

Richard King Mellon Foundation

1981 Annual Report



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Richard King Mellon Foundation

1981 Annual Report

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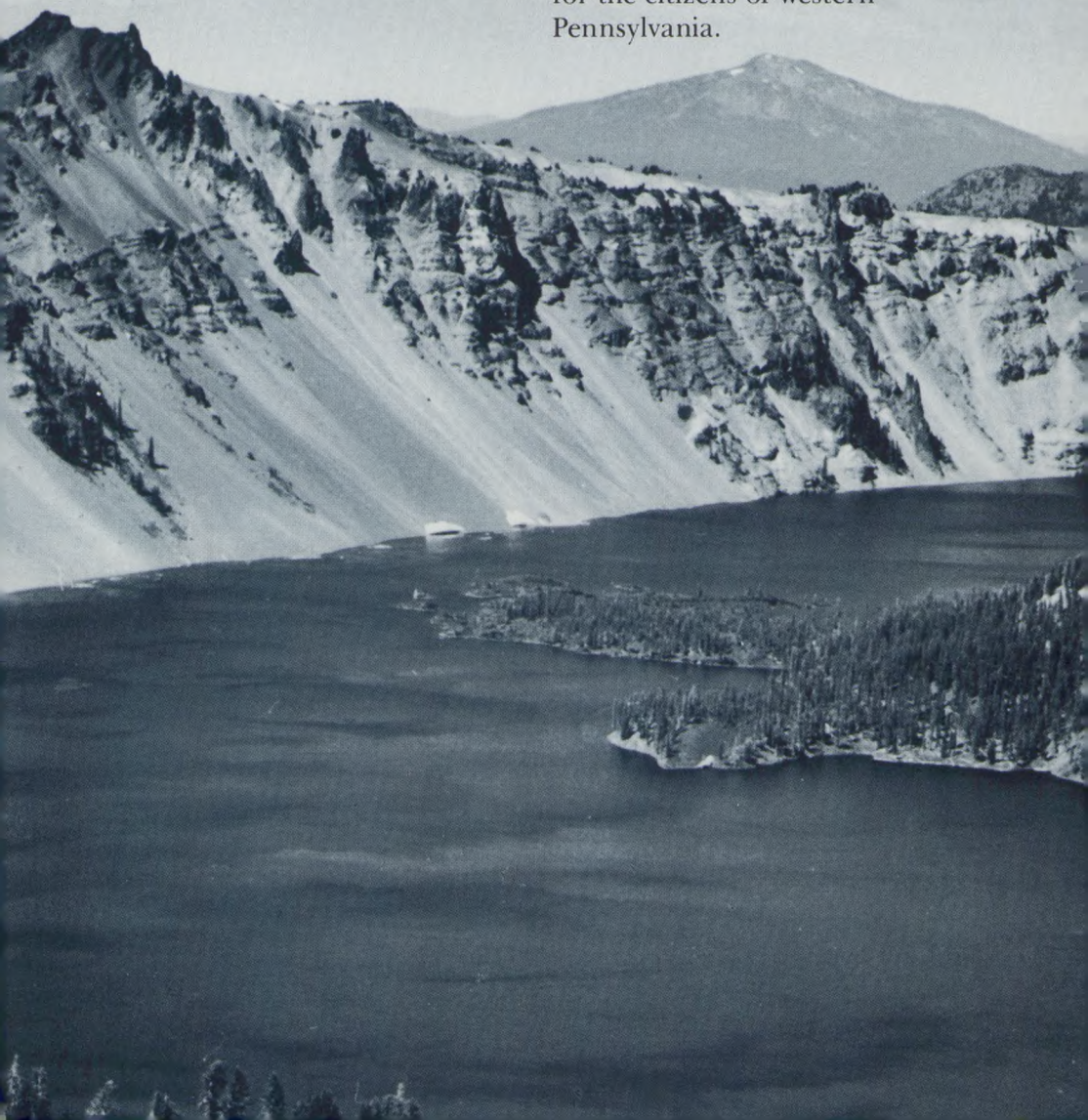
President's Report

During 1981, the Trustees of the Richard King Mellon Foundation authorized seventy-two new grants totaling \$9,825,499, bringing the Foundation's total appropriations to charitable organizations during its thirty-four-year existence to \$175,955,810.

The Foundation made grant disbursements during the year totaling \$8,795,173. Since its inception, the Richard King Mellon Foundation has made grant payments of \$156,599,628, exceeding the net income for the same period by \$9,485,751. Unpaid grants at

the end of 1981 amounted to \$19,356,182.

In 1981, \$6,288,999, or 64 percent of the grant dollars approved, were directed toward projects in Pittsburgh and other western Pennsylvania communities. This represents continued emphasis on the Foundation's more traditional geographic areas of interest. During the past thirty-four years, the Richard King Mellon Foundation and the Richard King Mellon Charitable Trusts approved grants totaling approximately \$300,000,000, of which over 60 percent, or \$186,000,000, was directed toward the encouragement of a better quality of life for the citizens of western Pennsylvania.



In recent years, the Richard King Mellon Foundation has made a concerted effort to encourage grantees to examine their priorities and objectives and to make the most efficient use of available resources. The Trustees and Officers of the Richard King Mellon Foundation themselves undertake such an effort every five years, and an internal review process is currently being conducted to deliberate charitable priorities for the next five years. Although this thoughtful process has not yet been concluded, it is accurate to state that conservation will continue to represent the Foundation's foremost priority, and that it is the intention of the Trustees of the Foundation to continue to place great emphasis on Pittsburgh and western Pennsylvania and to allo-

cate more charitable funding for the increased needs and opportunities which are presenting themselves in this area.

Grants were awarded during 1981 in five broad categories: conservation, cultural and civic affairs, education, social services, and medicine. The Trustees' well-established interest in the field of conservation was again demonstrated in 1981, as approvals in this category represented approximately 32 percent of the Foundation's total 1981 appropriations. The Foundation's foremost priority of land conservation and wildlife preservation is a consequence and reflection of the genuine concern on the part of the Trustees for preserving this Country's



natural heritage. The Conservation Foundation, Inc. was the recipient of two awards, a grant of \$800,000 to initiate a series of projects that will help the Country manage its land resources during a time of reduced Federal involvement, and a discretionary management grant of \$500,000. A \$623,000 commitment was approved for the Appalachian Mountain Club for a three-year program to strengthen the role of volunteers across the Country, and a \$500,000 award was approved to The Nature Conservancy for the Maine Land Preservation Fund.

Activities in the categories of cultural and civic affairs and education also received special emphasis during 1981. A grant of \$1,500,000 was awarded to Carnegie Institute for the establishment of the Richard King Mellon North American Mammal Research Institute and the Mellon Hall of North American Mammals, both in the Museum of Natural History. With regard to education activities, Carnegie-Mellon University received a grant of \$1,500,000 and the Pittsburgh Public Schools received a grant of \$225,000 to implement a testing and monitoring program designed to increase student achievement in the areas of mathematics, reading, and writing.

Other significant grants approved in 1981 include an endowment grant of \$500,000 to the Children's Hospital of Pittsburgh to support pediatric research and an award of \$345,000 to the Metropolitan Pittsburgh Public Broadcasting Corporation, Inc. to underwrite a nine-part television

series on teenage drug and alcohol abuse entitled *The Chemical People*. The Salvation Army was awarded \$250,000 toward its capital development campaign and the Home for Crippled Children, now referred to as the Rehabilitation Institute of Pittsburgh, was the recipient of an award of \$150,000 to support Operation Life's Work, an educational program designed to help disabled children achieve maximum vocational and independent living potential.

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 net asset base which increased from \$311,455,368 to \$336,924,646 during 1981. The Finance Committee of the Richard King Mellon Foundation and the Foundation's outside investment advisors are to be commended for their combined contributions which produced a total return performance of 11.5 percent on the Foundation's assets in 1981, a period of high uncertainty and very volatile capital markets.

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

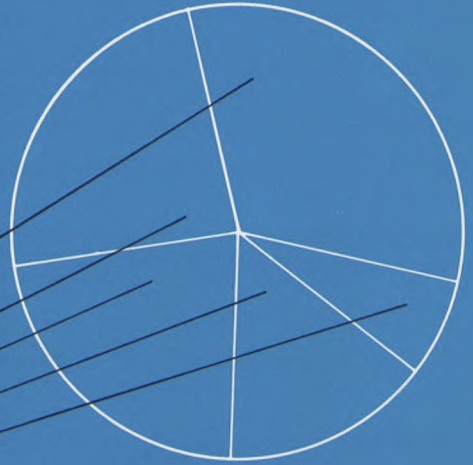


Seward Prosser Mellon
President

1981 Grants Approved

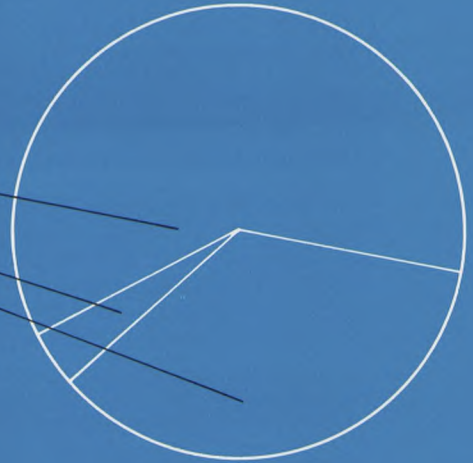
By Category

Conservation	\$3,148,100	32%
Cultural & Civic Affairs	2,338,499	24%
Education	2,171,000	22%
Social Services	1,457,900	15%
Medicine	710,000	7%
Total	\$9,825,499	100%



By Area

Pittsburgh	\$5,942,800	60%
Western Pennsylvania	346,199	4%
Other Areas	3,536,500	36%
Total	\$9,825,499	100%



1947—1981 Net Income and Grants Paid

Net Income

1947-1980	\$128,910,419
1981	18,203,458
Total	\$147,113,877

Grants Paid

1947-1980	\$147,824,455
1981	8,775,173
Total	\$156,599,628

Conservation

During 1981, the largest area of interest to the Trustees of the Richard King Mellon Foundation was conservation. Fifteen grants totaling \$3,148,100, or 32 percent of the Foundation's 1981 grant approvals, were made for conservation projects.

Land conservation is the Foundation's foremost priority. It is being pursued both in western Pennsylvania and nationwide and is the Foundation's primary interest outside of this geographic area.

The main concern of the Foundation's efforts in conservation focuses on funding acquisitions of significant natural wilderness areas, both to protect lands from development and to assist in wildlife preservation.

Grants authorized during 1981 for conservation focused on land acquisition, preservation of rural communities, and increased private sector initiative to help the Country better manage its land resources during a period of reduced Federal regulations and reduced Federal spending.



