

RICHARD KING MELLON FOUNDATION
ANNUAL REPORT
1996



RICHARD KING MELLON

1899–1970

Richard King Mellon was born in Pittsburgh, Pennsylvania on June 19, 1899, the son of Richard Beatty Mellon and Jennie King Mellon. Mr. Mellon served his country in both World Wars and in peacetime, attaining the rank of Lieutenant General, United States Army Reserve, and receiving the Distinguished Service Medal. Mr. Mellon was the dominant figure in the financial, industrial, and civic life of his community for many years. He was President of Mellon National Bank and for twenty years Chairman of the Board of Mellon National Bank and Trust Company; as a director, he aided the growth of many of the nation's leading enterprises, particularly Gulf Oil Corporation and Aluminum Company of America.

Mr. Mellon, Founder, President and Governor of T. Mellon and Sons, inspired and led the rebirth of a great American city. His creative energies forged the Pittsburgh Renaissance, an architectural, civic, social and educational masterpiece.

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

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

Mr. Mellon died on June 3, 1970.

RICHARD KING MELLON
FOUNDATION

1996 ANNUAL REPORT

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PRESIDENT'S LETTER

During this past year the trustees approved \$51,801,671 in grants while paying out a total of \$53,362,171. This money was split between the foundation's two main areas of interest; quality of life programs in southwestern Pennsylvania and the preservation of open space, historic sites and scenic views throughout our great country.

The Foundation's American Land Conservation Program acquired and donated six tracts of land, including a first-time acquisition in the state of South Dakota whose Department of Game, Fish and Parks received a gift of 145 acres to add to its parks system. Other significant grants included 37,885 acres in Chinati, Texas, creating a "State Natural Area" and 2,151 acres adding to the Fishing Bay Wildlife Management Area on the eastern shore of Maryland. The program has now acquired land in 38 different states and is rapidly moving toward its goal to include purchases in all fifty.

Approvals in the area of human services totaled \$16,032,000. A \$10 million gift went to United Way of Southwestern Pennsylvania for its Early Childhood Initiative, which will mobilize the communities in Allegheny County to improve the quality of care for children ages birth through five years and strengthen their families as primary caregivers. Evidence supports the view that children given supportive care during formative years will have a much better chance of becoming well-adjusted, productive citizens. Unfortunately, public dollars tend to flow toward programs which deal with crises and not prevention. The Early Childhood Initiative hopes to demonstrate, over a five-year period, the efficiency and effectiveness of this preventive approach so that public officials can see the wisdom of financing such programs.

Other major gifts included an unsolicited \$800,000 capital grant to complete construction of Ligonier Valley's YMCA, which has become a community focal point for residents of the area, and a \$500,000 grant toward the construction of a new education/training center at the Holy Family Institute, serving the most vulnerable children and families.

A community is only as strong as its economy. Helping to stimulate the economy of southwestern Pennsylvania was a major priority in the Foundation's civic affairs category. The Allegheny Conference on Community Development received a \$1 million grant in support of the Pittsburgh Tissue Engineering Initiative, designed to stimulate economic growth in the emerging biotechnological field of tissue engineering. This grant will assist our talented researchers in developing technology and spawning new businesses.

A grant of \$300,000 over a two-year period helped launch the Pittsburgh Regional Alliance, which will coordinate, focus, and strategically implement economic development throughout southwestern Pennsylvania.

The region has much to offer: great universities, nationally recognized health care research, world-class museums and cultural activities, recreational opportunities for all ages, and a safe environment in which to live. In spite of this we continue to lose our young people because we lack job opportunities. We need to do everything in our power to reverse this trend and the foundation is dedicated to playing its part.

