000 was provided for necessary renovations and equipment purchases for the Mellon Institute of Science and \$200,000 was contributed to complete the first phase of a major remodeling of facilities for the Department of Architecture.

Chatham College, a private, liberal arts, women's college in Pittsburgh, holds a position of distinctive educa-



*One phase of the remodeling program of the Department of Architecture at Carnegie-Mellon University included providing furnishings and equipment which allow flexibility of use. The studio settings in the classroom insure adequate space for students to spread out drawings, hang designs, and display large models.*

tional leadership and it has earned major foundation support by demonstrating an ability for self-renewal and building on strength. Looking to the future, Chatham's Board recognized that the next fifteen years are a crucial period for private institutions of higher learning. Those private colleges and institutions that are to survive must justify their existence by maintaining a strong education program and a quality deemed to be necessary over and above publicly supported higher education.

To support Chatham in its continued pursuit of vitality for the future, the Foundation made a \$250,000 discretionary management grant for the establishment of a President's Fund. The funds provided should enable Chatham to respond quickly to crucial issues and to use its accumulated experiences to plan ahead. The discretionary grant may be used for those purposes Chatham chooses to pursue its institutional goals and to maintain and extend the distinctive strengths of its faculty, curriculum, and administration.

An award of \$150,000 was made to the School of Engineering and Applied Science at Princeton University in support of an interdisciplinary program in bioengineering. This relatively new field encompasses all applications of engineering logic, methodology, and experience to problems involving any component of, or interface with, a living system. Specific subdivisions include biomedical engineering, biochemical engineering, biomaterials, and bioinstrumentation.

Princeton's program began in 1971 and is available to undergraduate and graduate students in each of the engineering departments and qualified students in the life-sciences. It provides broad opportunities for course instruction and research for those engineers who are interested in applying the principles of their disciplines to the solution of bio-related problems. Current areas of study include the use of computers in medicine, information processing in the nervous system, mechanical and chemical properties of biomaterials, and the utilization of microbial species in health, food, and waste processes.

Research is an essential and integral part of Princeton's program and is of critical importance as bioengineering



*Through the application of engineering techniques such as information and systems sciences, Princeton University's program in bioengineering has advanced man's ability to understand the functions of the central nervous system.*

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becomes a powerful weapon in the fight to improve the quality and quantity of health care. The Foundation's grant will be used to acquire additional research equipment as one of several means of inducing able faculty to concentrate in the program.

### **Elementary and Secondary Levels**

Although the majority of the educational grant appropriations in 1975 were directed toward the advancement of higher education, the Foundation also recognized the need for improvement of educational quality at the elementary and secondary levels and provided support for selected programs.

In 1975, the Pittsburgh Public School System underwent a massive administrative reorganization which transferred the educational decision-making responsibility from the central office to the individual principals. The restructuring was based upon the belief that the principal of a school is the key person in bringing about necessary changes in that school. It was apparent, however, that the principals needed training to help them in assuming this decision-making role. A nucleus of outstanding leaders among the principals had to be developed to produce significant educational improvements in the schools.

Sponsored by a \$193,600 grant from the Richard King Mellon Foundation, the Bank Street College of Education in New York City is conducting a training program for the development of twelve city and four suburban elementary and middle school principals. Emphasis is being placed on elementary and middle school principals because they have the responsibility for the education of the child during the early formative years and the later critical period of early adolescence. Training sessions will be administered for a two-year period and will include lectures, group interaction, reading and source material, and visitations to outstanding school programs in other cities. The program will also provide

better criteria for the selection of future principals. At the end of two years, the Pittsburgh School System should be able to conduct its own training programs without outside assistance.

During 1975, the Foundation also made a commitment to continue its support of the local chapter of A Better Chance, a national organization successfully engaged in the recruitment and placement of disadvantaged and minority group students in the Nation's leading secondary schools. A Better Chance and the member schools will provide three dollars toward scholarships for every one dollar raised in Pittsburgh. Thus, the Foundation's grant of \$54,000, payable over a two-year period, will generate \$162,000 from sources outside the area and provide full scholarships for eighteen area students.

The study of wildlife has natural appeal to young children and is ideally suited for awakening a child's interest in his environment. However, wildlife is a topic which receives cursory treatment in the classroom because of the lack of convenient and inexpensive sources of background and support materials. The Wildlife Society, a group of professional biologists studying wildlife and its management, has become increasingly concerned about our society's lack of understanding for animals in their natural state. They believe an interest in wildlife must be fostered and developed in our elementary schools. For this reason, the Elementary Education Committee of the Wildlife Society has produced a sampler of wildlife science, entitled *Understanding Our Wildlife*, for use by fourth-through eighth-grade teachers. This booklet includes background material for the teacher, stories which may be read to students, and activities through which youngsters can investigate wildlife even when they cannot find specific animals. The activities require no special equipment and are designed to be applicable in urban, suburban, and rural area classrooms.

The Foundation contributed \$10,000

toward the publication of this wildlife sampler in an effort to lower its retail price and encourage its widespread utilization as background and support for elementary school teachers.

### International Horizons

During the past twenty-nine years, the American Field Service has fostered understanding between people of 81 nations through the medium of scholarships for senior high school students of all races and creeds. The purpose of the International Scholarships program is to immerse able young people in communities and cultures different from their own so that they and their hosts may have an opportunity to grow in understanding. Each year over 5,000 international scholarships are awarded. Outstanding young men and women are brought to the United States to live as members of American families, to attend high school, and to join in community life. An American Field Service student adds not only diversity within a school and community, but offers wider cultural horizons from which everyone benefits. Students are encouraged to try to understand why there are differences and how people can learn to live together peacefully and rewardingly despite those differences. Students from the United States are sent to other countries for comparable experiences.

Each local chapter has a dedicated group of volunteers who recruit host families, submit American candidates to go abroad, and provide ongoing activities and assistance to the students and host families. There are currently 40 chapters hosting 54 students in Western Pennsylvania communities. While the American Field Service is strong and active in this region, many communities that possess the necessary characteristics to serve as host communities have not been asked to participate. Western Pennsylvania has been identified as one of three areas in the United States with

the greatest potential for expansion. With this potential in mind, the Foundation awarded the American Field Service a grant of \$74,000 for the professional development and initial funding of an additional 40 chapters to be established during the next two years in Western Pennsylvania communities.



*The interested layman will find the Wilson Quarterly to be a guidebook to new ideas and research being done by scholars on matters of public concern. It contains essays, book reviews, and reading lists covering a wide range of topics.*

The Woodrow Wilson International Center for Scholars was created in 1970 under the aegis of the Smithsonian Institution with a Congressional charter which designated it the Nation's official memorial to Woodrow Wilson. It is a "living memorial" to a great President-scholar and an international center for advanced scholarship in Washington, D.C. It is a Center where connections are made between the world of ideas and the world of affairs. The activity of this Center is a creative mix of scholars, retired diplomats, and public servants. To more adequately disseminate the scholarship and research, the Center is planning a new journal which will be called the *Wilson Quarterly*. The *Quarterly* is designed to inform intelligent laymen of the best work being done in the country by scholars relative to national

and international topics of public concern. It will serve as a current guidebook to the cross-section of rich and varied research and writing being done by Fellows at the Woodrow Wilson Center or by former Fellows elsewhere. The *Quarterly* should provide a link between the world of scholars and the

world of business and public affairs and combine scholarly and public perspective to an unusual degree. The Foundation made a grant of \$50,000 toward initial funding for the publication of the *Wilson Quarterly*.

The Foundation made the following grants in support of education in 1975:

A Better Chance, Inc. of Pittsburgh Pittsburgh, Pennsylvania <i>Recruitment and scholarship program for Pittsburgh area youth</i> . . . . .	\$ 54,000
Allegheny County Association for Children with Learning Disabilities, Inc. Pittsburgh, Pennsylvania <i>Interim operating support</i> . . . . .	25,000
American Field Service, Inc. New York, New York <i>Establish additional chapters in Western Pennsylvania</i> . . . . .	74,000
Carnegie-Mellon University Pittsburgh, Pennsylvania <i>To provide a Presidential Discretionary Fund; establish Institute for Public Policy Analysis; renovation funds for Department of Architecture and Mellon Institute of Science</i> . . . . .	1,500,000
Chatham College Pittsburgh, Pennsylvania <i>To establish a President's Fund</i> . . . . .	250,000
Pittsburgh Public Schools Pittsburgh, Pennsylvania <i>Leadership training program for elementary and middle school principals</i> .	193,600
Princeton University Princeton, New Jersey <i>Support for program in bioengineering in School of Engineering and Applied Science</i> . . . . .	150,000
Smithsonian Institution, Woodrow Wilson International Center for Scholars Washington, D.C. <i>Support toward initial publication of Wilson Quarterly</i> . . . . .	50,000
United Negro College Fund, Inc. New York, New York <i>Support of 1975 Campaign</i> . . . . .	25,000
University of Pittsburgh Pittsburgh, Pennsylvania <i>To accelerate development of Management Information System</i> . . . . .	500,000
Valley School of Ligonier Ligonier, Pennsylvania <i>Purchase of adjacent real property</i> . . . . .	100,000
The Wildlife Society, Inc. Washington, D.C. <i>Underwrite cost of wildlife sampler for elementary school teachers</i> . . . . .	10,000
	\$2,931,600

# Medicine



*Proper health care delivery, the education of health professionals, and biomedical research are the leading objectives of the University Health Center of Pittsburgh. Located in the Oakland section of the City, the Health Center is a corporation made up of teaching hospitals and the Schools of the Health Professions at the University of Pittsburgh.*

The Richard King Mellon Foundation's historical interest in improving medical training and the delivery of health care in the Pittsburgh area was maintained as an integral part of the 1975 Medical Program which totaled \$2,848,000, or 34% of the Foundation's total grant program for the year.

The Richard King Mellon Foundation has been deeply involved for many years in the development of the University Health Center of Pittsburgh. This Corporation, comprised of five

teaching hospitals and the University of Pittsburgh, was formed to coordinate activities of these institutions and eliminate wasteful duplication of activities and expense. During 1975, the Trustees approved three grants to the University Health Center totaling \$1,330,000. The largest of these was a \$1,000,000 management grant to facilitate the implementation of a new organizational structure designed to help the Center operate as a more integrated unit.