During its one-hundred-year existence, the Appalachian Mountain Club has earned a reputation for expertise in back-country management, specifically in the design, construction, and maintenance of hiking and ski touring trails. The Club has undertaken a three-year project to generate increased citizen participation in the long-term stewardship of our lands and waterways.

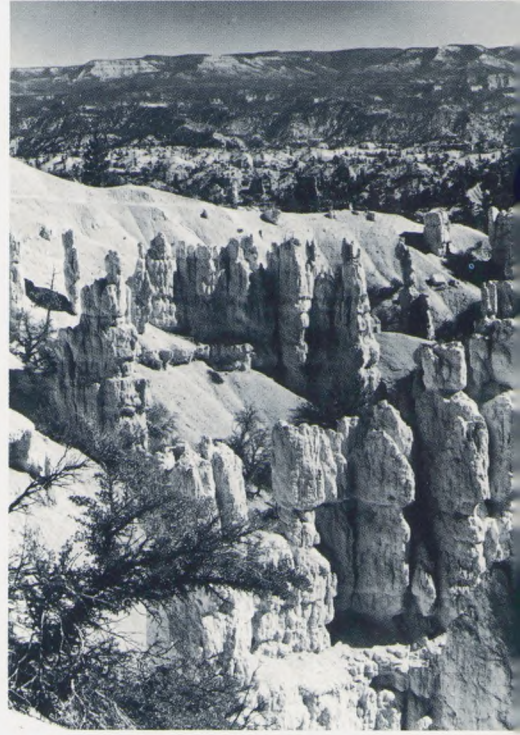
Reduced Federal Involvement

The recipient of the largest conservation support in 1981 was The Conservation Foundation, Inc., a widely regarded organization in the field of land conservation, research, and policy. It is the leading conservation agency concerned with business-environment relations and is approached regularly to help resolve conflicts over control of toxic chemicals, forest policy disputes, and land development controversies in the coastal zone and elsewhere. Corporations, government agencies, other conservation groups, and the press increasingly turn to The Conservation Foundation for balanced, carefully reasoned information. The Conservation Foundation has positioned itself at the vital center of the conservation movement.

In 1981, The Conservation Foundation initiated a series of projects intended to help the Country manage its land resources during a time of reduced Federal regulation and spending. The Foundation proposes to monitor Federal public lands policies affecting national parks, forests, and domain lands and to identify policy problems and opportunities for the future of these lands.

For national forests and Bureau of Land Management properties, emphasis will be placed particularly on developing practical and appropriate mechanisms for better state and local cooperation with Federal land managing agencies. With regard to national parks, The Conservation Foundation has placed emphasis on funding and management priorities as the National Park Service attempts to administer a system of facilities which has doubled in ten years without the concomitant increases in personnel or operating funds.

For private lands, The Conservation Foundation will carry out a systematic review of needs and opportunities to expand the capacity and willingness of state and local



The National Parks & Conservation Association, a private educational and scientific service organization, was established in 1919 to protect the system of national parks, forests, and monuments in the United States. The Association works in cooperation with the National Park Service, the Department of the Interior, and other agencies of the government to act as both an advocate and a constructive critic.

governments to protect critical environmental resources with substantially reduced Federal budgetary and regulatory assistance. Desirable approaches toward protecting environmental resources while meeting housing needs, implementing industrial siting reforms, and deterring sprawl will also be the subject of in-depth analysis.

The Trustees of the Richard King Mellon Foundation approved a grant in the amount of \$800,000 to The Conservation Foundation, Inc. to be used over a two-year period to fund these public and private lands projects.

From time to time, the Trustees of

the Richard King Mellon Foundation select certain organizations which they deem to be of particular merit in the field in which they operate. To help these organizations become even better managed and to contribute at an even higher level of accomplishment, the Trustees have made grants of an unrestricted nature which are intended to allow these organizations greater flexibility in operation. The Conservation Foundation, Inc., widely recognized as a leader in its field of conservation activities, was selected by the Trustees of the Richard King Mellon Foundation to receive a second grant in 1981, a discretionary management grant of \$500,000.

The specter of reduced Federal commitments to conservation activities gives cause for the private sector to play a greater role and share greater responsibilities in preserving the natural resources and assets available to the Country. The Appalachian Mountain Club has undertaken an effort to develop the capability among other volunteer organizations like the Mountain Club to participate in land management for outdoor recreation. The Appalachian Mountain Club is approximately 100 years old and during its existence has earned a reputation for expertise in back-country management, specifically in the design, construction, and maintenance of hiking and ski touring trails.

With continuing cutbacks in government services in outdoor recreation, it is paramount that citizen groups explore ways to provide services such as planning, trail making, and land management in concert with public agencies. The Appalachian Mountain Club has undertaken a three-year project to generate increased citizen participation in the long-term stewardship of our lands and waterways. The program will be conducted nation-

wide and will endeavor to strengthen local organizations in selected target areas, to increase citizen choice and responsibility, to provide greater use of local resources, and to find new and effective ways to meet people's needs.

With the expertise and guidance of the Mountain Club, local volunteer organizations will acquire the skills necessary to manage priority recreation programs and become self-sustaining in the future. The Appalachian Mountain Club will also provide seed money and other grants to encourage greater use of local resources.

Faced with Federal, state, and local budget reductions in outdoor conservation and recreation areas, it is recognized that a coordinated effort between public and private organizations will be a creative approach to the delivery of recreational programs and long-term land management. With this in mind, the Trustees of the Richard King Mellon Foundation approved a three-year grant of \$623,000 to the Appalachian Mountain Club for its activities which will utilize citizen groups in developing partnerships between volunteer organizations and state and Federal land managers.

Support to improve a grassroots constituency was also provided to the National Parks & Conservation Association, a private educational and scientific service organization with the primary objective of helping to protect the system of national parks, forests, and monuments in the United States. Established in 1919, the National Parks & Conservation Association works in cooperation with the National Park Service, the Department of the Interior, and other agencies of the government as both an advocate and a constructive critic of the National Parks Service on all aspects from programming to management to evaluation.

To effectively accomplish its mission, the National Parks & Conservation Association must develop a strong, active, and informed grassroots constituency with particular knowledge of the national parks. The Association recently established the National Park Action Project which will establish a network of individuals and organizations whose focus will be to more effectively protect the national park system. The network of concerned citizens will monitor national park units in their communities and take action to publicize specific problems by publicizing local threats, participating in park planning, and using legal means to

protect park resources. The National Park Action Project now covers more than fifty units of the national park system and it is anticipated that by the end of the three-year period, two hundred of these units will be included.

The Trustees of the Richard King Mellon Foundation awarded the National Parks & Conservation Association a three-year grant of \$150,000 in support of the National Park Action Project and to assist the Association with an internal short- and long-range planning program.

Conserving Natural Areas

The Nature Conservancy is a national organization dedicated to



A \$500,000 grant from the Foundation to The Nature Conservancy has been allocated to the Maine Land Preservation Fund where it will be used on a revolving basis to pursue land preservation focused on, but not limited to, priority projects on the coast of Maine.

the preservation of lands with ecological or environmental value. For thirty years, the Conservancy has worked with conservationists, industry, and private philanthropy to preserve approximately 1,600,000 acres of American wilderness.

The majority of the Conservancy's resources and energies are devoted to activities of identification, acquisition, and stewardship of natural areas.

In 1981, the Trustees of the Richard King Mellon Foundation approved a grant of \$500,000 to The Nature Conservancy to be allocated to the Maine Land Preservation Fund. The proposed land acquisition program will be focused on, but not limited to, priority projects on the coast of Maine. Since its founding twenty-five years ago, The Nature Conservancy chapter in Maine has devoted most of its energies and resources to the protection of islands and coastal areas. These coastal sites harboring bald eagle nests, heron rookeries, sea bird nesting colonies, seal haul-out areas, rare plant populations and other unusual or exemplary natural features contribute disproportionately to the biotic diversity and ecological vitality of the coast of Maine. Many sites, however, remain as yet unprotected.

It is also clear that many of Maine's most ecologically significant natural areas are scattered throughout the interior of the State. It has been discovered that many of these areas are seriously threatened with destruction, primarily because the majority are located along bodies of water such as rivers, streams, brooks, lakes, or ponds where development pressures are focused.

The existence of the Maine Land Preservation Fund will permit The Nature Conservancy to move quickly to purchase important tracts of land with the greatest amount of negotiating flexibility. Capital will be borrowed temporarily from the Land Preservation Fund to acquire priority

natural areas and will be repaid by subsequent fund raising campaigns throughout the State of Maine.

Rural Communities

In addition to trying to preserve natural areas, the Trustees of the Richard King Mellon Foundation approved two grants in 1981 aimed at preserving the natural aspects of rural communities. The first grant was to the National Trust for Historic Preservation in the United States, the only national private nonprofit organization chartered by Congress with the responsibility for encouraging public participation in the preservation of sites, buildings, and objects of significance in American history and culture.

Although the main objective of the National Trust is to protect buildings, in rural areas this can only be accomplished effectively in the broader context of protecting a community and all of its resources such as farmland, historic resources, natural areas, water resources, and scenic beauty, and accommodating demands for change and development.

In 1979, the National Trust for Historic Preservation established a special four-year Rural Conservation Project to assist America's rural communities with the preservation of their heritage. The problem is a complex one encompassing not only the loss of precious farmland and destruction of natural resources, but also the loss of important cultural assets. New demands on the land and resources of rural communities often result in unwise development, in many cases further complicated by ineffective local planning.

Through the Rural Conservation Project, the National Trust seeks to enhance the skills of rural communities to protect their historic, natural, agricultural, and scenic assets by providing technical advice and guidance to these citizens as they work to solve their problems. The specific



The National Trust for Historic Preservation is conducting a four-year Rural Conservation Project to assist America's rural communities with the preservation of their heritage. The Trust seeks to enhance the skills of rural communities to protect their historic, natural, agricultural, and scenic assets by providing technical advice and guidance.

objectives of the Project include developing comprehensive rural conservation programs in demonstration communities; researching protection techniques; educating through publications, conferences and courses; and providing advisory assistance to rural communities nationwide.

In the final analysis, rural conservation must be accomplished at the community level. Through the Rural Conservation Project, the National Trust can give the residents of numerous rural communities the skills they need to lead protection efforts in their own communities and to insure a high quality of life for their fellow citizens. Since the establishment of the Project in 1979, the National Trust has undertaken demonstration projects in Cazenovia, New York and Oley Township, Pennsylvania. The Trustees of the

Richard King Mellon Foundation approved a two-year grant of \$150,000 to the National Trust for Historic Preservation to allow it to complete these demonstrations of the Rural Conservation Project and to publicize this model of locally based rural conservation strategies for the benefit of communities across the Nation.



Forest lands constitute a significant portion of the natural land areas in rural communities and private woodlands are coming under greater pressure for increased production as harvests on private and governmental forests approach biologic capacity. Unfortunately, many private forest landowners are uninformed regarding the application of sound forestry principles and are not aware of how to protect their interests and prevent

exploitive timber harvesting practices. More than ever, professional guidance is needed to manage and conserve these resources for the future.