Education has been a major interest for the 49-year history of the Foundation. Two local colleges, conducting capital campaigns to become more competitive in the field of technology, received the two largest gifts. Carlow College of Pittsburgh was granted \$500,000 for its new Center for Science and Technology and St. Vincent College in Latrobe received \$350,000 to help construct its Technology Resource Center. Other gifts supported after-school programs, science and math initiatives for public schools, and the Foundation's college scholarship program, funded through NEED, for minority students.

While the majority of conservation grant money supports the American Land Conservation Program, significant gifts of \$750,000 were approved for the American Farmland Trust, which helps public officials deal with the challenges regarding agricultural conservation policies, and for

President's Letter

C O N T I N U E D

the Foundation for California University of Pennsylvania to support "Partners in Wildlife," an effort to assist farmers in implementing environmental practices.

American Rivers, Inc., whose mission includes the restoration and protection of our national rivers, received a \$300,000 challenge grant to develop greater membership support.

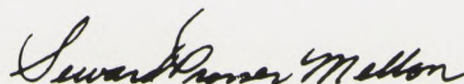
In the field of medicine, the trustees recognized the importance of improving pediatric care in the more rural areas surrounding Pittsburgh. A \$900,000 grant, payable over three years, will link Latrobe Area Hospital with experts at Children's Hospital of Pittsburgh in a collaborative program to better diagnose and treat youngsters from Westmoreland and Somerset counties.

Several years ago, the Richard King Mellon Foundation helped establish the Center for the Neural Basis of Cognition, a joint program between Carnegie Mellon University and the University of Pittsburgh to study functions of the brain. This past year, the trustees approved an additional \$3 million to further establish this exciting research opportunity.

The Foundation also supported two community outreach programs sponsored by Magee-Womens Health Foundation and Shadyside Hospital Foundation, to bring medical attention to families in poverty.

Cultural activities which received attention included QED Communications, the Civic Light Opera Association, and the Pittsburgh Dance Alloy.

I am pleased to announce that at year-end, the assets of the Richard King Mellon Foundation stood at \$1,379,783,260. This new high for the Foundation once again confirms that those responsible for the investments of the corpus of the Foundation have done an outstanding job. Their important contribution will enable our program staff to focus more grant money on all our important programs.



Seward Prosser Mellon
President

1996 APPROPRIATIONS*By Category*

Conservation	\$24,229,971
Human Services	16,032,000
Education	2,250,600
Medicine	4,874,000
Civic Affairs	3,638,100
Cultural Activities	777,000
	<hr/>
	\$51,801,671

By Area

Pittsburgh & Southwestern Pennsylvania	\$28,601,700
Other	23,199,971
	<hr/>
	\$51,801,671

1947-1996 NET INVESTMENT INCOME

1947-1995	\$486,505,455
1996	35,061,964
	<hr/>
	\$521,567,419

1947-1996 GRANTS PAID AND PROGRAM-RELATED INVESTMENTS

1947-1995	\$630,167,499
1996	53,362,171
	<hr/>
	\$683,529,670

The following sections provide brief reports on the Richard King Mellon Foundation's grant activities in 1996, as well as descriptions of the organizations the Foundation has assisted.



CONSERVATION

AMERICAN LAND CONSERVATION PROGRAM

As the nation's population grows, unplanned development of open spaces threatens to deprive future generations of the natural beauty and grandeur we have come to take for granted. The American Land Conservation Program was initiated in 1988 to acquire and preserve key tracts of land which were in danger of being lost to urban sprawl and environmentally insensitive development. The tracts described below are examples of some of the more significant projects acquired during 1996.



Maps of Alaska and Hawaii not to scale

LEGEND:
Boxed figures represent American Land Conservation Program purchases between 1988 and 1995; color dots represent purchases during 1996.