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### **University Health Center**

While retaining their autonomy and own areas of specialization, the six member institutions of the Health Center wish to coordinate their actions and planning so as to promote the operation and growth of an efficient regional health care education and delivery system. In the past, the Center has relied on the contributions of staff time by its member institutions to help coordinate its activities. This administration of the Corporation has proven to be less effective than is desired.

The Foundation's grant of \$1,000,000, payable over three years, provides start-up money to promote cohesiveness and efficiency in the management of the Health Center. The grant will enable the Center to hire full-time professional personnel to coordinate finances, planning, and development among members while continuing to utilize the expertise of the staff members of the various institutions. By careful planning with the Center's full-time staff, member hospitals will be able to improve the management of their resources, provide new programs, and foster the development of a health care system that will give the most up-to-date care at the lowest possible cost. It is the Foundation's hope that this step toward centralized management will provide more effective governance of the Center and contribute to a greater acceptance of the Health Center concept by its members.

The second grant to the University Health Center of Pittsburgh was \$180,000 to help establish a program in geriatrics at the Western Psychiatric Institute and Clinic, an education and research-oriented hospital. Western

Psychiatric plans to develop a comprehensive program with the goals of improving the assessment and treatment of aged patients and providing instruction and training for medical students in this field.

Improvements in existing methods of diagnosis and treatment, in an effort to reduce unnecessary institutionalization, is critical to the Clinic's program. Diagnosis is a major problem in dealing with geriatric patients in that psychological, physiological, and neurological symptoms are often difficult to identify. Psychiatric and psychological symptoms in the elderly may stem from mental disorders which, if properly diagnosed, can be completely responsive to therapy. These same symptoms, on the other hand, may result from physical illnesses which require much different forms of treatment. Improper diagnosis can lead to inappropriate treatment which is of little or no benefit and can actually aggravate the illness.

In a university-affiliated hospital, diagnostic and treatment programs should be combined with educational programs. The Clinic will provide instruction to medical students, residents, and other health professionals to insure that there is an adequately trained staff with an in-depth knowledge of the social, psychological, and physiological changes and needs associated with the aging process. The students and clinicians need to be familiar with the special problems of geriatric patients and learn to interact with them appropriately. The Foundation's grant provides initial funding for the development and staffing of a clinical geriatric team over a three-year period.

The third Foundation grant to the University Health Center was \$150,000 awarded to Children's Hospital of Pittsburgh to support a new Parental Stress Center for abused infants and their parents for three years. The Center is a joint effort on the part of Child Welfare Services of Allegheny County, Children's Hospital of Pittsburgh, Juvenile Court of Allegheny County, the Pittsburgh Child Guidance Center, and the Children's Home of Pittsburgh. Its purpose is to demonstrate a coordinated approach by medical, mental health, welfare, and judicial agencies to those children under two years of age subjected to abuse and neglect.

The Center, located at the Children's Home of Pittsburgh, is a non-medical residential center for abused children removed from their parents by court order. It offers a wide range of diagnostic and therapeutic services. The goals are to insure growth and development of the child and rehabilitation of parents. There is no other program in Allegheny County which protects and studies the child and at the same time evaluates the potential of the parents to give adequate care to the child. The Center will provide an interdisciplinary approach to abused and neglected infants. It will be in continuous collaboration and communication with the agencies responsible for abused children and their parents.

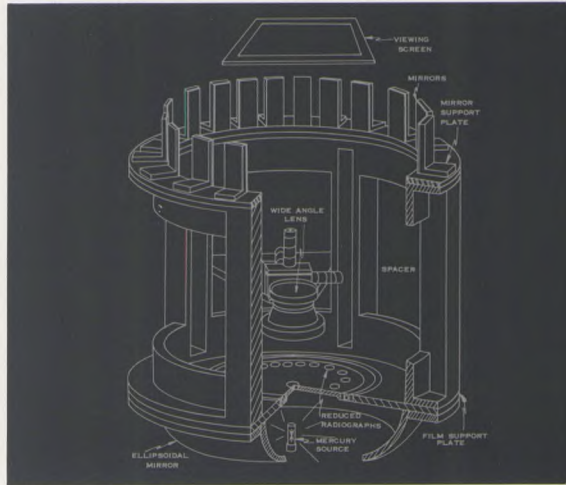
**Research**

Several awards were made in the field of medical research, for the most part to institutions outside the Pittsburgh area.

The largest medical research grant awarded in 1975 was \$250,000 to Johns Hopkins University for the clinical evaluation and further development of a new three-dimensional radiography system. Developed by physicians at the Johns Hopkins Medical Institutions in collaboration with scientists and engineers at the University's Applied Physics Labora-

tory, the new system produces true three-dimensional x-ray images. It has the potential to significantly increase the diagnostic effectiveness of physicians and surgeons while reducing the radiation exposure of the patient by 50% to 80%.

The radiography system has been under development since 1967, with funding received from the National Institutes of General Medical Sciences. For this fully operational prototype to be accepted by industry for commercial production and marketing, it now must have its clinical utility clearly established through critical evaluations. Clinical trials of the system are to be conducted over a two-year period at Johns Hopkins Hospital. They are designed to delineate its clinical ad-



*True three-dimensional images are produced by a new radiography system developed jointly by the Johns Hopkins Medical Institutions and the University's Applied Physics Laboratory. A cutaway reveals the design of the projector console which generates the three-dimensional display.*

*A diver prepares to enter the pressure chamber where deep sea conditions are simulated. The staff of the Hyperbaric Center at Duke University will study vital processes of his body to determine man's capacity to function for long periods of time at great depths.*



vantages and disadvantages, define its applicability to special areas of the body, and modify the system to improve its clinical utility.

Federal granting agencies dedicated to biomedical research cannot allocate funds for such clinical evaluations. Thus the Foundation's grant is planned to fill the funding gap between the research and development process and commercial development.

Since its inception eight years ago, the Hyperbaric Center at Duke University Medical Center has played a key leadership role as a resource to study man and his environment at great depths below sea level. The pressure chamber facility at the Center is one of the few in the country which, through

simulation, permits the study of man's physiological reactions to working or existing below sea level for extended periods of time. The facility was designed to approximate conditions down to 1,000 feet below sea level, simulating conditions along the continental shelf.

It has become apparent that there are natural resources the United States may wish to harvest which lie substantially deeper than 1,000 feet. The United States Navy has proposed to Duke University Medical Center a joint venture between the two to extend the research capability of the Hyperbaric Center to a depth of 3,500 feet below sea level. In support of this public-private cooperative effort toward providing data needed for man's survival at great ocean depths, the Foundation awarded \$100,000 to Duke University Medical Center toward its portion of the expansion costs.

The Sloan-Kettering Institute for Cancer Research has long been a leading force in the creation and development of new drugs for the treatment of leukemia. Today, certain types of leukemia have a 98% remission rate. Information patiently accumulated from leukemia drug trials has brought about new knowledge of the leukemia cell's life cycle and factors regulating its proliferation. Drugs can now be used in combination and in timed sequences to kill the leukemia cell in its various stages of growth.

In order to develop a better understanding of the dynamics of cancer cell population and to develop a more effective chemotherapeutic strategy to destroy a patient's last remaining cancer cells, a Strike Force against Leukemia has been formed which coordinates the efforts of four of the laboratories housed by the Institute. These four labs have formulated a systematic approach to leukemia, with studies ranging from the definition of the nature of the leukemia cell and its reproduction to the manifestations of the disease, its treatment, and its control in patients.



One of these units, the Immunopharmacology Laboratory, investigates the process of replication so that these cells become susceptible to chemotherapy. The research in this laboratory is aimed at understanding the process so that chemotherapy may some day be better used to fight leukemia. The Foundation provided \$40,000 for initial basic support for technicians and supplies for the efforts of this lab in conjunction with the Strike Force against Leukemia.

The Foundation also awarded \$28,000 as interim funding for a research group at the University of Pittsburgh School of Medicine to continue its work to better control gonorrhea, the most common infectious disease reported in the United States. The group has been working on two new developments. The first is a specific blood test that can be used to screen the general population and identify infected persons who can then be treated. The second is a safe and effective vaccine that could be used for immunization against gonorrhea.

In addition, the University is developing plans for the commercialization and distribution of the test and vaccine when they are developed. The Foundation's grant provided short-term funding to allow the research to continue pending receipt of funds from The National Institutes of Health.

### **Institutional Support**

In 1974, the Foundation made a commitment of \$250,000 to support rotating family practice residency programs between Jefferson Medical College and seventeen affiliated outlying teaching hospitals. The benefits accrue to the medical students, the hospitals, and to the outlying areas through the provision of better medical service and new physicians. In 1975, the Foundation again expressed its interest in the provision of proper delivery of health services to rural areas by awarding a \$450,000 grant to the Department of Maternal and Child Health at the Dartmouth Medical School.

The Department of Maternal and Child Health, organized in 1972, was one of the first departments in the country to recognize the importance of treating mother and child together and to organize itself as a critical department emphasizing the continuity of health care from preconception genetic counseling through adolescence. A full commitment was made to community-based teaching, research, and patient-care programs. A network of outreach programs has been developed for the provision of comprehensive medical and health care to rural areas throughout New Hampshire and Vermont. Under the guidance of local practitioners and Dartmouth faculty, medical students are providing medical services in communities where many of these services were previously unavailable. The combined effect of these programs has been to substantially upgrade the quality and accessibility of medical care to women and children and to expose the medical students to the unique problems of providing health care in a rural setting and to the constructive changes that can be made in a system through a cooperative community, school, and government effort. The Foundation's \$450,000 grant provides faculty and staff support for a three-year period so that the Department may expand its program in education and research into the provision of primary health care for women and children in rural communities.