The Loyalhanna Watershed Association, Inc. in western Pennsylvania recently instituted a forest management project to promote sound forestry practices and conservation education for private landowners. The project is modeled after the highly successful New England Forestry Foundation and will use the services of a professional forester to assist area landowners in the management of their woodlands. The prime concern of the program is to assist owners in meeting their objectives while giving proper attention to woodland capabilities,

environmental constraints, esthetics, and wildlife habitat. The program is comprehensive in scope, providing a wide array of services such as forest planning, wildlife habitat improvement, timber appraisals and marking, forest road planning and erosion control, property boundary work and land mapping, and supervision of harvesting operations.

The Trustees of the Richard King Mellon Foundation approved a grant of \$25,000 to the Loyalhanna Watershed Association, Inc. to provide one-year start-up support for the Loyalhanna Forestry Services Project which is intended to become self-supporting based on the fees for service which it will be charging landowners.

The following is a list of grants approved in 1981 for conservation activities:

African Wildlife Leadership Foundation, Inc. Washington, District of Columbia	
Scholarship support	\$ 37,500
Appalachian Mountain Club Boston, Massachusetts	
Three-year program to strengthen the role of volunteers	623,000
Commonwealth of Pennsylvania Department of Environmental Resources Harrisburg, Pennsylvania	
Two-year support for Youth Conservation Corps program	47,600
The Conservation Foundation, Inc. Washington, District of Columbia	
Program in private and public lands	800,000
Discretionary management grant	500,000
Conservation Law Foundation, Inc. Boston, Massachusetts	
To underwrite publication of legal handbook for land preservationists	50,000
Environmental Law Institute Washington, District of Columbia	
To fund publication of newsletter	40,000
Loyalhanna Watershed Association, Inc. Ligonier, Pennsylvania	
To underwrite Loyalhanna Forestry Services Project	25,000

National Parks & Conservation Association Washington, District of Columbia Three-year support	\$ 150,000
National Trust for Historic Preservation in the United States Washington, District of Columbia Two-year support for Rural Conservation Project	150,000
The Nature Conservancy Arlington, Virginia For State of Maine Land Preservation Fund	500,000
School for Field Studies, Inc. Boston, Massachusetts Two-year staff support	25,000
Scientists' Institute for Public Information, Inc. New York, New York To support Oil Policy Task Force	50,000
Smithsonian Institution Washington, District of Columbia For support of the International Council for Bird Preservation	50,000
The Student Conservation Association, Inc. Charleston, New Hampshire To expand level of volunteer support	100,000
	<u>\$ 3,148,100</u>

Cultural & Civic Affairs

The Trustees of the Richard King Mellon Foundation authorized twenty-two grants in this category amounting to \$2,338,499, or 24 percent of the total 1981 grant approvals.

The major portion of these funds, \$1,760,700, was awarded for cultural activities in western Pennsylvania, including two grants totaling \$1,625,000 for programs of Carnegie Institute.

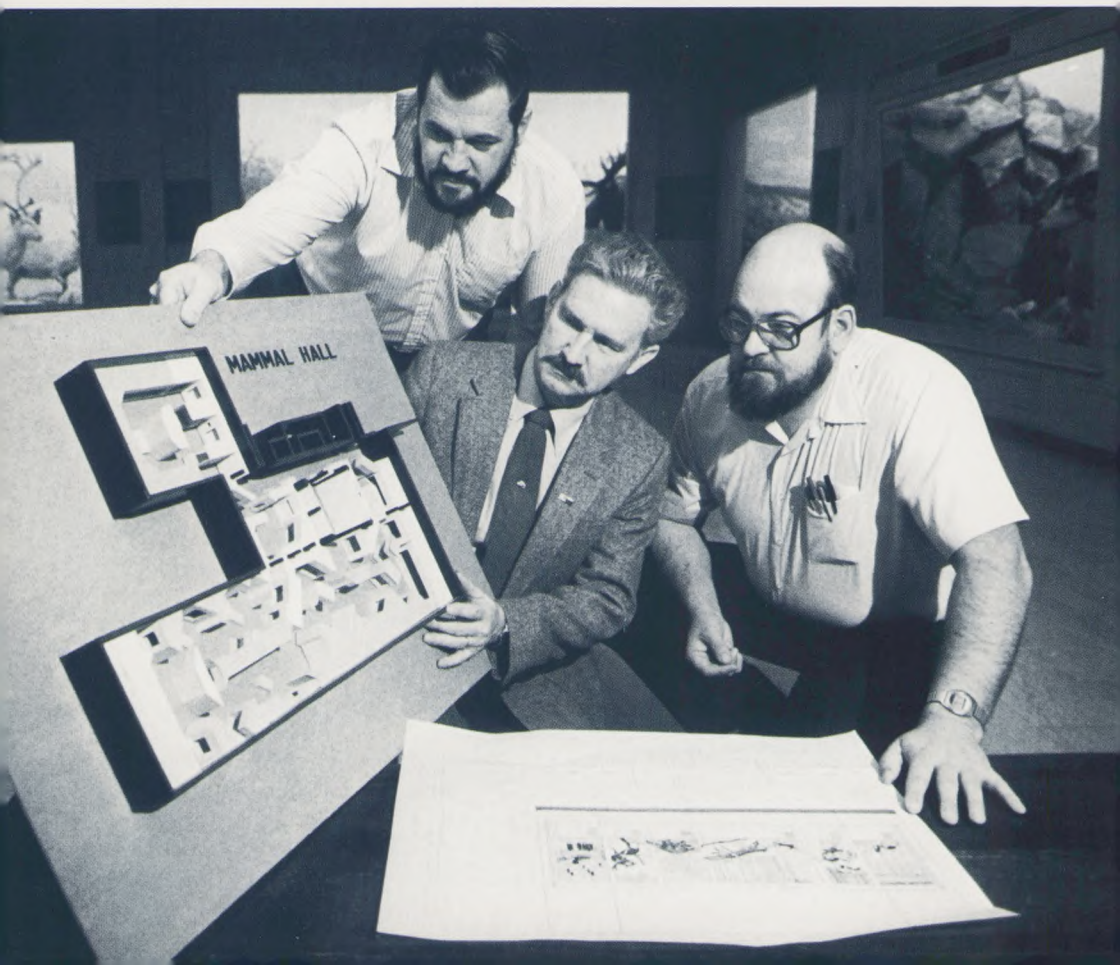
Thirteen grants totaling \$577,799 were directed toward civic improvements. Support was concentrated in Pittsburgh and western Pennsylvania, including six grants totaling \$356,500 to the Allegheny Conference on Community Development.

Cultural Activities

Carnegie Institute, a unique cultural, scientific, and educational center, was the recipient of two grants from the Richard King

Mellon Foundation in 1981. The largest of these was a \$1,500,000 grant for use within Carnegie Museum of Natural History to create the Mellon Hall of North American

A \$1,500,000 grant to Carnegie Institute will be used within the Carnegie Museum of Natural History to create the Mellon Hall of North American Mammals and the Richard King Mellon North American Mammal Research Institute. The Research Institute will assure the Museum a position of national prominence and leadership in research studies on mammals of the North American continent.



Mammals and the Richard King Mellon North American Mammal Research Institute.

The creation of the Mellon Hall of North American Mammals will be the first part of a major renovation of the mammal exhibits in the Museum. It represents the initial step in a plan to create a contemporary, ecologically informed display of mammals and their environment. The design emphasis will provide a story for visitors, an explanation of the mammals of the world in their habitats rather than a collection of animal types grouped together in exhibit cases. The Mellon Hall of North American Mammals is named in honor of the late Lieutenant General Richard King Mellon and the late Mrs. Constance Prosser Burrell, his widow.

The Richard King Mellon North American Mammal Research Institute will provide continuing research that will keep the exhibits and educational programs current. The creation of the Research Institute will also include the establishment of the Richard King Mellon Curator of North American Mammals, representing the first time a special curatorial position has been named at Carnegie Museum of Natural History. The Research Institute will assure Carnegie Museum of Natural History a position of national prominence and leadership in research studies on mammals of the North American continent.

The Three Rivers Arts Festival, sponsored by Carnegie Institute, was founded in 1960 as an outreach activity of the Museum of Art of Carnegie Institute. The Festival is staged outdoors each spring in Gateway Center in downtown Pittsburgh. It is free to the public, provides a vehicle through which community artists can receive wider exposure to the public in this region, and gives a large segment of the community an



Sponsored by Carnegie Institute, the Three Rivers Arts Festival is staged outdoors each spring in downtown Pittsburgh. It is free to the public and draws approximately 400,000 local and out-of-town visitors.

opportunity to experience the best regionally produced art in a comfortable setting. The nationally acclaimed Festival annually draws approximately 400,000 local and out-of-town visitors.

All media are represented in the Festival including painting and graphics, large outdoor sculpture, small indoor three-dimensional works, film, photography and videography. In addition to the visual art displays, the Festival presents continuous diverse musical performances, dance events, and special activities.

The present pavilions used to display the works of art were designed over twenty years ago and have become outdated in terms of size and construction and do not provide the proper protection for the displays from the natural elements. To some degree, these conditions have discouraged some better and well-established artists from participating in the Festival.

To provide more display space and additional security for art works,

the Festival plans to replace the old pavilions with new display units which will be modular and can be interconnected in different ways to provide greater display flexibility. In addition to the new pavilions, a new sign system is intended to better direct the audience flow to various sections of the Festival. The Trustees of the Richard King Mellon Foundation approved a grant of \$125,000 to Carnegie Institute toward the improvements to be carried out for the Three Rivers Arts Festival.

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The Pittsburgh Opera, established in 1938, is dedicated to the development and support of music through presentations of six major opera productions each season, including at least two performances of each production at Heinz Hall for the Performing Arts. In addition to performing before 33,000 people at its regular productions, the Pittsburgh Opera also performs to approximately 15,000 people during free summer activities.

The Pittsburgh Opera conducts a number of educational activities for the benefit of local citizens, one of which is its Student Audience Development Project, designed to stimulate an interest in opera at all age levels. The Project distributes season subscriptions to underprivileged and handicapped individuals, students in public and private secondary schools, and college and university students. The Project involves pre-opera study, post-opera critiques, and courses in opera appreciation keyed to current Pittsburgh Opera productions.

The Trustees of the Richard King Mellon Foundation approved a grant of \$43,200 to the Pittsburgh Opera, Inc. to provide three-year support for its Student Audience Development Project.