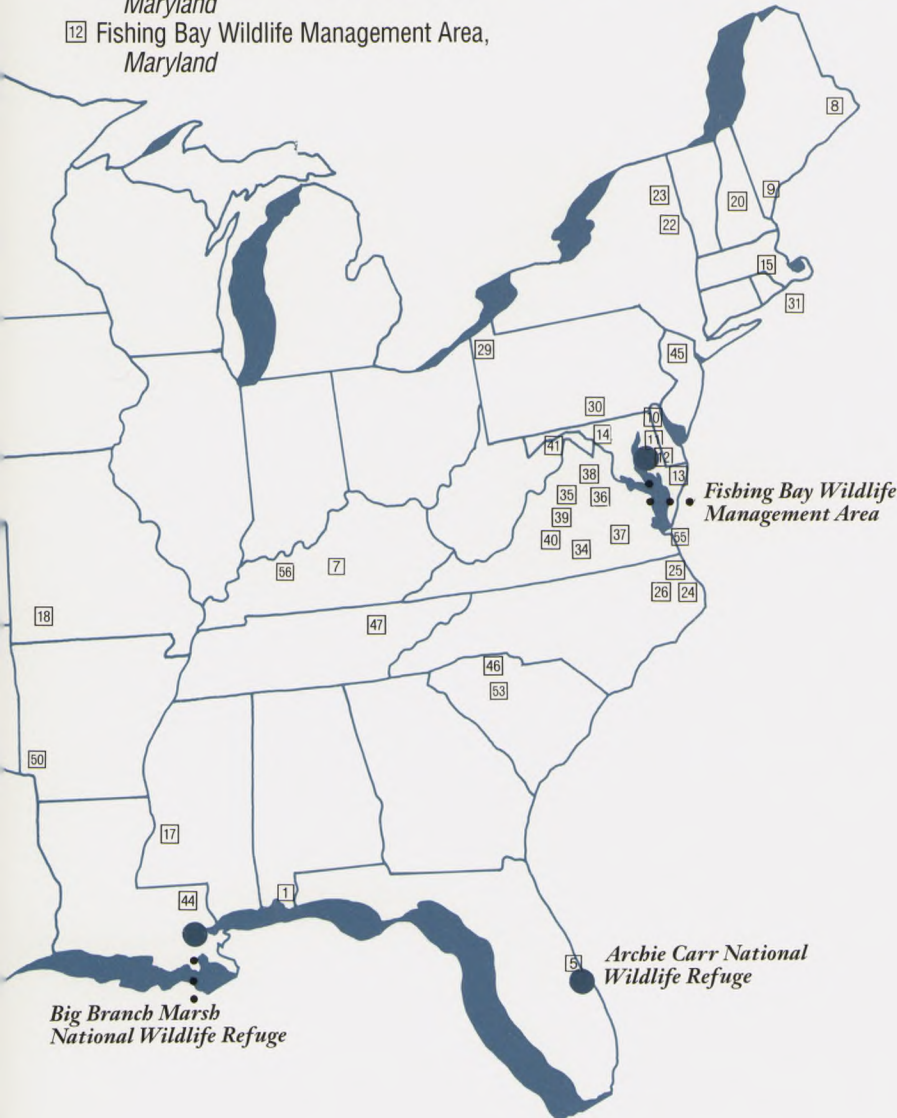


1988-1995 Project Locations

- 1 Bon Secour National Wildlife Refuge, *Alabama*
- 2 Redwood National Park, *California*
- 3 Rocky Mountain National Park, *Colorado*
- 4 Deer Haven Ranch, *Colorado*
- 5 Archie Carr National Wildlife Refuge, *Florida*
- 6 Hillman Ranch, *Idaho*
- 7 Mammoth Cave National Park, *Kentucky*
- 8 Bold Coast, *Maine*
- 9 Rachel Carson National Wildlife Refuge, *Maine*
- 10 Martin National Wildlife Refuge, *Virginia*
- 11 Deal Island Wildlife Management Area, *Maryland*
- 12 Fishing Bay Wildlife Management Area, *Maryland*