In 1972, the Foundation awarded a \$300,000 grant, payable over three years, to the National Academy of Sciences for its Institute of Medicine which had been established two years earlier to conduct studies and issue statements on broad aspects of national policy for health care, medical care, and medical research. The Institute was created out of the need for an impartial body to speak with authority on matters pertaining to the health of the American public. It serves as an informal adviser to Congress, the Executive Branch, and various federal agencies and derives income from



*The Department of Maternal and Child Health at Dartmouth College, in conjunction with the Dartmouth-Hitchcock Medical Center, operates rural outreach medical programs. The High Risk Infant Transport Unit places a month-old baby in a transport incubator for a plane trip to reunite the infant with her parents. The two and one-half pound premature baby developed complications at birth and was kept in the Neonatal Intensive Care Unit at the Hitchcock Memorial Hospital, 130 miles from her home. The infant has progressed enough to permit transfer to a local hospital.*



studies commissioned by the Federal Government. The Institute, however, receives no Congressional appropriation and is therefore dependent upon private funding for core operating support.

Through numerous non-partisan studies, statements, and presentations, the Institute of Medicine has demon-

strated that it is an important, independent national resource for health policy analysis and opinion. In recognition of the continuing need for an organization of this nature, the Trustees approved a second grant of \$300,000 for the basic program development activities of the Institute of Medicine over the next three years.

**Facility Expansion**

Two grants, each for \$100,000, were awarded to suburban community hospitals in 1975 for construction and expansion projects.

First was an award to the Sewickley Valley Hospital which serves the Sewickley, Coraopolis, and Moon Township areas of Greater Pittsburgh. The Hospital has embarked on a long-range development program designed to provide total health care for the surrounding communities. The expansion or construction of facilities at the Sewickley site is aimed at increasing the number of inpatient and outpatient services available to the community. In addition, a satellite center for ambula-

tory health care will be established in Moon Township.

The second construction grant was awarded to St. Clair Memorial Hospital which is in the process of expanding and modernizing its hospital facilities. This expansion project was necessitated by the increased demands placed upon St. Clair Memorial Hospital by the growing population in its primary service area. Upon completion of this \$25,000,000 project in 1977, St. Clair Memorial Hospital will be providing comprehensive health care services for its constituency.

The following is a list of 1975 awards for medical programs:

Cornell University Ithaca, New York <i>Support research into hip dysplasia in dogs</i> .....	\$ 150,000
Dartmouth College, Medical School Hanover, New Hampshire <i>Support for Department of Maternal and Child Health</i> .....	450,000
Duke University Durham, North Carolina <i>Expansion of hyperbaric research facility</i> .....	100,000
Johns Hopkins University Baltimore, Maryland <i>Clinical evaluation and development of a three-dimensional radiography system</i> .....	250,000
National Academy of Sciences, Institute of Medicine Washington, D.C. <i>Three-year basic support</i> .....	300,000
St. Clair Memorial Hospital Pittsburgh, Pennsylvania <i>Expansion of facilities</i> .....	100,000
Sewickley Valley Hospital Sewickley, Pennsylvania <i>Capital development program</i> .....	100,000

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Sloan-Kettering Institute for Cancer Research New York, New York <i>Support for Strike Force against Leukemia</i> .....	\$ 40,000
University Health Center of Pittsburgh, Inc. Pittsburgh, Pennsylvania University Health Center <i>Implementation of new organizational structure</i> .....	1,000,000
Children's Hospital of Pittsburgh <i>Establish Parental Stress Center</i> .....	150,000
Western Psychiatric Institute and Clinic <i>Establish program in geriatrics</i> .....	180,000
University of Pittsburgh, School of Medicine Pittsburgh, Pennsylvania <i>Interim funding for research into control of gonorrhea</i> .....	28,000
	<u>\$2,848,000</u>

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Richard King Mellon  
Foundation

## Social Services

During 1975, awards to various social service organizations amounted to \$1,785,500, or 22% of the Foundation's total grant program. From annual support for the United Way to start-up funding for the establishment of several new coordinating agencies, the ultimate objective of all the grants is the same—the improvement in the provision and delivery of social services to the citizens of Allegheny County and Western Pennsylvania.

A grant of \$180,000, payable over

three years, was awarded to the Health and Welfare Planning Association for the establishment of a community Health Education Center to serve Southwestern Pennsylvania. The Center will coordinate the health education activities of all public and private agencies involved in health activities in Southwestern Pennsylvania to provide the citizens of that area with information and education regarding the maintenance of good health.

By fostering inter-agency coopera-



*The outpatient program and the supportive services provided by the Home for Crippled Children make it possible for many youngsters to live with their families while receiving the treatment they require.*

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tion and discouraging the duplication of activities and the ineffective use of scarce resources, the Center hopes to demonstrate the economic and social advantages of a coordinating mechanism to promote widespread comprehensive health education under a specific and standardized set of guidelines.

Three grants in the Social Services category funded the introduction of new approaches to or the expansion of internal management programs. These undertakings should strengthen the local management capabilities and produce more viable and efficient social service organizations.

### **Management Grants**

One management grant was awarded to Youth Guidance, Inc., an organization committed to preventing and controlling juvenile delinquency in Western Pennsylvania. Its three-pronged program brings mature Christian laymen into one-to-one relationships with boys and girls in need of adult friendship and guidance, provides family counseling services to children and their families, and sponsors summer camps designed especially for delinquent children. The success of Youth Guidance in helping children become upstanding and productive citizens has led to an increasing number of referrals from juvenile courts, police departments, schools, and social agencies.

Looking to the future, this agency's leadership foresaw the need to develop a sound financial program which would assure a constant flow of funds. Previously, funding for Youth Guidance came primarily from local foundations; however, in the last year public support has increased significantly. It was

decided to capitalize on this momentum and broaden the base of support by establishing a more systematic financial development program. To accomplish this, Youth Guidance secured the services of a professional development consultant to organize an internal Development Council, increase the effectiveness of mail solicitations, promote church, foundation, and corporate giving, and help develop memorial and friendship programs. In addition, a multi-media presentation describing the Youth Guidance program has been produced and will be used for various public presentations. To fund this program designed to improve and expand Youth Guidance's financial development, the Foundation awarded a grant of \$45,000.

The second management grant was an award to the National Board of the Young Women's Christian Association which, on a nationwide basis, is conducting a formal management training program for its community administrators and volunteers. More than half of the present YWCA directors will retire within the next ten years, thus creating a potential void in executive leadership. To help develop the management talent that will be required to fill these vacancies and also to assist current executive directors, the National Board, with the aid of the American Management Association, developed a training curriculum emphasizing leadership skills, management systems, and planning.

The management training and development program will function during a three-year period and will include numerous workshop sessions, refresher courses, on-site consultations, and follow-up. The Foundation's

grant of \$50,000 will provide support for more than a hundred executive directors and administrative staff from Western Pennsylvania to participate in the national management training program.

The third management grant awarded was to The Bedside Network of the Veterans Hospital Radio and Television Guild, which provides a unique form of patient recreation and rehabilitation therapy by encouraging bedridden patients in Veterans Hospitals to actively participate in shows and broadcasts under the guidance of volunteer professionals in the communications field. Patients perform as singers and actors in radio script shows and as interviewers and panelists on television shows which are taped and later played back over the hospitals' closed circuit systems for the entertainment of all the patients. Patient participation activities such as these are designed to help veterans develop more self-esteem, in many cases an important step toward recovery.

The activities of the Pittsburgh Chapter of The Bedside Network have been supported and coordinated by the New York Bedside Network with the understanding that the Pittsburgh Network would eventually achieve support from its own community. To facilitate the transfer of management responsibility to the local level and to build a foundation upon which to expand its services to other hospitals, the Trustees committed \$30,000, payable over two years, for the establishment of a local office and two years' operating funds. This new local autonomy should allow the Pittsburgh Bedside Network to operate in a more efficient and coordinated manner and provide the base on which to develop further support from the Pittsburgh community.

### **Mental Disabilities**

The Pennsylvania Association for Retarded Citizens, a member of the National Association for Retarded Citizens, is the only voluntary organization devoted solely to promoting the

welfare of mentally retarded children and adults through programs of research, training, treatment, and advocacy. The Association has created public awareness and an understanding of the needs and abilities of mentally retarded Pennsylvanians. Founded in 1949, it now represents 57 county chapters with a total membership of 23,000.

Since its inception, the Association has been vitally concerned with the habilitation and employment of mentally retarded men and women, a specific field requiring special programs and special attention. Unfortunately, the services available today are fragmented, uncoordinated, and frequently include competing or overlapping programs. What is needed is a unified system for the delivery of habilitation services, and a central clearinghouse organization with influence on the community to provide assistance and leadership on a permanent basis.

The Association is developing an organization to meet this need, the Council for Habilitation and Employment of Mentally Retarded Citizens. The Council will focus on the establishment of a coordinated community service delivery system for Pennsylvania's mentally retarded citizens, utilizing the most modern evaluation training and job placement techniques. It will also serve as a coordinating agency between the present public and private agencies which operate under a variety of involvements and responsibilities. The Council will also establish a network of local councils in the Commonwealth. The Foundation provided \$180,000 to help underwrite the Council during its three-year development period, after which it will become an independent incorporated concern.

A separate grant of \$100,000 was awarded to the Allegheny County Chapter of the Pennsylvania Association of Retarded Citizens. It is the largest single provider of direct services to the mentally retarded of Allegheny County, offering sheltered





*The sheltered workshop program at the Allegheny County Chapter of the Pennsylvania Association for Retarded Citizens provides job training and employment for over 230 adults. Many production tasks, such as assembling fiberboard cartons, are subcontracted to the workshop by local businesses.*

workshops, job training and placement, daily pre-school classes, home services, weekly recreational programs and a foster grandparent program. The number of participants in direct service programs has increased markedly in

the last five years, but a lack of capital funds has meant a lag in the provision of facilities and equipment. The Foundation's grant will be applied toward the Chapter's current facilities improvement and expansion program.

The Allegheny County Mental Health/Mental Retardation Program, an agency funded primarily by the Commonwealth and Allegheny County, was formed in 1969 with the objective of coordinating and making mental health services accessible throughout the County. Since the inception of the program, a tremendous growth has been witnessed in the expansion and variety of services available to County residents and in the client load which has increased from 1,500 to 45,000 annually. This growth necessitated an evaluation of the services provided by the Program's mental health centers in its eleven catchment areas. In 1973, the Foundation provided \$75,000 to the Allegheny County Mental Health/Mental Retardation Program to bring to Pittsburgh a nationally known group of consultants to investigate and evaluate the role of a public agency in providing mental health service delivery to the community. The specific goal was to develop standards and criteria regarding the application of relevant care to mentally disabled individuals.