Civic Affairs

In 1981, the Allegheny Conference on Community Development was the recipient of six grants totaling \$356,500 from the Richard King Mellon Foundation. The largest of

The Local Initiatives Support Corporation will be providing the resources, talent, and technical expertise for neighborhood-based development organizations to improve the physical and economic conditions of their communities through significant projects of new construction, rehabilitation, and business capitalization.



these was a grant of \$100,000 to support neighborhood-based development efforts in the Pittsburgh area in cooperation with the Local Initiatives Support Corporation (LISC). Located in New York City, LISC operates on a nationwide basis to help nonprofit, community-based development organizations improve the physical and economic conditions of their communities. LISC provides the resources, talent, and technical expertise not otherwise available to local organizations. Staff members, aware of the pitfalls as well as the opportunities in community development, help provide timely support for community groups with given experience. Through loans, guarantees, grants, and technical assistance, LISC aims to increase the ability of exemplary local organizations to develop significant projects of new construction, rehabilitation, and business capitalization.

The Corporation also commits funding to various metropolitan areas under the stipulation that it be matched on an equal basis by the local community. LISC has committed \$500,000 of its funds for improvements in Pittsburgh neighborhood communities on the condition that the Pittsburgh community raise an equal amount. The Allegheny Conference on Community Development, as part of its role to provide assistance to community-based economic development organizations, has accepted the responsibility to raise the matching funds. The Trustees of the Richard King Mellon Foundation approved a grant of \$100,000 to the Allegheny Conference on Community Development to be used as matching support to take advantage of the opportunity to leverage national funds for greater local impact and neighborhood improvement.

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In early 1981, the United States National Park Service prepared a

reconnaissance study involving Point State Park at the confluence of the three major rivers in Pittsburgh. The findings of the study were positive, indicating that numerous historical and cultural themes of national importance are present and that Point State Park includes an impressive array of recreational opportunities.

Under the auspices of the Allegheny Conference on Community Development and the Urban Redevelopment Authority, a successor study has been undertaken to determine whether Point State Park and its related areas have the potential for being designated as the Forks of the Ohio National Park. The purpose of the study is to identify management, financing, and to designate alternatives for an area which may be known as the Forks of the Ohio National Park.

A national park designation in Pittsburgh, combining local funding with National Park Service assistance, may serve as a model for future agreements nationwide. If ultimately designated as the Forks of the Ohio National Park, the Pittsburgh area would benefit from increased publicity and visitation, as it would be included in all National Park Service directories and maps. National park designation would also make the local community more aware of its own under-utilized assets.

The Trustees of the Richard King Mellon Foundation approved a grant of \$33,500 to the Allegheny Conference on Community Development as partial funding for this study to be carried out by the National Park Service and a private consulting firm.

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In 1973, the National Center for Juvenile Justice was established in Pittsburgh to perform independent research in many areas of the juvenile justice system. The major

objective of the Center is to improve the service rendered to children and society by the juvenile courts in the United States and the many other agencies dealing with deprived and delinquent children.

With the full cooperation of the Allegheny County Court of Common Pleas, Family Division, Juvenile Section, the National Center for Juvenile Justice is undertaking a research and evaluation project to measure the performance of the Allegheny County Juvenile Court. The Center has collected data for the past six years which can be analyzed to measure the effectiveness and efficiency of the activities and decisions of the Juvenile Court. A number of variables can be analyzed

to help determine, for example, whether the Court rulings are consistent and whether preventive detention criteria are satisfactory. The study will not only evaluate the decisions of judges, it will also help analyze the performance of other personnel who play a key part in the juvenile justice system, such as court diagnosticians, the intake staff, case workers, and probation officers.

The Trustees of the Richard King Mellon Foundation approved a grant of \$52,000 to the National Council of Juvenile and Family Court Judges in order that its research and consulting arm, The National Center for Juvenile Justice, could undertake this eighteen-month study.



The following is a list of grants approved in 1981 for cultural and civic affairs:

Cultural Activities

Carnegie Institute	
Pittsburgh, Pennsylvania	
To create Mellon Hall of North American Mammals and endowment for Richard King Mellon	
North American Mammal Research Institute	\$ 1,500,000
Conditional grant for construction of new pavilions and signs for Three Rivers Arts Festival	125,000
City of Pittsburgh	
Pittsburgh, Pennsylvania	
Toward support of Arts Edge Conference	1,500
Pittsburgh—Allegheny County Cultural Alliance	
Pittsburgh, Pennsylvania	
Two-year start-up support	5,000
Pittsburgh Civic Garden Center	
Pittsburgh, Pennsylvania	
Toward building renovation	15,000
Pittsburgh Opera, Inc.	
Pittsburgh, Pennsylvania	
Three-year support for Student Audience Development Project	43,200
The Pittsburgh Public Theater Corporation	
Pittsburgh, Pennsylvania	
General support	60,000

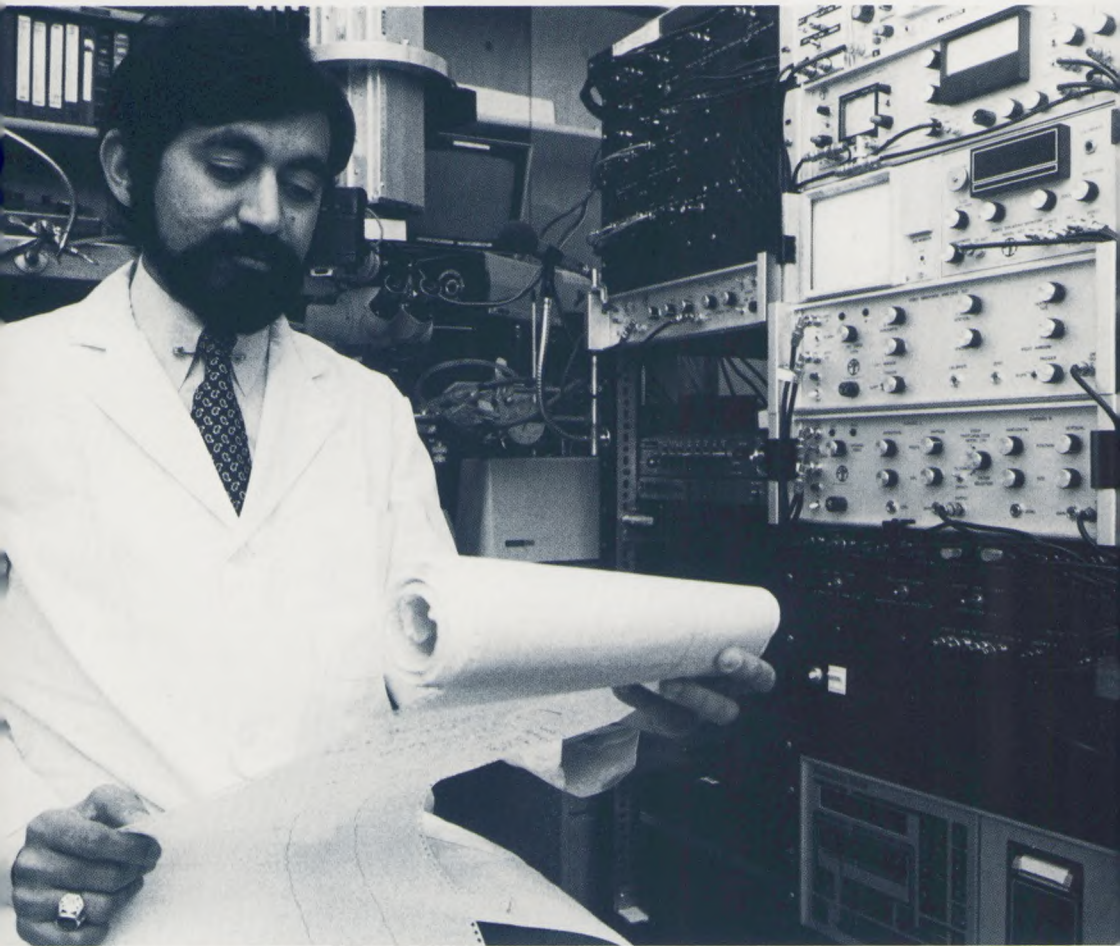
Southern Alleghenies Museum of Art Loretto, Pennsylvania	
Toward exhibition to honor recipients of the Governor's Awards of Excellence in the Arts	\$ 5,000
Urban League of Pittsburgh, Inc. Pittsburgh, Pennsylvania	
Underwrite youth attendance at International Poetry Forum performances	6,000
Civic Affairs	
Allegheny Conference on Community Development Pittsburgh, Pennsylvania	
Three-year operating support	60,000
To fund planning consultant	24,000
To fund study of restoration needs of Mellon Square	40,000
Two-year staffing grant	99,000
Alternatives study for the Forks of the Ohio National Park	33,500
Matching support for Local Initiatives Support Corporation program	100,000
Aviation Research Corporation Pittsburgh, Pennsylvania	
Operating support	10,000
National Council of Juvenile and Family Court Judges Reno, Nevada	
To underwrite National Center for Juvenile Justice research project into Allegheny County Juvenile Court	52,000
Pennsylvania Economy League, Inc. Western Division Pittsburgh, Pennsylvania	
To help underwrite study to examine the fiscal impacts of nonresident consumers of City services	12,500
Operating support	13,200
Toward feasibility study of motor vehicle organization for Allegheny County	15,000
To purchase computer terminal and software	20,000
The Pittsburgh Foundation Pittsburgh, Pennsylvania	
Toward corpus of Ligonier Valley Endowment	98,599
	<u>\$ 2,338,499</u>

Education

The third largest area of activity for the Richard King Mellon Foundation during 1981 was education. Eight grants totaling \$2,171,000 were approved during the year, representing 22 percent of the 1981 grant dollars approved.

Grant activity emphasized the Trustees' primary interest in this category, the advancement of higher education, particularly in the immediate Pittsburgh vicinity.

Primary and secondary education benefited during 1981, receiving grants totaling \$250,000. In addition, selected funding was also authorized to increase the educational opportunities for minority students.



A grant of \$1,500,000 was awarded to Carnegie-Mellon University toward three selected needs and the President's Discretionary Fund to stimulate productivity and improve teaching and research quality. A portion of the grant will go towards research in biomedical engineering to provide new tools for the treatment of cancer.

Higher Education

A major grant was awarded to Carnegie-Mellon University, located in Pittsburgh, especially known for its excellence in engineering, science, and the fine arts, in both research and teaching. The Trustees of the Foundation approved a grant of \$1,500,000 to Carnegie-Mellon University toward three selected projects and the President's Discretionary Fund to stimulate productivity and improve teaching and research quality.

A \$250,000 portion of the grant will go towards research in biomedical engineering to provide new tools for the treatment of cancer. Many of the important problems in the treatment of cancer can be attacked advantageously by researchers who are considering the physical and mathematical properties of cancerous and normal cells. Research is presently being conducted in hyperthermia, or methods of destroying cancerous tumors through the use of heat.

A \$250,000 portion of the grant will be used to strengthen the business collection in Carnegie-Mellon's principal library, the Hunt Library. Because one important emphasis of the University is on business and management training, it is important that the library support this research and teaching with the appropriate current materials.