- 13 Chesapeake Bay Environmental Education Center at Bishop's Head, *Maryland*
- 14 Antietam National Battlefield, *Maryland*
- 15 High Rocks Gorge State Park, *Massachusetts*
- 16 Rydell National Wildlife Refuge, *Minnesota*
- 17 Champion Hill, *Mississippi*
- 18 Johnson's Shut-Ins State Park, *Missouri*
- 19 Thompson Chain of Lakes, *Montana*
- 20 Bowman Island, *New Hampshire*
- 21 Pecos National Historical Park, *New Mexico*
- 22 Adirondack Forest Preserve, *New York*

- 23 Salmon River, *New York*
- 24 Pocosin Lakes National Wildlife Refuge, *North Carolina*
- 25 Mackay Island National Wildlife Refuge, *North Carolina*
- 26 Pettigrew State Park, *North Carolina*
- 27 Schnell Ranch, *North Dakota*
- 28 Ferry Canyon, Deschutes River, *Oregon* (National Wild and Scenic River)
- 29 David M. Roderick Wildlife Reserve, *Pennsylvania*
- 30 Gettysburg National Military Park, *Pennsylvania*
- 31 Block Island, *Rhode Island*
- 32 Christmas Mountains Ranch, *Texas*
- 33 Glen Canyon National Recreation Area, *Utah*
- 34 Appomattox Court House National Historical Park, *Virginia*
- 35 Fredericksburg and Spotsylvania National Military Park, *Virginia*
- 36 Fredericksburg and Spotsylvania National Military Park, Chancellorsville Battlefield Unit, *Virginia*
- 37 Petersburg National Battlefield, Five Forks Unit, *Virginia*
- 38 Manassas National Battlefield Park, *Virginia*
- 39 Rapidan Wildlife Management Area, *Virginia*
- 40 Shenandoah National Park, *Virginia*
- 41 North Branch Potomac River, *West Virginia*
- 42 Shoshone National Forest, *Wyoming*
- 43 Sunshine Ranch, *Wyoming*
- 44 Big Branch Marsh National Wildlife Refuge, *Louisiana*
- 45 Copperas Range, *New Jersey*
- 46 Kings Mountain, *South Carolina*
- 47 Pickett State Forest, *Tennessee*
- 48 Sheldon National Wildlife Refuge, *Nevada*
- 49 Book Cliffs, *Utah*
- 50 Cossatot National Wildlife Refuge, *Arkansas*
- 51 Douglas Creek Management Area, *Washington*
- 52 Hakalau Forest National Wildlife Refuge, *Hawaiian Islands*
- 53 Kings Mountain State Park, *South Carolina*
- 54 Kodiak National Wildlife Refuge, *Alaska*
- 55 Martin National Wildlife Refuge, *Virginia*
- 56 Muhlenberg and Ohio Counties, *Kentucky*



**Archie Carr National
Wildlife Refuge**

Brevard County, Florida

Additions during the last year raised the acquisitions by the Foundation since 1991 to a total of 49 parcels. The oceanfront and river properties, once planned for commercial and residential development, support one of the world's most important nesting areas for endangered marine turtles. The acquisitions are scheduled for future donation to the Archie Carr National Wildlife Refuge. The purchases, sheltering the nests of loggerhead, green and leatherback turtles, were made in close cooperation with Brevard County, the state of Florida and the U.S. Fish and Wildlife Service.

**Big Branch Marsh
National Wildlife Refuge**

Saint Tammany Parish, Louisiana

On the northern shore of Lake Pontchartrain, across from New Orleans, the Foundation's original purchase and donation of 3,700 acres of wetlands in 1994 established the Big Branch Marsh National Wildlife Refuge. A second major gift in 1996 of 6,500 acres within the refuge's boundaries added new habitat for shorebirds, wading birds, migratory birds and wintering waterfowl. In addition to its importance to wildlife, Big Branch Marsh includes estuaries, ponds and bayous that provide critical spawning and nursery habitat for commercially important fish, shrimp and crabs. Congressman Robert Livingston, a strong supporter of the refuge, officiated at ceremonies last summer marking the Foundation's latest gift.