In late 1974, the report entitled "Where Does Public Mental Health Hurt? A Therapeutic Conversation" was released. It takes a reasoned approach to a large number of provocative issues and often unaddressed problems and may be useful in a reexamination of community mental health programs across the country. With the belief that this study has as much significance on a nationwide basis as in Allegheny County, the Foundation provided the funds to underwrite the publication and distribution of this report in the United States and Canada. \$5,500 was granted to St. John's General Hospital which performed the printing and dissemination services.

The Southwest Pittsburgh Mental Health/Mental Retardation Program is one of the eleven catchment areas under the Allegheny County Mental Health/Mental Retardation Program. The Southwest Pittsburgh program has five different facilities in the South Hills area including its central unit

located in Beechview. To reduce the rental burden of the five facilities and, correspondingly, to allow a greater amount of operating funds to be available for client services, the agency's Board decided to purchase its headquarters. The Trustees approved a grant of \$25,000 toward the purchase of this building.

### **Other Programs**

The Trustees approved contributions in 1975 to several social agencies to help them expand and improve their facilities. The largest of these approvals was a commitment to the Home for Crippled Children, a comprehensive rehabilitation facility providing day programs, residential, and outpatient treatment to children with physical, mental, emotional, or social disabilities. The current trend toward maintaining handicapped persons in their home communities has resulted in the doubling of the number of day program and outpatient visits to the Home in the past five years. It is expected that the number of children enrolled in these programs will double again by 1980. The need exists for an expanded outpatient and supportive services complex to help reduce the cost of health care and to allow those children capable of remaining in their own home environment to do so. The Foundation contributed \$500,000 toward the Home's \$2,500,000 facilities expansion project.

Another youth program receiving support from the Foundation was Three Rivers Youth, a private social agency providing observation, treatment, and training for adolescent boys and girls who require special help with emotional problems. Three Rivers Youth, as an alternative to institutionalization, operates five community-based residential group homes serving a total of 44 children who are unable to live at home and have had some problems with juvenile delinquency. The goal is to return the adolescents to a more stable life in the community, better prepared to cope with the environment.

The steady increase in the past several years in the number of delinquent youth held in detention, combined with the limited number of community-based homes such as Three Rivers', has resulted in many children waiting in crowded shelters and detention facilities. To enable Three Rivers to expand its residential treatment program for adolescents, the Foundation awarded a \$40,000 grant for the purchase and renovation of a sixth community group home.

Goodwill Industries, which has served the Pittsburgh area for more than fifty years, is a comprehensive rehabilitation agency providing job training and placement, sheltered employment workshops, and supportive services such as personal development programs, education, and counseling. Goodwill works with those who are trying to build new lives—the mentally retarded, emotionally disturbed, physically handicapped,

alcoholics, victims of drug addiction, or the hard core unemployed. Many programs and activities at Goodwill depend largely on usable donated items such as clothes, furniture, wares, and appliances. Goodwill clients repair these donated items in the workshops as part of their vocational training. The sale of the restored items by Goodwill provides funds to pay wages to these craftsmen. Not only does this operation provide wages for the Goodwill clients, but it also affords a source of tax income for local communities from people who heretofore had been tax burdens.

The increasing popularity of garage sales has substantially reduced the furniture donations from homes in Pittsburgh communities. A unique opportunity arose for Goodwill last summer when a major Pittsburgh bank moved into its new headquarters building and decided to sell all of its used furniture. To Goodwill, these 4,000 articles, in-



*Three Rivers Youth residential group homes provide family living experiences and the opportunity for community-based interaction.*

cluding desks, chairs, credenzas, and other items, meant enough inventory to provide employment and all the attendant benefits for clients in the furniture workshop for at least one year. Unfortunately, Goodwill's operating funds from customary sources are not permitted to be used for the purchase of

capital items and other funding had to be obtained. To enable Goodwill to capitalize on this opportunity, the Trustees of the Foundation approved a grant of \$75,000 for the acquisition.

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

The Allegheny County Society for Crippled Children and Adults, Inc. Pittsburgh, Pennsylvania <i>Purchase of printing presses</i> .....	\$ 50,000
Alpha House, Inc. Pittsburgh, Pennsylvania <i>Three-year support for Education Program</i> .....	90,000
First Presbyterian Church Pittsburgh, Pennsylvania <i>Improvements at First Church camp</i> .....	25,000
Goodwill Industries of Pittsburgh Pittsburgh, Pennsylvania <i>Purchase of used furniture and equipment</i> .....	75,000
Health and Welfare Planning Association of Allegheny County Pittsburgh, Pennsylvania <i>Establish community Health Education Center in Southwestern Pennsylvania</i> .....	180,000
Home for Crippled Children Pittsburgh, Pennsylvania <i>Expand outpatient and supportive services</i> .....	500,000
The Kingsley Association Pittsburgh, Pennsylvania <i>Reactivation of the Lillian Taylor Camp</i> .....	50,000
The National Achievement Clubs, Inc. Pittsburgh, Pennsylvania <i>Construct swimming pool at Camp Achievement</i> .....	20,000
Pennsylvania Association for Retarded Citizens, Allegheny County Chapter Pittsburgh, Pennsylvania <i>Improvement and expansion program</i> .....	100,000
Pennsylvania Association for Retarded Citizens Harrisburg, Pennsylvania <i>Establish a Council for Habilitation and Employment of Mentally Retarded Citizens</i> .....	180,000

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Pittsburgh Pastoral Institute Pittsburgh, Pennsylvania <i>Help underwrite projects in education, research, and development</i> . . . . .	\$ 15,000
St. John's General Hospital Pittsburgh, Pennsylvania <i>Publication of "Where Does Public Mental Health Hurt? A Therapeutic Conversation"</i> . . . . .	5,500
St. Peter's Child Development Centers, Inc. Pittsburgh, Pennsylvania <i>Renovate Oakland Center</i> . . . . .	25,000
Society of St. Vincent DePaul Pittsburgh, Pennsylvania <i>Purchase used high-lift</i> . . . . .	5,000
South Hills Child Guidance Center Pittsburgh, Pennsylvania <i>Support for Center for Children in Family Crisis</i> . . . . .	20,000
Southwest Pittsburgh Mental Health/Mental Retardation Program, Inc. Pittsburgh, Pennsylvania <i>Purchase of headquarters building</i> . . . . .	25,000
Three Rivers Youth Pittsburgh, Pennsylvania <i>Purchase of home for adolescent girls</i> . . . . .	40,000
United Way of Allegheny County Pittsburgh, Pennsylvania <i>Operating funds</i> . . . . .	230,000
Veterans Hospital Radio and Television Guild Pittsburgh, Pennsylvania <i>Establish a Pittsburgh office</i> . . . . .	30,000
Young Women's Christian Association of the U.S.A. New York, New York <i>Participation of local personnel in national executive development program</i> . . . . .	50,000
Youth Guidance, Inc. Pittsburgh, Pennsylvania <i>To improve and expand program of financial development</i> . . . . .	45,000
Zoar Home for Mothers, Babies, and Convalescents Allison Park, Pennsylvania <i>Renovation of facilities</i> . . . . .	25,000
	<u>\$1,785,500</u>

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# Cultural Program



*The Brandywine River Museum, a century-old grist mill, has been restored and turned into one of the most beautiful small museums in America.*

During 1975, four grants totaling \$370,000 were approved for cultural activities. One large award was approved for an art museum in eastern Pennsylvania and three smaller grants were made to Pittsburgh-based cultural organizations.

### **Exhibition Support**

The Brandywine River Museum of the Tri-County Conservancy of the Brandywine, Inc. was opened to the public in 1971 in an elegantly converted old gristmill located on the banks of the Brandywine River in Chadds Ford,

Pennsylvania, an area which has had a profound and continuing effect on the development of American art. The nationally recognized Brandywine school of art was established in this river valley in the early 1900's by Howard Pyle, and is perpetuated today by artists such as Andrew and James Wyeth. The Museum collects, documents, and displays examples of the "Brandywine Heritage," its goal being to make the works of internationally-known artists whose beginnings were in this region as widely known as possible to the general public and to

scholars. The Museum now attracts over 250,000 visitors a year. The Foundation made a \$250,000 grant in 1975 to help the Brandywine River Museum maintain exhibitions and programs of the highest quality while simultaneously broadening its base of community support.

For the last seventeen years, the Pittsburgh Plan for Art, a self-supporting organization, has provided local artists with a gallery in which they could be assured of periodic exhibits and the public with an opportunity to own original works of art through rental-purchase agreements. Numerous

large Pittsburgh corporations have also obtained works of art from the Plan.

The Pittsburgh Plan for Art has been so successful that it has outgrown its present facility. After careful study of possible sites, the Plan decided to purchase and renovate an abandoned bowling alley on South Craig Street in the Oakland area. The Foundation awarded a \$50,000 grant to the Plan to assist in this undertaking. It is the Trustees' opinion that the relocation to the Oakland cultural environment will provide both a natural setting for the Plan and an important service for the community.