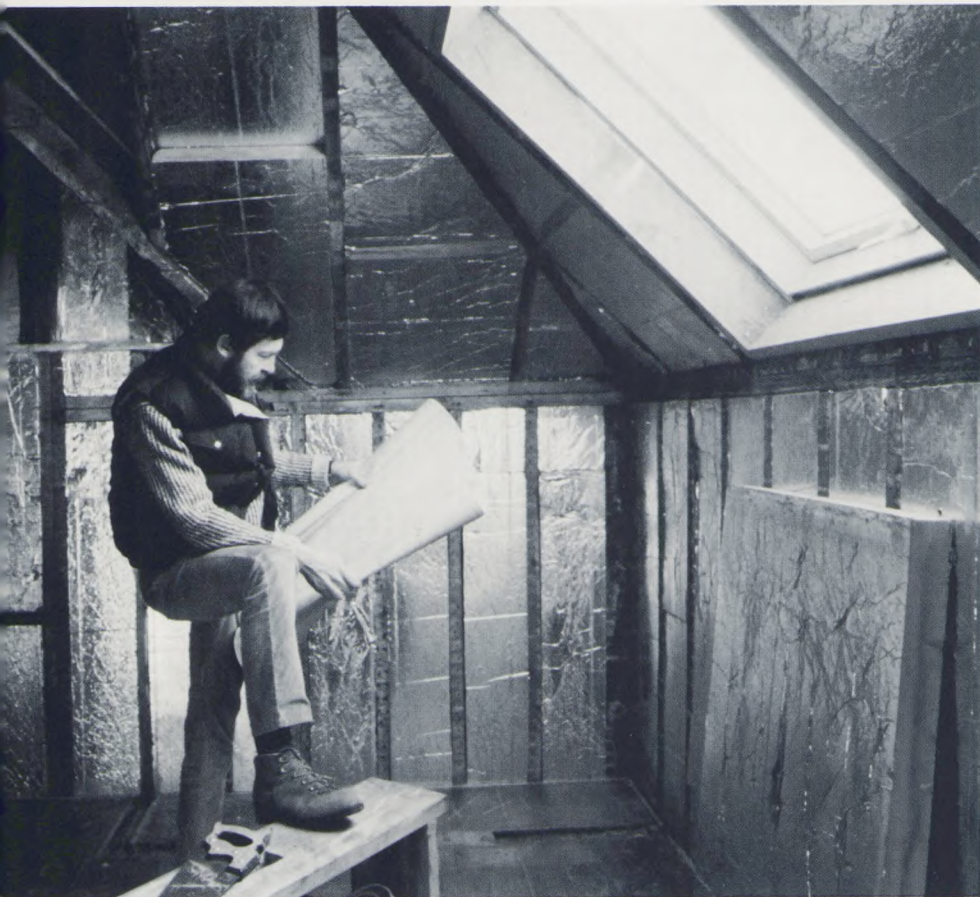
A \$100,000 portion of the grant will be used as matching funds for gifts from corporations to establish the James H. Higgins Professorship in Economics and Corporate Finance, as part of the University's Graduate School of Industrial Administration. This School, founded thirty years ago, has gained recognition as one of the Nation's most respected schools of management. The James H. Higgins Professorship, which will honor the former Chairman and Chief Executive Officer of Mellon National Corporation and Mellon Bank, N.A.

It will attract distinguished scholars in the areas of international and domestic finance, government restraint on credit and investment, the Federal Reserve System and its role in the money supply process, and money markets in the United States and abroad.

The remaining portion of the grant, \$900,000, will be applied toward the President's Discretionary Fund to improve the quality of the University, primarily to reinforce those areas which are already strong and to provide support for new ideas and for departments which will benefit from additional assistance.

In 1978, the Center for Environmental Studies was formed at Brown University, Providence, Rhode Island, in response to a strong educational demand shown by undergraduates through their design of independent environmental concentrations. Each student completes a senior thesis on a current environmental issue and increasingly these theses have been concerned with the environmental effects of traditional energy supply and with more environmentally benign alternative energy sources.

Recognizing that it is important to provide real life opportunities in urban settings for the exploration of alternative technologies and their appropriate applications, the Center for Environmental Studies at Brown University is adapting a nineteenth century carriage house to create an Urban Environmental Laboratory as a facility to test and demonstrate energy and resource conservation devices and practices in an urban setting. The Laboratory will be a living laboratory in itself. The entire structure will be a site for experimentation and study and its design will be sufficiently flexible to allow experimentation with new energy generating and conserving devices. The Laboratory will be one of the



The Center for Environmental Studies at Brown University is adapting a nineteenth century carriage house to create an Urban Environmental Laboratory to test and demonstrate energy and resource conservation devices and practices in an urban setting. The entire structure will be a site for experimentation and study and will provide an important model for urban communities throughout the Country.

first integrated urban structures in the Northeast and therefore will provide an important model for urban communities throughout the Country. It will be the only such effort drawing on the resources of a major university and thus will be a significant educational innovation.

The Trustees of the Richard King Mellon Foundation approved a grant of \$221,000 to Brown University toward the necessary renovations to

create the Urban Environmental Laboratory.

Primary and Secondary Education

In 1980, the new Superintendent of the Pittsburgh Public Schools initiated a study to determine the degree to which the public schools were meeting the educational needs of children and to suggest priorities for various needed improvements in the school district. The results of the study were reviewed and it was determined that the top priority of the school system is to improve student achievement.

To help the school system realize its objective, the Trustees of the Richard King Mellon Foundation approved a grant of \$225,000 to support the implementation of the Monitoring Achievement in Pittsburgh program. It is designed to

increase student achievement in the areas of mathematics, reading, and writing through the development of specific instructional objectives for each grade level and the frequent measurement of student progress and the mastery of key basic learning skills related to those objectives. Pupils in grades one through twelve are tested every six weeks on the key basic learning skills and feedback is provided to pupils, parents, and teachers following each test. Further instruction for pupils is based on both individual and class diagnostic information. Monitoring Achievement in Pittsburgh should improve achievement as well as increase pupil motivation for learning.

The Pittsburgh Public Schools received a grant of \$225,000 from the Foundation to implement Monitoring Achievement in Pittsburgh, a program designed to stimulate student achievement in the areas of mathematics, reading, and writing through the development of specific instructional objectives for each grade level and the frequent measurement of student progress.



The funds provided by the Foundation will be used over a three-year period to provide the leadership needed to insure the effective development and smooth implementation of the program.

The second grant for the benefit of secondary education was awarded to the Enterprise & Education Foundation, created in 1975 to assist high school students in gaining a better understanding of the concept of private enterprise and its relationship to the economic system. The Enterprise & Education Foundation works cooperatively with the Allegheny Intermediate Unit to develop and distribute economic education program materials to participating school districts. The design of the instructional materials provides teachers with an excellent opportunity to either incorporate economic activities into an existing social studies curricula or to structure an entire course around the materials. In addition, the Enterprise & Education Foundation conducts in-service workshops for high school teachers designed to assist them in preparing economic curricula for their school.

The immediate success of the Enterprise & Education Foundation in Allegheny County has produced a model that has been replicated in approximately half the counties in the Commonwealth of Pennsylvania and now involves almost 30,000 students and 400 teachers.

The \$20,000 grant from the Richard King Mellon Foundation represents two-year support for the activities of the Enterprise & Education Foundation in Allegheny County.

Educational Opportunities

During 1981, the Trustees of the Richard King Mellon Foundation approved two new commitments to strengthen educational opportunities at the post-secondary level for

minorities. The first was an award of \$100,000, payable over a two-year period, to the Negro Educational Emergency Drive (NEED), an organization which provides financial assistance in the form of grants, loans, and scholarships for post-high school education to black students from the greater Pittsburgh community. In addition to providing funds, NEED helps students obtain other forms of financial assistance such as Federal and state aid and grants from other scholarship agencies.

NEED was organized in 1963 when it became apparent that large numbers of black students from city, county, and parochial high schools were unable to afford higher education. Although some gifted students are aided by NEED, its program is deliberately geared toward average students whose opportunities for education are not as great. Since 1963, NEED has made almost 17,000 awards. An important benefit of this program is that many students aided by NEED return to Pittsburgh as skilled, motivated employees.



During 1981, the Foundation also made a commitment to support the



United Negro College Fund, Inc., the official fund raising organization for forty-one of the forty-seven fully accredited private black senior colleges in this Country. These colleges and universities enroll more than 50,000 students studying toward baccalaureate and graduate degrees, and several thousand more who are involved in noncredit continuing education programs.

The United Negro College Fund member institutions have special significance because of their traditional and continuing role in educating minority group students for productive and creative participation in American life. During the past century, the private black colleges have provided education otherwise unavailable to thousands of able, deserving youth. Most of the black leadership in America today is provided by the alumni of these institutions.

The Trustees of the Richard King Mellon Foundation approved a grant of \$90,000 to the United Negro College Fund, Inc., representing three-year support for the member institutions.

The following is a list of grants approved in 1981 for education programs:

Brown University	
Providence, Rhode Island	
To create an Urban Environmental Laboratory for the Center for Environmental Studies	\$ 221,000
Carnegie-Mellon University	
Pittsburgh, Pennsylvania	
Program needs and President's Discretionary Fund	1,500,000
Enterprise & Education Foundation	
Pittsburgh, Pennsylvania	
Two-year support for Allegheny County activities	20,000
Negro Educational Emergency Drive	
Pittsburgh, Pennsylvania	
Two-year financial assistance	100,000

Pittsburgh Public Schools Pittsburgh, Pennsylvania Three-year support for Monitoring Achievement in Pittsburgh	\$ 225,000
Thomas Jefferson Research Center Pasadena, California Toward character education curriculum program for Allegheny County schools	5,000
United Negro College Fund, Inc. New York, New York Three-year support	90,000
University of Pittsburgh Graduate School of Business Pittsburgh, Pennsylvania To help establish Corporate and Managerial Communications course	10,000
	<u>\$ 2,171,000</u>

Social Services

Awards to various organizations in the social services field totaled \$1,457,900, or 15 percent of the Foundation's 1981 grant approvals.

In accordance with the Foundation's geographic restrictions on grants in this program category, all awards made during 1981 were directed toward support for improvement in the provision and delivery of social services to citizens of Allegheny County and western Pennsylvania.

The largest social service grant approved in 1981 was a \$345,000 award to Metropolitan Pittsburgh Public Broadcasting, Inc. to underwrite a community education television series on teenage drug and alcohol abuse. Other social service grants provided program or capital support for agencies serving children and youth, senior citizens, the handicapped, and several other emerging needs.



Metropolitan Pittsburgh Public Broadcasting, Inc. and the Coalition for Addictive Diseases in Southwest Pennsylvania are jointly undertaking The Chemical People, a community education program and public television series designed to stimulate widespread community awareness and dialogue regarding the magnitude and nature of the problem of teenage drug and alcohol abuse.