Chinati Mountain Preserve

Presido County, Texas

In the largest land gift ever made to the agency, the Foundation purchased and donated the Mesquite Ranch—37,885 acres of rugged western landscape—to the Texas Parks and Wildlife Department. Near Big Bend Ranch State Park, the land rises from desert lowlands to the 7,700-foot-high peaks of the Chinati Mountains. Home to 16 species of bats, one of the most diverse concentrations in the United States, the property edges the Rio Grande. Its soaring granite bluffs, deep wooded canyons and high grassland plateaus give the ranch both dramatic beauty and provide the diverse habitat needed by its wealth of native wildlife.

**Fishing Bay Wildlife
Management Area**

Dorchester County, Maryland

Fishing Bay Wildlife Management Area and nearby state and federal conservation lands constitute the largest block of protected wetlands in the entire Chesapeake Bay watershed. The Chesapeake Bay, the nation's largest estuary, is a stopping point for tens of thousands of migratory waterfowl each year. Originally created through a Foundation donation in 1994, this year's purchase of more than 2,000 acres, with its inlets and marshes, secures added habitat for canvasback, redhead and bluebill ducks. This latest acquisition was given to the state of Maryland.

**Glen Canyon National
Recreation Area**

Wayne and Emery Counties, Utah

In an unusual transaction, the Foundation acquired 46,389 acres of grazing privileges from a cooperating rancher in the spectacular Glen Canyon National Recreation Area. The Foundation donated the grazing privileges to the National Park Service and to the Bureau of Land Management. As a result, the two public agencies will be able to develop a long-range management plan to enhance wildlife habitat, improve outdoor recreation opportunities and help safeguard water quality in the Green River.

Ryan Farm

Union County, South Dakota

On the banks of the Big Sioux River, the 145-acre Ryan Farm, a gift to the people of South Dakota, significantly improves public access to the waterway for boating, fishing and hunting. The land, wooded and open with fresh water wetlands, was acquired at the request of the South Dakota Department of Game, Fish and Parks and is the Foundation's first project in the state.

OTHER CONSERVATION

American Farmland Trust

Washington, District of Columbia

The American Farmland Trust provides public officials with proper background information needed to make informed decisions on agricultural conservation policies leading to the protection of the nation's farmlands.

\$750,000 toward three-year support for farmland conservation activities.

American Rivers, Inc.

Washington, District of Columbia

Founded in 1973, American Rivers is a national conservation organization dedicated to protecting and restoring America's river systems and to fostering a river stewardship ethic.

\$300,000 matching grant to support a membership development program.

Conservation Consultants, Inc.

Pittsburgh, Pennsylvania

Conservation Consultants promotes environmental responsibility through education, service, and demonstration programs with special attention to lower income and elderly households.

\$50,000 toward capital support to complete renovations of an environmental resource incubator.

County of Westmoreland

Greensburg, Pennsylvania

Twin Lakes Park, located just north of Greensburg, is an extremely popular park with fishing lakes, picnic areas, and walking paths. Each year the park plays host to the Westmoreland County Arts Festival, which attracts in excess of 100,000 people.

\$50,000 to assist the county in purchasing added acreage for the park.

Foundation for California University of Pennsylvania

California, Pennsylvania

The Foundation for California University of Pennsylvania exists to enhance the University's mission in education, research, and public service.

\$750,000 payable over three years to support a project to restore, protect, and conserve natural resources through a partnership approach.

Juniata College

Huntingdon, Pennsylvania

The Juniata College Raystown Field Station is an environmental teaching and research center located on Raystown Lake, the largest lake wholly within Pennsylvania.

\$150,000 toward Phase I of a three-stage plan to make the Raystown Field Station a premier provider of environmental education in Pennsylvania.