*The Pittsburgh Plan for Art will convert an abandoned bowling alley into a gallery for exhibitions by local and visiting artists. The two-story facility more than doubles the display space available for the Plan's members.*

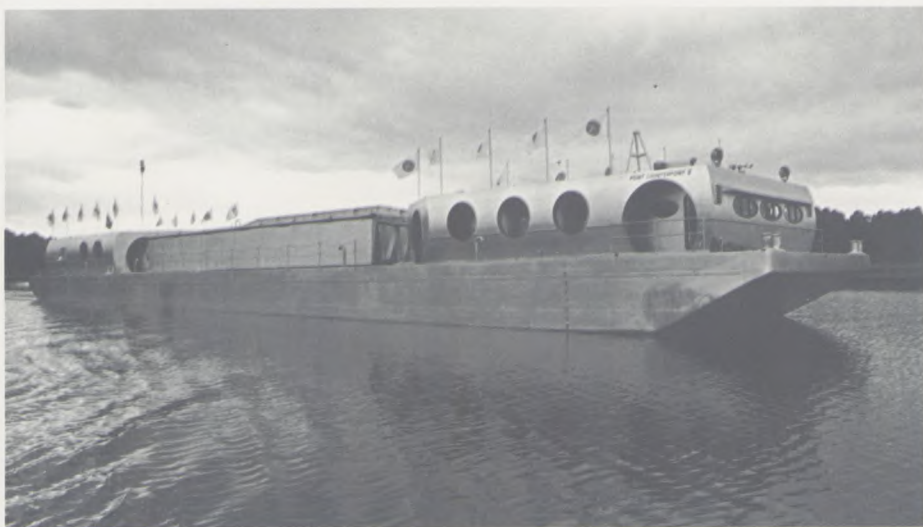
### Performing Arts

For nineteen years the American Wind Symphony Orchestra has provided symphony performances on a concert hall barge for the enjoyment of audiences along the banks of the Allegheny, Monongahela, Ohio, and Mississippi Rivers. To celebrate this Country's 200th birthday, the American Wind Symphony Orchestra plans a Bicentennial Odyssey on the coastal and inland waterways of the United States with stops in seventy-six cities in twenty states and Canada.

For this six-month tour, a self-propelled barge designed to be a floating center for the arts has been built. It includes two theaters, an art gallery, a crafts exhibit, and a stage for the orchestra. At the conclusion of the tour,

the barge will be based in Pittsburgh and will be used by the American Wind Symphony Orchestra and other performing arts groups. In cooperation with other Pittsburgh foundations, corporations, and the Commonwealth of Pennsylvania, the Richard King Mellon Foundation approved a grant of \$10,000 toward the design, construction, and equipping of the Bicentennial Odyssey Barge.

Although the Foundation usually does not support the operating budgets of performing arts groups, Pittsburgh Ballet Theater was awarded such a grant in 1975. The Pittsburgh Ballet Theater, which conducted its first full season in 1970, was founded as an independent organization to develop area talent and to fill the need for pro-



*Point Counterpoint II, the American Wind Symphony's new floating center for the arts, will stop at 76 cities along the coastal and inland waterways of the United States and Canada during its Bicentennial Odyssey.*



fessional dance arts in Western Pennsylvania. In the past five years, the Pittsburgh Ballet Theater has given 80 performances to audiences totaling 200,000, has conducted lecture demonstrations in Pittsburgh area schools, and has provided free public performances for handicapped and underprivileged citizens of Western Pennsylvania. The Ballet has performed on tour in and outside of the United States. Recognizing that the economic

structure of most performing arts groups makes it impossible to survive without public support, and acknowledging that the Pittsburgh Ballet Theater has developed as one of the national ballet theaters and has received serious critical acclaim, the Trustees approved a grant of \$60,000 to be paid \$20,000 per year for the next three years.

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

American Wind Symphony Orchestra Pittsburgh, Pennsylvania <i>Support for construction of the Bicentennial Odyssey Barge</i> .....	\$ 10,000
Pittsburgh Ballet Theater, Inc. Pittsburgh, Pennsylvania <i>Operating funds</i> .....	60,000
Pittsburgh Plan for Art Pittsburgh, Pennsylvania <i>Purchase and renovation of headquarters</i> .....	50,000
Tri-County Conservancy of the Brandywine, Inc. Chadds Ford, Pennsylvania <i>For support of Brandywine River Museum</i> .....	250,000
	\$370,000

Richard King Mellon  
Foundation

# Civic Affairs and Conservation

The Trustees awarded grants in this category amounting to \$283,000, or 3% of the total 1975 approvals. The relatively minor amount of funds committed to this category, especially conservation, does not reflect a diminution of the Trustees' interest in these matters, but a temporary expansion of opportunities in other areas. The grants of more significant size were awarded for programs emphasizing community development and public affairs.

## Community Development

The Allegheny Conference on Community Development, a non-profit, non-partisan, privately financed civic agency, received a \$125,000 grant from the Foundation. The funds will be used to underwrite the professional studies, reviews, and surveys which the Conference, working closely with city and county officials and various civic agencies, is initiating to prepare a prospectus for the development of downtown Pittsburgh, on both a short-



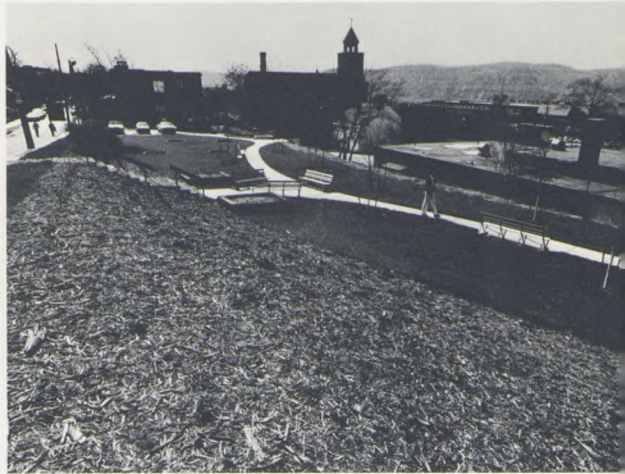
*The Allegheny Conference on Community Development has long been recognized as the catalyst of the physical renewal and growth of Pittsburgh. Its primary objective is to spark improvement by working with agencies, public and private, which share responsibility for community development in southwestern Pennsylvania.*

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and long-term basis. The Conference believes there is an urgent need to formulate a series of concepts emphasizing the qualities of good design and urban living supported by firm proposals for definitive actions. The goals of the prospectus are: (1) a coherent development program for the downtown, (2) specialized movement systems (transit and pedestrian) within the downtown and with the immediately adjacent areas, and (3) the jointure of Pittsburgh's two major centers of activity—the downtown and Oakland—by a rapid transit system and appropriate land-use changes.

The Conference has cooperated with other private and public agencies throughout the early phases of these studies. As the efforts continue and as the studies are completed, the Conference will work closely with departments of city and county government and other civic agencies to support and assist with the implementation of the prospectus.

The Pittsburgh Garden Center has for some time been interested in establishing parklets in the poorer areas of Pittsburgh. Concerned with improving the quality of life in Hazelwood and with bringing the neighbors together through a community project, the Garden Center proposed that a large parking and trash disposal area behind the Hazelwood YMCA building be converted into a recreational parklet for older people. Not only did this plan beautify the area and provide a gathering place for neighborly visits, it also provided the Hazelwood area residents with a community project which saw neighbors of all ages working together. The Foundation awarded \$9,500 for this project.



*The Pittsburgh Garden Club and the residents of Hazelwood converted a trash discard area into a serene parklet where the community's older citizens can gather for recreation and neighborly visits.*

### **Public Affairs**

In these times of constantly changing international environments and world diplomacies, the modern citizen needs to know more about America's relationship with the rest of the world and must be aware of the many different ideas and points of view that motivate other people around the world. Helping Pittsburghers of all ages to understand more about world affairs is the objective of the World Affairs Council of Pittsburgh.

In recent years the Council has been devoting more of its efforts to the secondary school teachers and students. The Council's Education Program continues to be an important vehicle for implementing the study of and strengthening the teaching of international affairs in community high

schools. Teachers welcome expertise and sophistication in this field. The Council furnishes speakers for classes and conducts in-service training workshops to demonstrate how international affairs can be taught more effectively. The Council exposes high school students to foreign affairs experts through regional seminars, two-day World Affairs Institutes, and special programs conducted at individual high schools. In the past three years a total of 225 educational programs were presented to approximately 40,000 students in Western Pennsylvania.

The Council also serves 45 colleges and universities in the Western Pennsylvania area by providing special seminars on foreign policy topics. Currently, over 500 professors and teachers participate in programs which introduce them to distinguished guests of the World Affairs Council. To support the expansion of the Council's Education Program over the next three years, the Trustees approved a grant of \$90,000.

The Pennsylvania Economy League is a non-profit, non-partisan governmental research organization. Over the years the Western Division of the League has served, on request, various governmental bodies including counties, cities, boroughs, townships, and school districts in eleven western counties of Pennsylvania. The League is available to help promote sound fiscal policies in government, advise on the most economical and efficient methods of conducting government, promote modern methods of public administration and organization, and keep public officials, administrators, and citizens up-to-date on current developments and changes in the advancement of public administration.

The objectives of the League's Western Division fall into four major categories, as follows:

1. to improve capability of local public bodies to deliver governmental services efficiently and effectively

2. to encourage local public officials to adopt sound fiscal policies and assist them in putting these policies into practice
3. to assist sponsors with governmental and non-governmental community problems
4. to improve efficiency and effectiveness of the League's Western Division operations

The Trustees continued their twenty-eight year support of the Economy League with a grant of \$11,000 for 1975 operating funds.

### **Conservation**

In 1974, the Foundation funded a land-use study of the Laurel Ridge of the Allegheny Mountains conducted jointly by a unit of the Western Pennsylvania Conservancy and graduate students of the University of Pennsylvania. The study concentrated on Laurel Hill, a 326 square mile rural region in the heart of Western Pennsylvania's Laurel Highlands area. The report, entitled "The Laurel Hill Study," was released in May, 1975, and describes the natural and social environments of the Laurel Hill. The conclusion of the report is that Laurel Hill is an identifiable and environmentally significant region which is in jeopardy from thoughtless overdevelopment. The Western Pennsylvania Conservancy recommended establishment of a regional organization that would strive to protect the sensitive natural and cultural values of the region while promoting needed ecologically compatible developments.

In response to "The Laurel Hill Study," the Foundation awarded a \$20,000 grant to the Western Pennsylvania Conservancy toward the establishment of the Laurel Highlands Conservation and Development Project. The objectives of the Project are fourfold: (1) to disseminate "The Laurel Hill Study" and its findings, (2) to stimulate a dialogue on regional land-use issues, (3) to assist citizens, landowners, organizations, and

government units in protecting important regional values, and (4) to promote the formation of a broader-based regional group dedicated to conservation and wise development of unique resources of the entire Laurel Highlands.