Children and Youth

Despite years of widespread concern, drug and alcohol abuse among teenagers continues to increase. Nationally, there are over three million problem drinkers in the fourteen-to eighteen-year-old age group according to the National Institute on Alcohol Abuse and Alcoholism. The United States Surgeon General recently indicated that drug abuse involves millions of children under eighteen years of age, many of whom use illicit drugs on a daily basis while attending school. A decade ago, a primary concern was the increasing evidence of drug abuse among young people. In recent years, however, an increasing use of alcoholic beverages has been observed and today cross-addiction is a widespread phenomenon.

Metropolitan Pittsburgh Public Broadcasting, Inc. and the Coalition for Addictive Diseases in Southwest Pennsylvania are jointly undertaking a community education program entitled *The Chemical People*. WQED, the public television station of Metropolitan Pittsburgh Public Broadcasting, will prepare a series of television programs designed to stimulate the awareness of the entire community regarding the magnitude and nature of the problem, to arouse concerned interest, and to motivate positive action within the family, community service, professional, and religious groups. The nine-part television series will be fashioned after a month-long series in 1970 dealing with drug abuse, *The Turned On Crisis*, that won a Peabody Award for community service in public television and was emulated around the Nation.

Clearly there is a need for a public awareness campaign centered around a series of television programs that are supplemented with community, classroom, church, and other public discussions. It is hoped that *The Chemical People* will result in widespread community dialogue on

teenage drug and alcohol abuse. The programs will receive extensive promotion by WQED, the Coalition for Addictive Diseases, cooperating agencies, churches, and various individual community organizations. Each community viewing the series of television programs will be organized into a permanent community task force prepared to carry out whatever must be done locally to inform, treat, and prevent chemical abuse among teenagers.

The Trustees of the Richard King Mellon Foundation approved a grant of \$345,000 to Metropolitan Pittsburgh Public Broadcasting, Inc. to provide major funding for the production of *The Chemical People* and related community activities.



In 1967, six Boys' Clubs in the Pittsburgh area merged and later adopted the name, Boys' Club of Western Pennsylvania. Since that time, important changes have been achieved, including expanded service to the communities, a higher level of professional counseling and guidance, increased membership, and a broader variety of offerings to meet the needs of the diverse ages and interests. Since the original merger, three additional units have joined the Boys' Club of Western Pennsylvania.

The purpose of the Boys' Club of Western Pennsylvania is to enhance the quality of life for youth, with particular emphasis on male members from urban communities. It strives to be the primary source of professional guidance, informal education, behavioral counseling, physical fitness, and leadership for its members.

Several years ago, the Boys' Club initiated a major capital campaign to finance necessary capital needs at its Club facilities and its two resident camps. The largest single undertaking was the construction of a new clubhouse to replace one which was destroyed by fire. Other clubs and



Boys' Club of Western Pennsylvania represents a primary source of guidance, counseling, and leadership for its 5,500 members. A \$100,000 grant from the Foundation will be applied toward improvements to the indoor swimming pool at the Shadyside facility.

the camps benefited from major renovations or improvements designed to materially upgrade these community facilities. In 1981, the Trustees of the Richard King Mellon Foundation approved a grant of \$100,000 to be applied toward improvements to the indoor swimming pool at the Shadyside unit of the Boys' Club of Western Pennsylvania.

In 1981, the Trustees of the Richard King Mellon Foundation approved three grants to organizations serving the elderly. One such organization is Elder-Ado, an agency created in 1975. Many of the services which it provides have been designed over the years in response to needs expressed by elderly clients. In 1980, over 5,500 individuals received such services as nutrition, education, social and recreational activities, information and referral, counseling, outreach,

transportation, health screening, housing counseling, home maintenance, and other services and activities important to the lives of senior citizens. The geographic area served by Elder-Ado has the highest concentration of elderly poor in Allegheny County.

The Trustees of the Richard King Mellon Foundation approved a grant of \$50,000 to Elder-Ado to be used in refurbishing its new Senior Citizen Center and administration building.

Another recipient of support for the elderly was the Northern Area Multi-Service Center of Allegheny County, often referred to as The Center, a major provider of services to senior citizens in the northern portion of Allegheny County. Services provided for the elderly include daily hot lunches for 400 persons, counseling, case work, socialization and recreation, employment, and volunteer opportunities.

In 1981, The Center, the City of Pittsburgh and the County of Allegheny entered into an unusual joint venture to help serve the senior citizen population. In a collaborative effort, public funds purchased a former nursing home and renovated the lower level of the facility which houses a senior citizen day program. The Center accepted the responsibility of raising the capital funds to convert the two upper floors into a residential care facility for the elderly. Operating funds for the day program are provided by the Allegheny County Area Agency on Aging while minimal rentals charged the elderly residing in the facility underwrite the costs associated with the residential program.

The Trustees of the Richard King Mellon Foundation approved a capital grant of \$32,000 to the Northern Area Multi-Service Center of Allegheny County to be applied to the renovations required for the residential care facility.

Other Programs

The Trustees of the Richard King Mellon Foundation approved contributions in 1981 to several social agencies to help them expand or improve their facilities. The largest of these approvals was an award to The Salvation Army which has been serving the people of Allegheny County since 1888.

The many programs operated by The Salvation Army include rehabilitation, counseling, emergency and disaster service, parole and correctional services, resident camping, day care centers for children and adults, social adjustment and development, a home for unwed mothers, recreation programs, and respite shelter care for men, women, and children.

Annually, over 785,000 County residents benefit from Salvation Army programs and make use of Salvation Army facilities, many of which are old and in need of repair and renovation. The Salvation Army

has undertaken a major program to renovate six centers of operation in Allegheny County. To help the Salvation Army realize its goal of improving its facilities and increasing its level of service to the community, the Trustees of the Richard King Mellon Foundation approved a grant of \$250,000 to The Salvation Army toward its capital campaign.

In 1980, the Rehabilitation Institute of Pittsburgh, chartered as the Home for Crippled Children, received a one-year grant from the Bureau of Vocational Rehabilitation of the Commonwealth of Pennsylvania to develop a model program to help disabled children achieve maximum vocational and independent living potential. The program, referred to as Operation Life's Work, is designed to provide counseling and training both to parents of handicapped youngsters and to professionals who



The Salvation Army operates many programs including rehabilitation, emergency and disaster service, residential camping, day care centers, recreation programs, and prison visitation ministry. The Salvation Army is nearing the completion of a \$4.9 million capital campaign to renovate certain facilities in Allegheny County.

work with handicapped children.

Operation Life's Work consists of a number of integrated steps whose ultimate goals are to develop an awareness of the potential independent living capabilities of the seriously disabled, to develop a knowledge of the realistic educational programs available for the seriously handicapped, and to provide parents and professionals with knowledge and practices that will optimize vocational planning in conjunction with the disabled child. Operation Life's Work is the first program of its type in the United States to assist parents in planning for the future of their disabled child during the entire developmental spectrum from infancy to adolescence.

Following the discontinuation of public funding for this program, the Trustees of the Richard King Mellon Foundation approved a grant of \$150,000 to the Home for Crippled



The outpatient program and the supportive services provided by the Rehabilitation Institute of Pittsburgh make it possible for many youngsters to live with their families while receiving the treatment they require.

Children representing three-year support for the continuation of Operation Life's Work.

The following is a list of grants approved in 1981 for social service programs:

Bidwell Education, Music and Recreation Center Pittsburgh, Pennsylvania	
To replace boiler system	\$ 14,000
Boys' Club of Western Pennsylvania Pittsburgh, Pennsylvania	
Renovate Shadyside Boys' Club swimming pool	100,000
Children's Aid Society of Jewish Women Pittsburgh, Pennsylvania	
Toward renovation of group home	40,000
Contact Pittsburgh, Inc. Glenshaw, Pennsylvania	
For Contact Reassurance Program for the Elderly	3,200
Elder-Ado Pittsburgh, Pennsylvania	
Toward renovation of Senior Citizen Center	50,000
Fellowship of Christians in Universities and Schools, Inc. Greenwich, Connecticut	
Two-year support for Pittsburgh program	6,000
George Junior Republic Association of Western Pennsylvania Grove City, Pennsylvania	
Toward renovation of Barnes School	100,000

Health and Welfare Planning Association Pittsburgh, Pennsylvania Toward study on shelter care facilities	\$ 12,700
Home for Crippled Children Pittsburgh, Pennsylvania Three-year support for Operation Life's Work	150,000
Housing Opportunities, Inc. McKeesport, Pennsylvania Endowment support	50,000
Metropolitan Pittsburgh Public Broadcasting, Inc. Pittsburgh, Pennsylvania To underwrite community education program, <i>The Chemical People</i>	345,000
Northern Area Multi-Service Center of Allegheny County Pittsburgh, Pennsylvania Toward renovation of residential facility for senior citizens	32,000
Peoples Oakland, Inc. Pittsburgh, Pennsylvania Two-year support for Litter Clean-up Project	25,000
Pittsburgh Action Against Rape Pittsburgh, Pennsylvania Operating support	10,000
The Pittsburgh Foundation Pittsburgh, Pennsylvania Podlucky Track Fund	50,000
The Salvation Army Pittsburgh, Pennsylvania Toward capital fund drive	250,000
Society of St. Vincent de Paul Pittsburgh, Pennsylvania To purchase two trucks	25,000
D. T. Watson Home for Crippled Children Sewickley, Pennsylvania To upgrade sewage system	20,000
The Wesley Institute Pittsburgh, Pennsylvania Purchase and renovate building	100,000
Youth Opportunities Unlimited, Inc. Pittsburgh, Pennsylvania To renovate headquarters building	75,000
	<u>\$ 1,457,900</u>

Medicine

The Trustees of the Richard King Mellon Foundation approved seven grants in this category amounting to \$710,000, or 7 percent of the total 1981 commitments. Although activity in this area was reduced from prior years, the Trustees continue to maintain an interest in medical programs of need and quality. However, because fewer grant dollars are now available for the Foundation's medical program, it must be a highly selective one.

Awards were concentrated on organizations in Pittsburgh and western Pennsylvania. The largest award in this category in 1981 was a grant of \$500,000 to Children's Hospital of Pittsburgh.

Research Support

Children's Hospital of Pittsburgh, founded in 1887, is a teaching hospital and a member of the University Health Center of Pittsburgh. The Hospital serves as the regional pediatric center, organizing every available resource for optimal health

care for children throughout the area as well as seriously ill children from across the Nation. Over the years, Children's Hospital of Pittsburgh has been at the forefront in addressing major pediatric problems and has been a major contributor to scientific advancement. The Hospital



Children's Hospital of Pittsburgh, a member of the University Health Center of Pittsburgh, is a teaching hospital and a regional pediatric center organizing every available resource for optimal health care for children. An endowment grant of \$500,000 from the Foundation will support pediatric research at the Hospital.

is noted for having one of the Nation's leading centers for research in juvenile diabetes mellitus and is the Nation's largest center for the study of middle ear disease, one of the most common childhood illnesses. A major investigation of the frequently performed, yet most controversial of childhood operations, tonsillectomy and adenoidectomy is currently underway.