Loyalhanna Watershed Association, Inc.

Ligonier, Pennsylvania

Loyalhanna Watershed Association's vision is to protect and conserve water, land, and related environment assets within Westmoreland County's Loyalhanna Creek Watershed to perpetuate and enhance the region's quality of life.

\$60,000 toward two-year operating support.

Montour Trail Council

Pittsburgh, Pennsylvania

The Montour Trail Council was formed to purchase, construct, and maintain a multi-use recreational trail on the abandoned right-of-ways of the Montour Railroad and the Pennsylvania Railroad Peters Creek branch between Coraopolis and Clairton, Pennsylvania. This is part of a larger network which will eventually link western Pennsylvania with Washington, D.C.

\$80,000 toward a capital campaign to construct a section of the trail.

Natural Resources Council of America, Inc.

Washington, District of Columbia

Founded over a half century ago by a group of 12 national conservation leaders, Natural Resources Council of America is now an association of 75 national nonprofit organizations dedicated to the professional conservation, protection, and responsible management of the nation's natural resources.

\$100,000 toward three-year support of a membership development program.

Other Conservation

CONTINUED

Pennsylvania Environmental Council, Inc.

Philadelphia, Pennsylvania

The Pennsylvania Environmental Council is an environmental, education, advocacy and action organization that has been addressing the key environmental issues facing the Commonwealth over the last 25 years. It is committed to consensus building and tries to achieve workable solutions to difficult and often emotional issues.

\$75,000 payable over three years toward operating support.

Preservation Pennsylvania

Lancaster, Pennsylvania

Through creative partnerships, targeted educational and advocacy programs, advisory assistance, and special projects, Preservation Pennsylvania assists Pennsylvania communities to protect and utilize the historic resources they want to preserve for the future.

\$50,000 toward operating support.

Ruffed Grouse Society of America

Coraopolis, Pennsylvania

The Ruffed Grouse Society is dedicated to improving the environment for ruffed grouse, American woodcock, and other forest wildlife.

\$50,000 to help develop a comprehensive strategic plan.

West Virginia University College of Agriculture and Forestry

Morgantown, West Virginia

Economists believe that the sustainable harvest of plants from the wild has the potential to create jobs and small-scale businesses in rural communities, as well as to impact positively on the ecology and the environment. The university is implementing a project to explore the rapidly growing interest in harvesting wild plants.

\$50,000 discretionary funding toward the Wild Harvest Products research project.

Woods Hole Oceanographic Institution

Woods Hole, Massachusetts

Since its inception in 1930, the institution's purpose has been to study the oceans and to advance a wise and environmentally sound use of their resources. Today, Woods Hole focuses much of its research on such subjects as global warming, the red tide, earthquakes, and problem areas along coastal regions.

\$300,000 toward three-year support to develop oceanographic technologies.

American Land Conservation Program	\$21,414,971
Other conservation grants	2,815,000
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Total Conservation	\$24,229,971

HUMAN SERVICES

Allegheny County

Pittsburgh, Pennsylvania

Allegheny County Children and Youth Services is the division of county government publicly mandated to provide for the welfare of children and youth.

\$3,500 toward moving expenses for the agency's new director.

Allegheny Policy Council for Youth and Workforce Development

Pittsburgh, Pennsylvania

The Policy Council was established to improve the education of youth in the Greater Pittsburgh area. The Youth Employment Alliance is a cooperative effort of the Allegheny Policy Council, the City of Pittsburgh, Allegheny County, and a large number of community partners who are committed to the training and development of the region's youth.

\$250,000 toward a summer and year-round job initiative for youth.

\$150,000 toward two-year operating support.

Alpha House, Inc.

Pittsburgh, Pennsylvania

Founded in 1970, Alpha House provides full-time counseling and supervision for persons attempting to overcome a drug or alcohol related problem. Alpha House clients include voluntary applicants as well as referrals from the judicial system and mental health/mental retardation agencies.