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

**Civic Affairs**

Allegheny Conference on Community Development Pittsburgh, Pennsylvania	
<i>Prepare development prospectus</i> .....	\$125,000
<i>Operating support</i> .....	15,000
<i>Support of regional conference</i> .....	2,500
 Pennsylvania Economy League, Inc. Western Division Pittsburgh, Pennsylvania	
<i>Annual support</i> .....	11,000
 Pilgrim Society Plymouth, Massachusetts	
<i>Toward funding of Bicentennial exhibition</i> .....	10,000
 The Pittsburgh Garden Center Pittsburgh, Pennsylvania	
<i>Support development of recreation parklet</i> .....	9,500
 World Affairs Council of Pittsburgh Pittsburgh, Pennsylvania	
<i>Continuation and expansion of Education Program</i> .....	90,000
 <b>Conservation</b>	
Western Pennsylvania Conservancy Pittsburgh, Pennsylvania	
<i>Support of Laurel Highlands Conservation and Development Project</i> .....	20,000
	<u>\$283,000</u>

# Appropriations and Grants Paid

## Richard King Mellon Foundation

	Unpaid at 12/31/74	1975		Unpaid at 12/31/75
		Approved	Paid	
A Better Chance Inc. of Pittsburgh Pittsburgh, Pa. ....		\$ 54,000	\$ 27,000	\$ 27,000
Allegheny Conference on Community Development Pittsburgh, Pa. ....	\$ 90,000	142,500	172,500	60,000
Allegheny County Association for Children with Learning Disabilities, Inc. Pittsburgh, Pa. ....		25,000	25,000	
The Allegheny County Society for Crippled Children and Adults Pittsburgh, Pa. ....		50,000	50,000	
Alpha House, Inc. Pittsburgh, Pa. ....		90,000	30,000	60,000
American Field Service, Inc. New York, N.Y. ....		74,000	74,000	
American Wind Symphony Orchestra Pittsburgh, Pa. ....		10,000	10,000	
Brookings Institution Washington, D.C. ....	100,000		100,000	
Carnegie Institute Pittsburgh, Pa. Museum of Natural History . . . . "The First Stage" . . . . .	9,500,000 20,000		3,500,000 20,000	6,000,000
Carnegie-Mellon University Pittsburgh, Pa. ....		1,500,000	1,500,000	
Chatham College Pittsburgh, Pa. ....		250,000	250,000	
Children's Hospital of Pittsburgh, Pittsburgh Poison Center Pittsburgh, Pa. ....	183,000		183,000	
Cornell University Ithaca, New York . . . . .		150,000	50,000	100,000
Dartmouth College Hanover, New Hampshire . . . . .		450,000	450,000	
Duke University Durham, North Carolina . . . . .		100,000	100,000	
First Presbyterian Church Pittsburgh, Pa. ....		25,000	25,000	
Goodwill Industries of Pittsburgh Pittsburgh, Pa. ....		75,000	75,000	
Haverford and Bryn Mawr Colleges Haverford, Pa. ....	100,000		62,500	37,500
Health and Welfare Planning Association of Allegheny County Pittsburgh, Pa. ....		180,000	60,000	120,000

	Unpaid at 12/31/74	1975		Unpaid at 12/31/75
		Approved	Paid	
Home for Crippled Children Pittsburgh, Pa. ....		\$ 500,000	\$ 500,000	
Johns Hopkins University Baltimore, Maryland .....		250,000	250,000	
The Kingsley Association Pittsburgh, Pa. ....		50,000	50,000	
Latrobe Area Hospital Latrobe, Pa. ....	\$ 115,000		80,000	\$ 35,000
Muhlenberg and Cedar Crest Colleges Allentown, Pa. ....	50,000		50,000	
National Academy of Sciences Institute of Medicine Washington, D.C. ....		300,000	300,000	
The National Achievement Clubs, Inc. Pittsburgh, Pa. ....		20,000	20,000	
National Audubon Society New York, N.Y. ....	160,645		160,645	
National Juvenile Court Foundation, Inc. Reno, Nevada .....	100,000		100,000	
National Merit Scholarship Corporation Evanston, Illinois .....	172,530		78,980	93,550
Optacon Program: Allegheny Intermediate Unit Pittsburgh, Pa. ....	14,000		14,000	
American Foundation for the Blind, Inc. New York, N.Y. ....	14,000		7,000	7,000
Greater Pittsburgh Guild for the Blind Bridgeville, Pa. .... *Rescinded	14,000	(14,000)*		
Pittsburgh Public Schools Pittsburgh, Pa. ....	17,500	35	17,535	
Vocational Rehabilitation Center of Allegheny County Pittsburgh, Pa. .... *Rescinded	14,000	(14,000)*		
Western Pennsylvania School for Blind Children Pittsburgh, Pa. .... *Rescinded	24,500	(655)*	23,845	
Unappropriated .....	2,080	(2,045)*		
*Rescinded		(35)†		
†Participant Appropriation				
Penn's Southwest Association Pittsburgh, Pa. ....	150,000		150,000	
Pennsylvania Association for Retarded Citizens, Allegheny County Chapter Pittsburgh, Pa. ....		100,000	100,000	
Pennsylvania Association for Retarded Citizens Harrisburg, Pa. ....		180,000	180,000	

**Appropriations and Grants Paid**

	Unpaid at 12/31/74	1975		Unpaid at 12/31/75
		Approved	Paid	
Pennsylvania Economy League, Inc. Western Division Pittsburgh, Pa. ....		\$ 11,000	\$ 11,000	
The Pennsylvania State University University Park, Pa. ....	\$ 20,000		20,000	
Pilgrim Society Plymouth, Massachusetts ....		10,000	10,000	
Pittsburgh Ballet Theatre, Inc. Pittsburgh, Pa. ....		60,000	20,000	\$ 40,000
Pittsburgh Free Clinic Pittsburgh, Pa. ....	25,000		25,000	
The Pittsburgh Garden Center Pittsburgh, Pa. ....		9,500	9,500	
Pittsburgh Pastoral Institute Pittsburgh, Pa. ....		15,000	15,000	
Pittsburgh Plan for Art Pittsburgh, Pa. ....		50,000	50,000	
Pittsburgh Public Schools Pittsburgh, Pa. ....		193,600	96,800	96,800
*Refund of unspent portion of prior year's grant ....		(3,132)	(3,132)*	
Pittsburgh Symphony Society Pittsburgh, Pa. ....	100,000		50,000	50,000
Princeton University Princeton, New Jersey ....		150,000	150,000	
Reading is FUNdamental c/o Chatham College Pittsburgh, Pa. ....	50,000		50,000	
St. Clair Memorial Hospital Pittsburgh, Pa. ....		100,000	100,000	
St. John's General Hospital Pittsburgh, Pa. ....		5,500	5,500	
St. Peter's Child Development Centers, Inc. Pittsburgh, Pa. ....		25,000	25,000	
Sewickley Valley Hospital Sewickley, Pa. ....		100,000	100,000	
Sloan-Kettering Institute for Cancer Research New York, N.Y. ....		40,000	40,000	
Smithsonian Institution, Woodrow Wilson International Center for Scholars Washington, D.C. ....		50,000	50,000	
Society of St. Vincent DePaul Pittsburgh, Pa. ....		5,000	5,000	
South Hills Child Guidance Center Pittsburgh, Pa. ....		20,000	20,000	
Southwest Pittsburgh Mental Health/ Mental Retardation Program, Inc. Pittsburgh, Pa. ....		25,000	25,000	



**Richard King Mellon Foundation**

	Unpaid at 12/31/74	1975		Unpaid at 12/31/75
		Approved	Paid	
Stanford University Palo Alto, California .....	\$ 150,000		\$ 150,000	
Student Conservation Association, Inc. Vashon, Washington .....	50,000		25,000	\$ 25,000
Three Rivers Youth Pittsburgh, Pa. ....		\$ 40,000	40,000	
Tri-County Conservancy of the Brandywine, Inc. Chadds Ford, Pa. ....		250,000	250,000	
Tufts University Fletcher School of Law and Diplomacy Medford, Mass. ....	72,000		36,000	36,000
United Negro College Fund, Inc. New York, N.Y. ....		25,000	25,000	
United Way of Allegheny County Pittsburgh, Pa. ....		230,000	230,000	
University Health Center of Pittsburgh, Inc. Pittsburgh, Pa.				
University Health Center .....		1,000,000	400,000	600,000
Eye and Ear Hospital .....	1,236,000		318,000	918,000
Western Psychiatric Institute and Clinic .....		180,000	180,000	
Children's Hospital of Pittsburgh, Parental Stress Center .....		150,000	50,000	100,000
University of Pittsburgh Pittsburgh, Pa.				
Chancellor's Office .....		500,000	500,000	
School of Medicine .....		28,000	28,000	
Urban League of Pittsburgh, Inc. Pittsburgh, Pa. ....	25,000		25,000	
Valley School of Ligonier Ligonier, Pa. ....		100,000	100,000	
Veterans Hospital Radio & Television Guild Pittsburgh, Pa. ....		30,000	15,000	15,000
Western Pennsylvania Conservancy Pittsburgh, Pa. ....		20,000	20,000	
The Wildlife Society, Inc. Washington, D.C. ....		10,000	10,000	
World Affairs Council of Pittsburgh Pittsburgh, Pa. ....		90,000	90,000	
Young Women's Christian Association of the U.S.A. New York, N.Y. ....		50,000	50,000	
Youth Guidance, Inc. Pittsburgh, Pa. ....		45,000	45,000	
Zoar Home for Mothers, Babies and Convalescents Allison Park, Pa. ....		25,000	25,000	
Totals .....	<u>\$12,569,255</u>	<u>\$8,184,268</u>	<u>\$12,332,673</u>	<u>\$8,420,850</u>