Children's Hospital of Pittsburgh is known as a pioneer in developing screening tests for detecting congenital hypothyroidism, thus sparing children worldwide from irreversible mental retardation. The Hospital is also one of the Nation's leading centers for research on neonatal seizures and an emerging leader in the field of transplantation.

In 1981, the Trustees of the Richard King Mellon Foundation approved an endowment grant of \$500,000 to Children's Hospital of Pittsburgh to support pediatric research. The funds will help build and strengthen programs that are in the early stages of development, specifically allowing physicians and scientists to initiate and continue the finest quality hospital research programs in a planned and organized manner. Equally important, the fund will also promote the development of the next generation of investigators through involvement of students, fellows, and junior faculty in research projects.

Lupus erythematosus, or lupus as it is commonly known, is a chronic inflammatory disease affecting connective tissues. It may affect only the skin of some people, but in others it may affect virtually any organ in the body, including the joints, kidneys, brain, lungs, and heart.

Lupus erythematosus is not a rare disease. It has affected over 500,000 victims in the United States, outnumbering those with leukemia, muscular dystrophy, cystic fibrosis,

or other more readily recognized diseases. The cause and cure of lupus is presently unknown, however, medical research on lupus continues and is being accelerated in major medical centers throughout the Country.

In 1975, the Lupus Foundation of America, Inc. was formed to help combat and eradicate lupus erythematosus. The major goals of the Foundation are to find the cause and cure of lupus; to further research; to promote professional and lay education; and to promote the need for early diagnosis and treatment. Since its inception, the Foundation has grown to a nationwide network of seventy constituent chapters and 108 subchapters with a total membership of about 18,000 individuals.

In 1981, the Trustees of the Richard King Mellon Foundation approved a grant of \$50,000 to the Lupus Foundation of America, Inc. to provide seed money in support of basic research into the cause and cure of lupus.

Other Programs

The Western Pennsylvania Chapter of the National Hemophilia Foundation was incorporated in 1972 for the purpose of supporting services and sponsoring research regarding hemophilia. The specific aims of the Western Pennsylvania Chapter are to serve hemophiliacs through the support of treatment and research projects; to provide social and educational support systems for hemophiliacs and their families; and to educate the public about hemophilia including dispelling the myth that small cuts and bruises will be fatal to hemophiliacs.

The Western Pennsylvania Chapter operates its programs on a very efficient basis with a minimum of paid employees and a large group of volunteers. The Chapter, aware that it has only begun to reach out to all of the families in western Pennsylvania who are learning to cope with

hemophilia, recently hired a volunteer coordinator responsible for recruiting new volunteers and expanding the services available to current and potential clientele.

Although the present volunteer help is invaluable, the Chapter realizes it is not practical to depend solely upon it, especially since many of the volunteers are parents of hemophiliacs and are unable to donate their time and services on a regularly scheduled basis. Following the expansion of the volunteer corps, the Chapter will have the resources and wherewithal to expand the programs and services it will be able to provide to an increased population. The Chapter intends to establish programs of peer support, recreational activities, and social events to help reduce the isolation and social hardships among hemophiliac families. In addition, the Chapter also hopes to illustrate to parents an effective means of initiating programs of their own.

The Trustees of the Richard King

Mellon Foundation approved a grant of \$20,000 to the National Hemophilia Foundation, Western Pennsylvania Chapter, to hire a coordinator of volunteers and a part-time secretary. It is hoped that the volunteer coordinator will generate a level of participation and commitment to the Western Pennsylvania Chapter sufficient to underwrite the program at the conclusion of this grant.

Arthritis is the Nation's number one crippling disease, causing suffering to over thirty-one million people and afflicting one million new victims every year. It is estimated that 500,000 individuals in western Pennsylvania suffer from arthritis.

To help those individuals afflicted with various forms of arthritis, the Western Pennsylvania Chapter of The Arthritis Foundation, Inc. was established to help sponsor research to find the cause and cure of this chronic disease; to support fellowships, preceptorships and profes-



The Arthritis Foundation, Inc., Western Pennsylvania Chapter, was established to promote research and education regarding arthritis and its treatment. One of the Chapter's more popular patient services is the swimming program which provides instruction and motion exercises.

sional seminars to help expand the number of qualified physicians who treat arthritis; to educate the public about arthritis and the importance of prompt diagnosis and treatment; and to provide information and services to patients and their families.

The education and outreach programs of the Western Pennsylvania Chapter are of vital importance both to the general public and to existing patients. The public must constantly be made aware of the fact that the earlier arthritis is diagnosed the easier it is to receive help and to prevent disablement. Various outreach efforts are used such as speakers' bureaus, public forums, health fairs and newsletters. A new component of the education program

is the Self-Help Resource Center located in the offices of the Western Pennsylvania Chapter. The Center gives the patient the opportunity to become informed on physicians, drugs and insurance, and to learn about adaptive equipment which may be useful to them in managing their daily activities despite the limitations of arthritis.

The Trustees of the Richard King Mellon Foundation approved a grant in 1981 of \$19,000 to The Arthritis Foundation, Inc., Western Pennsylvania Chapter, to enable the Chapter to purchase special equipment to improve its communications potential and to create the Self-Help Resource Center.

The following is a list of grants approved in 1981 for medical programs:

The Arthritis Foundation, Inc. Western Pennsylvania Chapter Pittsburgh, Pennsylvania To purchase equipment	\$ 19,000
Children's Hospital of Pittsburgh Pittsburgh, Pennsylvania Endowment support for basic and clinical research in pediatrics	500,000
Falmouth Hospital Association, Inc. Falmouth, Massachusetts Endowment support	100,000
Health Systems Agency of Southwestern Pennsylvania Pittsburgh, Pennsylvania Regional Health Planning Advisory Commission for 1981	1,000
Latrobe Area Hospital Latrobe, Pennsylvania Equipment for two ambulances	20,000
Lupus Foundation of America, Inc. New York, New York Research support	50,000
The National Hemophilia Foundation Western Pennsylvania Chapter Pittsburgh, Pennsylvania Volunteer Program	20,000
	<u>\$ 710,000</u>

Appropriations and Grants Paid

Richard King Mellon Foundation

1981

	Unpaid at 12/31/80	Approved (Rescinded)	Paid (Refunded)	Unpaid at 12/31/81
African Wildlife Leadership Foundation, Inc. Pittsburgh, Pennsylvania . . .		\$ 37,500		\$ 37,500
Allegheny Conference on Community Development Pittsburgh, Pennsylvania . . .	\$ 30,000	356,500	\$ 197,000	189,500
The American Wind Symphony Orchestra Pittsburgh, Pennsylvania	30,000		30,000	
Appalachian Mountain Club Boston, Massachusetts		623,000		623,000
The Arthritis Foundation, Inc. Western Pennsylvania Chapter Pittsburgh, Pennsylvania		19,000	19,000	
Aviation Research Corporation Pittsburgh, Pennsylvania		10,000	10,000	
Bidwell Education, Music and Recreation Center Pittsburgh, Pennsylvania		14,000		14,000
Boys' Club of Western Pennsylvania Pittsburgh, Pennsylvania		100,000	100,000	
Brown University Providence, Rhode Island . . .		221,000	221,000	
Carnegie Institute Pittsburgh, Pennsylvania		1,625,000		1,625,000
Carnegie-Mellon University Pittsburgh, Pennsylvania		1,500,000		1,500,000
Children's Aid Society of Jewish Women Pittsburgh, Pennsylvania		40,000	40,000	
Children's Hospital of Pittsburgh Pittsburgh, Pennsylvania		500,000		500,000
City of Pittsburgh Pittsburgh, Pennsylvania		1,500	1,500	
Commonwealth of Pennsylvania Department of Environmental Resources Harrisburg, Pennsylvania		47,600		47,600
The Conservation Foundation, Inc. Washington, District of Columbia		1,300,000		1,300,000
Conservation Law Foundation, Inc. Boston, Massachusetts		50,000	50,000	
Contact Pittsburgh, Inc. Glenshaw, Pennsylvania		3,200	3,200	
Ducks Unlimited, Inc. Chicago, Illinois	200,000		100,000	100,000
Elder-Ado Pittsburgh, Pennsylvania		50,000		50,000

	1981			
	Unpaid at 12/31/80	Approved (Rescinded)	Paid (Refunded)	Unpaid at 12/31/81
Enterprise & Education Foundation				
Pittsburgh, Pennsylvania		\$ 20,000	\$ 10,000	\$ 10,000
Environmental Law Institute Washington, District of Columbia		40,000	40,000	
Falmouth Hospital Association, Inc.				
Falmouth, Massachusetts . . .		100,000	100,000	
Fellowship of Christians in Universities and Schools, Inc.				
Greenwich, Connecticut		6,000	3,000	3,000
George Junior Republic Association of Western Pennsylvania				
Grove City, Pennsylvania		100,000	100,000	
Health and Welfare Planning Association				
Pittsburgh, Pennsylvania		12,700	12,700	
Health Systems Agency of Southwestern Pennsylvania				
Pittsburgh, Pennsylvania		1,000	1,000	
Home for Crippled Children Pittsburgh, Pennsylvania		150,000	50,000	100,000
Housing Opportunities, Inc.				
McKeesport, Pennsylvania . . \$	30,000	(50,000) 50,000	(20,000) 50,000	
Institute for Environmental Mediation				
Seattle, Washington	300,000		150,000	150,000
Latrobe Area Hospital				
Latrobe, Pennsylvania		20,000	20,000	
Lemington Home for the Aged Pittsburgh, Pennsylvania	100,000		100,000	
Loyalhanna Watershed Association, Inc.				
Ligonier, Pennsylvania	10,000	25,000	10,000	25,000
Lupus Foundation of America, Inc.				
New York, New York		50,000	50,000	
Marine Biological Laboratory Woods Hole, Massachusetts	60,000		40,000	20,000
Mayo Foundation Rochester, Minnesota	400,000		100,000	300,000
Metropolitan Pittsburgh Public Broadcasting, Inc.				
Pittsburgh, Pennsylvania		345,000		345,000
National Council of Juvenile and Family Court Judges				
Reno, Nevada		52,000		52,000
The National Hemophilia Foundation, Western Pennsylvania Chapter				
Pittsburgh, Pennsylvania		20,000	20,000	