\$25,000 restricted to fund deficits that are approved by the board of directors.

American National Red Cross Pittsburgh-Allegheny County Chapter

Pittsburgh, Pennsylvania

The mission of the American Red Cross is to help people prevent, prepare for, and respond to emergencies and, in times of disasters, to provide assistance to "sustain human life; reduce the harsh physical and emotional distress that prevents disaster victims from meeting their own basic needs; and to promote the recovery of individual victims when such relief assistance is not available from other sources."

\$100,000 to support the local disaster relief fund.

CareBreak

Pittsburgh, Pennsylvania

CareBreak's responsible and trained volunteers provide reliable, free, weekly in-home respite care to families with physically disabled but mentally alert children.

\$40,000 toward operating support.

Carnegie Library of Pittsburgh

Pittsburgh, Pennsylvania

The Foundation Center, located at the Carnegie Library of Pittsburgh, aids grant seekers by offering free public access to information on foundation and corporate philanthropy.

\$5,000 to expand resources for the Foundation Center.

Christian Community Counseling Center, Inc.

Latrobe, Pennsylvania

Since 1987, Christian Community Counseling Center has provided psychological and spiritual counseling services and educational programs to families, individuals, and groups.

\$10,000 one-time emergency operating support.

The Community Foundation of Westmoreland County

Greensburg, Pennsylvania

The foundation's mission is to enrich the quality of life for all residents of Westmoreland County by providing support and assistance to non-profit groups, and leadership in assessing and responding to ever-changing community needs.

\$100,000 payable over two years toward operating support (conditional).

Community Outreach Ministries, Inc.

Pittsburgh, Pennsylvania

Located in Pittsburgh's West End, Community Outreach Ministries' mission is to improve the quality of life for children, youth, and parents in the Sheraden Community, a West End neighborhood of Pittsburgh containing two large public housing projects, Westgate Village and Broadhead Manor.

\$50,000 toward purchase and renovation of a building in Sheraden to serve as a Multicultural Community Center (conditional).

Consensus Organizing Institute, Inc.

Boston, Massachusetts

Consensus Organizing Institute was formed in 1994 to link neighborhood leaders and organizations with private and public leaders and institutions to form powerful coalitions of community builders.

\$10,500 to evaluate the potential for community organizing in the City of Duquesne, Pennsylvania.

East End Cooperative Ministry, Inc.

Pittsburgh, Pennsylvania

The ministry is an interfaith coalition of 45 churches, synagogues, and religious institutions which incorporated in 1959 to meet human needs in the East End of Pittsburgh. Assistance includes food and shelter for the needy, meals-on-wheels, support services for the elderly, bridge housing, and various programs for children and youth.

\$100,000 toward three-year support of a summer youth camp.

East End United Community Center, Inc.

Uniontown, Pennsylvania

Established in 1975 by a group of community citizens, the center focuses on developing, implementing, and sustaining enrichment programs for area youth, ages 6 to 13, that foster academic excellence, provide meaningful recreational experiences, and develop appropriate social, leadership, teamwork, and sportsmanship qualities.

\$50,000 toward two-year program support.

Family Health Council of Western Pennsylvania, Inc.

Pittsburgh, Pennsylvania

To improve the quality of family life and promote responsible parenthood, Family Health Council each year provides medically safe, affordable contraception to approximately 67,000 women who wish to plan pregnancies. Through a network of hospitals, community health centers, and free-standing clinics, the council also provides gynecological and prenatal care, immunizations and health screenings for low-income children, nutritional counseling, breast cancer education and screenings, and other services.

\$100,000 toward operating support for the Center for Adolescent Pregnancy Prevention.

The Forbes Fund

Pittsburgh, Pennsylvania

The Forbes Fund is a supporting organization of The Pittsburgh Foundation. Established in 1982, the fund assists human services agencies in Pittsburgh and Allegheny County with unanticipated financial crises caused by government cutbacks, changes in regulations, or management-related problems.