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# Statement of Net Assets

December 31, 1975

Richard King Mellon Foundation

Cash and receivables .....		\$	448,119
Investments, at market quotations:			
Stocks and other equity securities .....	\$185,937,155		
Temporary investments .....	27,687,420		
Long-term debt instruments .....	10,887,792		
Other investments and deposits .....	<u>220,466</u>		224,732,833
Program-related investments, at cost:			
Capital Stock of Columbia Corporation .....	5,513,727		
Capital Stock of Paramount Development, Inc. ....	648,200		
Pittsburgh Historical Collection .....	<u>22,631</u>		<u>6,184,558</u>
Total assets .....			231,365,510
Less amounts reserved for:			
Grants approved but not paid .....	8,420,850		
Refund due Estate of Richard K. Mellon .....	467,124		
Federal excise tax .....	<u>449,682</u>		<u>9,337,656</u>
Net assets .....			<u>\$222,027,854</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, 1975	Cumulative from Inception on November 14, 1947 to December 31, 1975
Contributions received .....	\$1,419,430	\$132,220,985
Refund due Estate of Richard K. Mellon .....	(467,124)	(467,124)
Realized gain from disposition of investments .....	6,487,719	28,482,657
Unrealized appreciation on investments, at market quotations .....	<u>562,102</u>	<u>86,806,717</u>
	8,002,127	247,043,235
Investment income .....	<u>\$ 8,004,441</u>	<u>\$83,951,644</u>
Less:		
Administrative and investment expenses .....	872,835	7,861,671
Federal excise tax .....	<u>449,682</u>	<u>1,709,775</u>
	1,322,517	9,571,446
Net income .....	6,681,924	74,380,198
Grants paid .....	<u>12,332,673</u>	<u>90,974,729</u>
Grants paid in excess of net income .....	<u>(5,650,749)</u>	<u>(16,594,531)</u>
Increase in fund .....	<u>\$2,351,378</u>	230,448,704
Less amount reserved for grants approved but not paid.		<u>8,420,850</u>
Net assets, December 31, 1975 .....		<u>\$222,027,854</u>

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

# Investments

December 31, 1975

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1975
<b>STOCKS AND OTHER EQUITY SECURITIES</b>			
<i>Airlines and air freight</i>			
5,700	Emery Air Freight Corp. ....	\$ 283,179	\$ 266,475
		<u>283,179</u>	<u>266,475</u>
<i>Amusement</i>			
11,704	Walt Disney Productions .....	869,466	583,737
		<u>869,466</u>	<u>583,737</u>
<i>Apparel and textiles</i>			
6,150	Simplicity Pattern Co., Inc. ....	295,839	97,631
		<u>295,839</u>	<u>97,631</u>
<i>Banking</i>			
20,000	Citicorp .....	644,581	590,000
6,000	First International Bancshares, Inc. ....	345,216	222,000
1,950	J. P. Morgan & Co., Inc. ....	121,932	104,325
6,800	NCNB Corp. ....	201,312	66,300
19,000	Northwest Bancorporation .....	741,785	826,500
15,000	Virginia National Bankshares, Inc. ....	419,738	221,250
8,000	Wachovia Corp. ....	289,427	145,000
		<u>2,763,991</u>	<u>2,175,375</u>
<i>Brewing and distilling</i>			
11,150	Anheuser-Busch Inc. ....	448,237	376,313
		<u>448,237</u>	<u>376,313</u>
<i>Building materials</i>			
23,516	Georgia-Pacific Corp. ....	953,317	990,611
3,100	Weyerhaeuser Co. ....	97,354	115,088
		<u>1,050,671</u>	<u>1,105,699</u>
<i>Chemical</i>			
10,484	Air Products & Chemicals, Inc. ....	516,912	723,396
4,000	Dow Chemical Co. ....	321,794	366,500
6,666	International Minerals & Chemical Corp. ....	242,267	249,975
6,500	National Chemsearch Corp. ....	312,768	221,000
7,000	National Starch & Chemical Corp. ....	341,451	311,500
		<u>1,735,192</u>	<u>1,872,371</u>
<i>Coal</i>			
2,000	Utah International, Inc. ....	89,951	94,000
		<u>89,951</u>	<u>94,000</u>
<i>Construction and material handling</i>			
7,000	Caterpillar Tractor Co. ....	356,225	488,250
		<u>356,225</u>	<u>488,250</u>
<i>Containers</i>			
14,724	Pittway Corp. ....	343,165	480,371
		<u>343,165</u>	<u>480,371</u>

**Richard King Mellon Foundation**

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1975
<i>Cosmetic and household products</i>			
13,500	Avon Products, Inc. ....	\$ 1,417,618	\$ 470,813
2,500	Chesebrough-Pond's Inc. ....	197,000	149,687
25,200	Colgate-Palmolive Co. ....	763,185	724,500
5,000	Economics Laboratory, Inc. ....	179,286	125,000
12,340	International Flavors & Fragrances, Inc. ....	369,056	296,160
4,000	Procter & Gamble Co. ....	400,516	356,000
6,400	Revlon, Inc. ....	451,122	481,600
2,000	Tampax, Inc. ....	142,258	75,000
		<u>3,920,041</u>	<u>2,678,760</u>
<i>Drug</i>			
7,000	American Home Products Corp. ....	200,148	233,625
10,200	Eli Lilly & Co., Inc. ....	658,582	527,850
12,950	Merck & Co., Inc. ....	1,037,655	896,788
9,900	Schering-Plough, Inc. ....	668,739	520,987
10,000	Syntex Corp. ....	370,154	301,250
4,000	Warner-Lambert Co. ....	160,076	145,500
		<u>3,095,354</u>	<u>2,626,000</u>
<i>Electrical equipment</i>			
17,000	Emerson Electric Co. ....	602,411	584,375
21,000	General Electric Co. ....	1,409,745	968,625
1,000	Raychem Corp. ....	188,313	187,000
		<u>2,200,469</u>	<u>1,740,000</u>
<i>Electronics</i>			
23,500	AMP, Inc. ....	825,000	622,750
1,200	Hewlett-Packard Co. ....	84,865	113,400
10,200	Motorola, Inc. ....	572,248	420,750
32,000	Sony Corp. ....	367,063	292,000
1,700	Texas Instruments, Inc. ....	155,161	161,075
		<u>2,004,337</u>	<u>1,609,975</u>
<i>Finance</i>			
16,000	Golden West Financial Corp. ....	220,685	184,000
		<u>220,685</u>	<u>184,000</u>
<i>Food products</i>			
20,000	Beatrice Foods Co. ....	473,863	470,000
4,000	Carnation Co. ....	248,585	273,000
13,450	Coca-Cola Co. ....	1,489,781	1,106,263
2,150	DeKalb AgResearch, Inc. ....	75,506	79,012
10,000	Kraftco Corp. ....	458,726	425,000
21,537	Norton Simon, Inc. ....	591,670	479,205
2,300	PepsiCo., Inc. ....	166,972	161,000
18,500	Ralston Purina Co. ....	656,831	876,437
10,000	Standard Brands, Inc. ....	265,264	362,500
		<u>4,427,198</u>	<u>4,232,417</u>
<i>Hospital supply</i>			
7,400	American Hospital Supply Corp. ....	261,144	219,225
6,500	C. R. Bard, Inc. ....	169,820	89,375
4,500	Becton, Dickinson & Co. ....	153,989	175,500
10,500	Johnson & Johnson ....	1,190,989	942,375
2,700	Medtronics, Inc. ....	94,033	70,200
		<u>1,869,975</u>	<u>1,496,675</u>

## Investments, continued

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1975
<i>Industrial machinery and materials</i>			
9,800	Black & Decker Manufacturing Co. ....	\$ 307,466	\$ 227,850
		<u>307,466</u>	<u>227,850</u>
<i>Insurance</i>			
16,500	American Express Co. ....	588,858	606,375
20,000	Capital Holding Corp. ....	593,610	422,500
10,000	Colonial Penn Group, Inc. ....	457,642	286,250
11,500	Connecticut General Insurance Corp. ....	593,374	514,625
567,450	General Reinsurance Corp. ....	3,923,155	86,819,850
10,000	Liberty National Life Insurance Co. ....	350,020	220,000
6,000	Marsh & McLennan Companies, Inc. ....	289,600	349,500
6,500	Monumental Corp. ....	143,072	56,875
16,000	N.L.T. Corp. ....	421,725	258,000
20,000	Southwestern Life Corp. ....	813,483	470,000
		<u>8,174,539</u>	<u>90,003,975</u>
<i>Merchandising</i>			
10,000	Carter Hawley Hale Stores, Inc. ....	230,427	250,000
13,000	Federated Department Stores, Inc. ....	486,784	685,750
5,900	Jack Eckerd Corp. ....	128,130	147,500
29,000	S. S. Kresge Co. ....	878,069	971,500
8,000	Melville Shoe Corp. ....	180,159	144,000
6,000	Mervyn's ....	207,016	207,000
6,000	Safeway Stores, Inc. ....	298,632	271,500
10,500	Sears, Roebuck & Co. ....	230,374	677,250
		<u>2,639,591</u>	<u>3,354,500</u>
<i>Non-ferrous metals and mining</i>			
251,218	Aluminum Company of America ....	9,521,247	9,703,295
10,200	Amax, Inc. ....	465,211	481,950
6,000	Cleveland-Cliffs Iron Co. ....	255,769	281,250
28,000	Hanna Mining Co. ....	1,474,854	1,253,000
		<u>11,717,081</u>	<u>11,719,495</u>
<i>Office equipment and photocopy</i>			
29,100	Bradford Computer & Systems, Inc. ....	1,036,651	229,163
11,100	Burroughs Corp. ....	1,226,030	929,625
10,000	Data General Corp. ....	370,272	373,750
3,150	Digital Equipment Corp. ....	258,219	431,156
18,225	International Business Machines Corp. ....	2,626,084	4,086,956
9,700	Minnesota Mining & Mfg. Co. ....	593,853	538,350
5,000	Moore Corp., Ltd. ....	238,616	233,750
20,000	Rank Organisation Ltd. ....	187,514	60,000
4,500	Xerox Corp. ....	492,922	228,937
		<u>7,030,161</u>	<u>7,111,687</u>
<i>Oil and gas</i>			
3,000	Atlantic Richfield Co. ....	313,030	271,125
1,600	Exxon Corp. ....	146,458	142,000
1,500	Getty Oil Co. ....	168,730	244,500
1,985,268	Gulf Oil Corp. ....	32,132,009	40,697,994
4,000	Kerr-McGee Corp. ....	242,608	281,000
1,500	Ocean Drilling & Exploration ....	60,378	40,500
8,500	Phillips Petroleum Co. ....	415,955	461,125
20,000	Texaco, Inc. ....	751,244	467,500
		<u>34,230,412</u>	<u>42,605,744</u>