	1981			
	Unpaid at 12/31/80	Approved (Rescinded)	Paid (Refunded)	Unpaid at 12/31/81
National Merit Scholarship Corporation				
Evanston, Illinois	\$ 200,855		\$ 129,073	\$ 71,782
National Parks & Conservation Association				
Washington, District of Columbia		\$ 150,000		150,000
National Trust for Historic Preservation in the United States				
Washington, District of Columbia		150,000		150,000
The Nature Conservancy				
Arlington, Virginia	15,000,000	500,000	\$ 5,000,000	10,500,000
Negro Educational Emergency Drive				
Pittsburgh, Pennsylvania		100,000	50,000	50,000
Northern Area Multi-Service Center of Allegheny County				
Pittsburgh, Pennsylvania		32,000	32,000	
Outward Bound, Inc.				
Greenwich, Connecticut	50,000		50,000	
Partners for Livable Places				
Washington, District of Columbia	100,000		50,000	50,000
Pennsylvania Economy League, Inc., Western Division				
Pittsburgh, Pennsylvania		60,700	40,700	20,000
Peoples Oakland, Inc.				
Pittsburgh, Pennsylvania		25,000	12,500	12,500
Pittsburgh Action Against Rape				
Pittsburgh, Pennsylvania		10,000		10,000
Pittsburgh — Allegheny County Cultural Alliance				
Pittsburgh, Pennsylvania		5,000		5,000
Pittsburgh Ballet Theater, Inc.				
Pittsburgh, Pennsylvania	30,000		30,000	
Pittsburgh Civic Garden Center				
Pittsburgh, Pennsylvania		15,000	15,000	
The Pittsburgh Foundation				
Pittsburgh, Pennsylvania	1	148,599	148,600	
Pittsburgh Opera, Inc.				
Pittsburgh, Pennsylvania		43,200	14,400	28,800
Pittsburgh Public Schools				
Pittsburgh, Pennsylvania		225,000	225,000	
The Pittsburgh Public Theater Corporation				
Pittsburgh, Pennsylvania		60,000	60,000	
Pittsburgh Symphony Society				
Pittsburgh, Pennsylvania	300,000		100,000	200,000
Point Park College				
Pittsburgh, Pennsylvania	50,000		50,000	
The Quebec-Labrador Foundation, Inc.				
Ipswich, Massachusetts	75,000		37,500	37,500

Richard King Mellon Foundation

1981

	Unpaid at 12/31/80	Approved (Rescinded)	Paid (Refunded)	Unpaid at 12/31/81
The Salvation Army Pittsburgh, Pennsylvania		\$ 250,000	\$ 250,000	
School for Field Studies, Inc. Boston, Massachusetts		25,000		\$ 25,000
Scientists' Institute for Public Information, Inc. New York, New York		50,000	50,000	
Smithsonian Institution Washington, District of Columbia		50,000	50,000	
Society of St. Vincent de Paul Pittsburgh, Pennsylvania		25,000	25,000	
Southern Alleghenies Museum of Art Loretto, Pennsylvania		5,000	5,000	
Sports Medicine Institute Pittsburgh, Pennsylvania	\$ 50,000		30,000	20,000
The Student Conservation Association, Inc. Charleston, New Hampshire		100,000		100,000
Thomas Jefferson Research Center Pasadena, California		5,000	5,000	
United Negro College Fund, Inc. New York, New York		90,000		90,000
The United Way of Allegheny County Pittsburgh, Pennsylvania	300,000		300,000	
The University of Georgia College of Agriculture Experiment Stations Athens, Georgia	724,000			724,000
University of Montana Foundation Missoula, Montana	150,000		50,000	100,000
University of Pittsburgh Graduate School of Business Pittsburgh, Pennsylvania		10,000	10,000	
Urban League of Pittsburgh, Inc. Pittsburgh, Pennsylvania		6,000	6,000	
D. T. Watson Home for Crippled Children Sewickley, Pennsylvania		20,000		20,000
The Wesley Institute Pittsburgh, Pennsylvania		100,000	100,000	
Western Pennsylvania Conservancy Pittsburgh, Pennsylvania	16,000		16,000	
The Wildlife Conservation Fund of America Columbus, Ohio	150,000		150,000	
Youth Opportunities Unlimited, Inc. Pittsburgh, Pennsylvania		75,000	75,000	
Totals	<u>\$ 18,355,856</u>	<u>\$ 9,775,499</u>	<u>\$ 8,775,173</u>	<u>\$ 19,356,182</u>

Statement of Net Assets

Richard King Mellon Foundation

December 31, 1981

Cash and receivables		\$	667,881
Investments at market quotations:			
Common stocks	\$ 246,543,663		
Temporary investments	46,465,377		
Long-term debt instruments	<u>63,507,106</u>		356,516,146
Program-related investment, at cost			
Pittsburgh Historical Collection			<u>22,331</u>
Total assets			357,206,358
Less amounts reserved for:			
Grants approved but not paid	19,356,182		
Federal excise tax	<u>925,530</u>		<u>20,281,712</u>
Net assets			<u>\$ 336,924,646</u>

The notes on page 44 are an integral part of the financial statements.

Statement of Changes in the Fund

Richard King Mellon Foundation

	For the year ended December 31	
	1981	1980
Income:		
Investment income	\$ 20,788,168	\$ 18,918,729
Expenses:		
Administrative and investment expenses	\$ 1,659,710	\$ 1,399,454
Provision for federal excise tax	925,000	550,000
	<u>2,584,710</u>	<u>1,949,454</u>
Net income	18,203,458	16,969,275
Grants approved	<u>9,775,499</u>	<u>23,898,700</u>
Excess (deficit) of net income over grants approved	8,427,959	(6,929,425)
Net realized gain from disposition of investments	34,232,057	18,988,137
Unrealized appreciation (depreciation) on investments, at market quotations	<u>(17,190,738)</u>	<u>24,850,673</u>
	<u>17,041,319</u>	<u>43,838,810</u>
Increase in fund	25,469,278	36,909,385
Fund balance		
Beginning of year	<u>311,455,368</u>	<u>274,545,983</u>
End of year	<u>\$336,924,646</u>	<u>\$311,455,368</u>

The notes on page 44 are an integral part of the financial statements.

Summary of Investments

Richard King Mellon Foundation

December 31, 1981

	Amount at	
	Book Value	Market Quotations at December 31, 1981
COMMON STOCKS		
Aerospace	\$ 1,570,510	\$ 1,564,450
Airlines and air freight	912,495	893,550
Amusement	1,243,617	2,366,895
Apparel and textiles	1,110,553	1,192,413
Automotive	2,705,967	1,989,050
Banking	11,568,032	12,539,262
Brewing and distilling	264,467	301,563
Broadcasting and cable television	613,727	665,850
Building materials	2,828,762	2,693,380
Business services	389,099	454,575
Chemical	4,416,477	4,143,756
Coal	12,289	12,563
Construction and material handling	1,403,469	1,613,981
Containers	842,249	1,390,009
Cosmetics and household products	2,620,899	2,982,400
Drug	4,355,358	5,007,988
Electrical equipment	6,340,010	6,102,131
Electronics	4,685,900	5,296,676
Farm equipment	989,427	954,950
Finance	386,997	356,662
Food products	3,127,503	4,141,817
Hospital supply	5,624,599	7,405,987
Industrial machinery and materials	2,547,442	3,052,113
Insurance	4,999,812	81,858,984
Merchandising	3,536,680	4,241,900
Multi-industry	1,131,413	1,284,997
Non-ferrous metals and mining	1,971,067	2,348,198
Office equipment and photocopy	8,331,727	10,992,837
Oil and gas	18,536,425	33,382,069
Oil and gas servicing	5,525,539	7,931,143
Paper	527,795	445,925
Photographic	675,694	894,250
Public utility — electric	2,197,671	2,226,748
Public utility — gas	455,485	482,312
Public utility — telephone, etc.	2,285,161	2,802,013
Publishing and printing	683,079	1,387,169
Railroads and other surface transportation	1,928,147	2,509,287
Railroad equipment	620,674	718,425
Restaurants and lodgings	623,843	744,175
Steel	690,678	608,888
Tire and rubber	26,335	29,750
Tobacco	1,319,561	2,003,287
Trucking	540,468	391,325
Other industries	3,810,344	4,481,172
Foreign	17,635,634	17,325,465
Venture capital	331,323	331,323
TOTAL COMMON STOCKS	138,944,403	246,543,663

	Amount at	
	Book Value	Market Quotations at December 31, 1981
TEMPORARY INVESTMENTS		
Discount and interest-bearing notes	\$ 18,561,380	\$ 18,561,380
U.S. Treasury bills	23,140,200	24,243,740
Foreign short-term investments	3,738,868	3,660,257
TOTAL TEMPORARY INVESTMENTS	45,440,448	46,465,377
LONG-TERM DEBT INSTRUMENTS		
Corporate bonds:		
Financial	908,843	705,975
Industrial	1,282,004	1,106,101
Public utility — electric	760,261	600,484
Public utility — gas	587,524	504,121
Public utility — telephone, etc.	1,098,577	985,652
Convertible corporate obligations	750,000	735,000
Total corporate bonds	5,387,209	4,637,333
United States Government obligations	52,455,538	53,220,248
Other long-term obligations	351,743	349,667
Foreign debt obligations	5,756,023	5,299,858
TOTAL LONG-TERM DEBT INSTRUMENTS	63,950,513	63,507,106
TOTAL INVESTMENTS	\$ 248,335,364	\$ 356,516,146

A complete list of investments may be obtained by writing to:
Richard King Mellon Foundation
Office of the Controller
525 William Penn Place
Pittsburgh, Pennsylvania 15219

Notes to Financial Statements

NOTE 1—Significant Accounting Policies

Basis of Accounting

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

Investments

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

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

NOTE 2—Provision For Federal Excise Tax

Federal excise tax represents a tax on net investment income as defined in Section 4940 of the Internal Revenue Code. The current rate is two percent.

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, 1981 and the related statement of changes in the fund for the years ended December 31, 1981 and 1980. We have also examined the supporting summary of investments as of December 31, 1981 and the schedule of appropriations and grants paid for the year ended December 31, 1981. 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 aforementioned financial statements present fairly the net assets of Richard King Mellon Foundation at December 31, 1981 and the changes in the fund for the years ended December 31, 1981 and 1980, and the supporting summary of investments and schedule of appropriations and grants paid present fairly the information included therein, all in conformity with generally accepted accounting principles applied on a consistent basis.

COOPERS & LYBRAND

Pittsburgh, Pennsylvania
March 31, 1982

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 15219

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. In this geographic area, the main fields of interest are conservation, education, and medicine and health care. The regional character of the Foundation's activities is reflected in this and previously published reports.

The Trustees are also interested in the field of land conservation in the United States.

The Foundation will not consider requests on behalf of individuals.

Photos:

National Park Service, p. 2-3; Charlie Ott, p. 7; Kevin D. Adams, p. 9; Thomas J. Lutz, p. 11; Katrina Thomas, p. 15; John Lokmer, p. 26; Clyde Hare, p. 30; Mark Portland, pp. 14, 20, 28.

Cover Photo by The Maine Chapter of The Nature Conservancy

Richard King Mellon Foundation 1981 Annual Report