**Richard King Mellon Foundation**

Number of Shares		Amount at	
		Book Value	Market Quotations at December 31, 1975
	<i>Oil and gas servicing</i>		
1,000	Baker Oil Tools, Inc. ....	\$ 48,124	\$ 48,875
1,100	Halliburton Co. ....	172,627	160,875
15,000	Helmerich & Payne, Inc. ....	534,090	448,125
5,250	Schlumberger, N. V. ....	381,495	399,000
		<u>1,136,336</u>	<u>1,056,875</u>
	<i>Paper</i>		
5,600	International Paper Co. ....	289,011	323,400
10,000	Kimberly-Clark Corp. ....	410,515	367,500
3,500	Union Camp Corp. ....	243,093	250,250
		<u>942,619</u>	<u>941,150</u>
	<i>Photographic</i>		
19,800	Eastman Kodak Co. ....	2,290,054	2,101,275
		<u>2,290,054</u>	<u>2,101,275</u>
	<i>Public utility-gas</i>		
6,000	Houston Natural Gas Corp. ....	226,517	292,500
		<u>226,517</u>	<u>292,500</u>
	<i>Public utility-telephone, etc.</i>		
11,000	American Telephone & Telegraph Co. ....	561,561	559,625
4,000	General Telephone & Electronics Corp. ....	117,088	101,500
		<u>678,649</u>	<u>661,125</u>
	<i>Publishing and printing</i>		
4,400	Deluxe Check Printers, Inc. ....	133,258	113,300
13,000	Gannett Co., Inc. ....	488,437	435,500
5,000	Time, Inc. ....	276,020	313,750
20,000	Times-Mirror Co. ....	330,500	370,000
		<u>1,228,215</u>	<u>1,232,550</u>
	<i>Restaurants and lodgings</i>		
6,200	Holiday Inns Inc. ....	137,186	89,125
8,405	Marriott Corp. ....	171,825	137,632
15,000	McDonald's Corp. ....	834,839	875,625
		<u>1,143,850</u>	<u>1,102,382</u>
	<i>Steel</i>		
6,000	Inland Steel Co. ....	242,969	244,500
		<u>242,969</u>	<u>244,500</u>
	<i>Tobacco</i>		
10,000	Phillip Morris, Inc. ....	590,229	530,000
		<u>590,229</u>	<u>530,000</u>
	<i>Trucking</i>		
4,000	Roadway Express, Inc. ....	130,871	169,000
		<u>130,871</u>	<u>169,000</u>
	<i>Other industries</i>		
18,587	Rowe Price New Era Fund, Inc. ....	199,996	184,755
43,505	Rowe Price New Horizons Fund, Inc. ....	404,467	289,743
		<u>604,463</u>	<u>474,498</u>
	<b>TOTAL STOCKS AND OTHER EQUITY SECURITIES</b> .....	<u>99,287,997</u>	<u>185,937,155</u>

# Investments, continued

Face Amount	Amount at	
	Book Value	Market Quotations at December 31, 1975
<b>TEMPORARY INVESTMENTS</b>		
<i>Certificates of deposit</i>		
Mellon Bank N.A.		
\$4,300,000	6.00%, due February 9, 1976	\$ 4,300,000 \$ 4,300,000
4,000,000	6.75%, due June 15, 1976	4,000,000 4,000,000
3,500,000	5.875%, due January 15, 1976	3,500,000 3,500,000
2,000,000	7.25%, due November 4, 1976	2,000,000 2,000,000
1,000,000	5.375%, due January 15, 1976	1,000,000 1,000,000
800,000	5.875%, due February 24, 1976	800,000 800,000
350,000	6.00%, due February 10, 1976	350,000 350,000
300,000	5.875%, due March 15, 1976	300,000 300,000
	<b>Total certificates of deposit</b>	<b>16,250,000 16,250,000</b>
<i>Demand notes</i>		
363,000	CIT Financial Corp. 5.787% Commercial Credit Co.	363,000 363,000
868,000	5.92%	868,000 868,000
354,000	6.045%	354,000 354,000
418,000	E. I. duPont Co. 5.787%	418,000 418,000
443,000	Ford Motor Credit Co. 5.92%	443,000 443,000
23,000	General Electric Credit Corp. 5.92%	23,000 23,000
137,000	General Electric Co. 5.92%	137,000 137,000
5,233,000	General Motors Acceptance Corp. 5.92%	5,233,000 5,233,000
179,000	RCA Corp. 5.92%	179,000 179,000
179,000	U. S. Steel Corp. 5.92%	179,000 179,000
	<b>Total demand notes</b>	<b>8,197,000 8,197,000</b>
<i>Discount and interest-bearing notes</i>		
550,000	Farm Credit Banks Discount Notes 5.099%, due January 9, 1976	549,143 549,143
160,000	General Motors Acceptance Corp. Discount Notes 5.374%, due January 6, 1976	159,641 159,641
475,000	5.003%, due January 5, 1976	475,000 475,000
1,000,000	5.135%, due January 15, 1976	1,000,000 1,000,000
775,000	Mountain States Tel. & Tel. Co. Discount Notes 5.249%, due January 14, 1976	773,305 773,305
	<b>Total discount and interest-bearing notes</b>	<b>2,957,089 2,957,089</b>
<i>Other</i>		
200,000	U. S. Treasury Bills 5.407%, due February 19, 1976	197,387 198,725
50,000	5.09%, due February 5, 1976	49,357 49,780
20,000	4.625%, due March 4, 1976	19,761 19,833
15,000	6.104%, due January 8, 1976	14,763 14,993
	<b>Total other</b>	<b>281,268 283,331</b>
	<b>TOTAL TEMPORARY INVESTMENTS</b>	<b>27,685,357 27,687,420</b>



**Richard King Mellon Foundation**

Face Amount	Amount at	
	Book Value	Market Quotations at December 31, 1975
<b>LONG-TERM DEBT INSTRUMENTS</b>		
<i>U. S. Treasury and Government agencies</i>		
Federal Home Loan Banks Consolidated Bonds		
\$ 500,000	7.80%, due January 20, 1982	\$ 491,250 \$ 496,250
500,000	8.10%, due November 25, 1985	500,003 505,625
100,000	9.375%, due February 27, 1978	100,000 104,000
100,000	8.65%, due May 25, 1979	100,000 102,875
Federal National Mortgage Association Debentures		
500,000	8.00%, due December 12, 1983	501,250 500,000
500,000	8.20%, due July 10, 1984	497,503 505,000
250,000	7.65%, due March 11, 1985	239,768 243,750
500,000	U. S. Treasury Bonds 8.25%, due May 15, 1990	505,937 514,375
500,000	U. S. Treasury Notes 7.875%, due November 18, 1982	500,938 504,531
	Total U. S. Treasury and Government agencies	<u>3,436,649</u> <u>3,476,406</u>
<i>Corporate obligations</i>		
1,250,000	Atlantic Richfield Pipeline Company Notes 8.70%, due November 1, 1981	1,245,332 1,295,313
1,250,000	CIT Financial Corp. Debentures 8.85%, due December 1, 1982	1,246,894 1,275,000
1,500,000	Ford Motor Credit Co. Notes 9.00%, due June 16, 1980	1,500,036 1,508,040
1,500,000	9.00%, due December 15, 1980	1,500,037 1,514,715
1,500,000	9.00%, due June 15, 1981	1,500,036 1,506,255
	Total corporate obligations	<u>6,992,335</u> <u>7,099,323</u>
<i>International institution</i>		
300,000	International Bank for Reconstruction and Development 8.85%, due December 15, 1985	303,022 312,063
	Total international institution	<u>303,022</u> <u>312,063</u>
	<b>TOTAL LONG-TERM DEBT INSTRUMENTS</b>	<u>10,732,006</u> <u>10,887,792</u>
<b>OTHER INVESTMENTS AND DEPOSITS</b>		
82,500	Fractional interests in surface and minerals in properties located in Maryland and West Virginia	113,256 112,966
82,500	Limited Partnership in New York Plaza Associates, Plaza II	82,500 82,500
25,000	Dwelling House Building and Loan Association, 5.25% Savings Account	25,000 25,000
	<b>TOTAL OTHER INVESTMENTS AND DEPOSITS</b>	<u>220,756</u> <u>220,466</u>
	<b>TOTAL INVESTMENTS</b>	<u>\$137,926,116</u> <u>\$224,732,833</u>

**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, 1975 the Foundation received at the Foundation's book value \$77,210,903 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. Through December 31, 1975 the Foundation had refunded \$240,000 pursuant to a request of the Executors. On December 29, 1975 the Executors requested the Foundation to refund an additional \$467,124 to the Estate and the Foundation made payment thereof to the Estate on January 5, 1976. A first and partial accounting filed by the Estate covering, inter alia, \$75,431,331 of the cash and securities distributed to the Foundation has received approval by the court having jurisdiction over the administration of the Estate.

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**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, 1975, 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, 1975, 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, 1975, and the changes in the fund for the year then ended and for the period from November 14, 1947 to December 31, 1975, and the supporting schedules present fairly the information included therein, all in conformity with generally accepted accounting principles applied on a consistent basis.

**COOPERS & LYBRAND**

Pittsburgh, Pennsylvania  
March 19, 1976

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## **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**

There are no special forms for applying for a grant. Applications should take the form of a letter and, where applicable, include the following elements:

1. A description and the general aims of the organization making the proposal
2. A concise statement of the need or problem being addressed
3. The specific purpose and objective for which funds are sought
4. A clear description of how the project will be operated and an indication of whom it will serve
5. The qualifications of the individuals who will conduct the proposed undertaking
6. The procedure and criteria for evaluating the effectiveness of the grant once the funds have been expended
7. An itemized budget for the project and an explanation of how it will be financed at the expiration of the proposed grant

All grant proposals should be accompanied by a copy of the applicant's classification ruling under current Treasury Department regulations.

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 programs have always emphasized institutions and organizations in Pittsburgh and Western Pennsylvania. The regional character of the Foundation's activities is reflected in this and all previously published reports.

The Foundation will not consider requests on behalf of individuals.

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