\$75,000 toward a three-year pilot effort to strengthen the region's non-profit sector.

Hill House Association

Pittsburgh, Pennsylvania

A leader in providing relevant, quality services for Hill District residents of all ages, Hill House Association works to build a better community by promoting such values as self-esteem, perseverance, self-reliance, and a learning orientation.

\$30,000 toward the purchase of a new computer system for the accounting department.

The Holy Family Institute

Pittsburgh, Pennsylvania

The Holy Family Foundation was formed to promote the public charitable works and educational purposes of The Holy Family Institute, which serves the most vulnerable children and families in the community.

\$500,000 toward construction of a new education/training center.

Hosanna House, Inc.

Pittsburgh, Pennsylvania

The mission of Hosanna House is to facilitate the creation of a community-based human service delivery system for the Wilkinsburg community.

\$40,000 to support "Random Acts of Kindness," an ethics program for elementary school children.

\$25,000 toward technical assistance to establish a financial accounting system.

Housing Opportunities, Inc.
McKeesport, Pennsylvania

For over 20 years, Housing Opportunities has helped low income families realize the dream of home ownership by saving their homes from foreclosure and assisting others in qualifying for ownership. Financing has been provided through a program arrangement with Commonwealth Assurance Corporation and the Revolving Loan Fund.

\$100,000 first-year support for the Revolving Loan Fund.

\$100,000 matching grant for the Revolving Loan Fund (conditional).

In the Beginning Creations, Inc.
Butler, Pennsylvania

The Wall, a project of In the Beginning Creations, is a grassroots, nondenominational Christian drama, music, and art program for teens. Its purpose is to provide a safe, positive, educational environment for open interaction and expression of teenage moral and social issues through creative and artistic activities.

\$200,000 toward two-year operating support.

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

The YMCA has become a strong, viable community center having a significant impact on the lives of a great number of residents of the Ligonier Valley and beyond. Its programs range from child care to senior activities, and are constantly expanding to meet the needs of the YMCA's constituents.

\$800,000 toward completion of the construction phase of a capital campaign.

Louise Child Care Center
Pittsburgh, Pennsylvania

Promoting each child's optimum healthy growth and development, Louise Child Care Center develops, demonstrates, and operates child care programs, conducts research, and disseminates information and trains child care professionals.

\$100,000 toward operating support and technical assistance.

Manchester Youth Development Center, Inc.
Pittsburgh, Pennsylvania

Founded in 1972 as an after-school program to address school achievement, the center later expanded to include preschool and day school programs. The organization continues to give each young person an equal chance to succeed in life according to ability. Its flexible tuition structure enables low-income families to access its services more readily.

\$100,000 toward operating support.

Miryam's
Pittsburgh, Pennsylvania

Miryam's mission is to provide sanctuary, care, service, and community to homeless women whose capacity for self-care is significantly impaired by untreated emotional disabilities. Miryam's ultimate goal is to help these women become self-sufficient and independent.

\$150,000 toward a capital campaign for a facility to shelter mentally impaired homeless women.

Mt. Ararat Community Activity Center, Inc.
Pittsburgh, Pennsylvania

Mt. Ararat Community Activity Center is dedicated to helping individuals and families regarded "at risk" become productively independent, fostering conditions for their economic stability, and supporting and encouraging family values.

\$80,000 payable over two years toward program support.

National Foundation of Dentistry for the Handicapped
Denver, Colorado

The National Foundation of Dentistry for the Handicapped, a charitable affiliate of the American Dental Association, helps needy disabled, aged, and medically-compromised individuals receive competent dental care.

\$160,000 payable over two years toward support for organizing a donated dental program for the needy population in western Pennsylvania.

North Hills Youth Ministry

Pittsburgh, Pennsylvania

North Hills Youth Ministry is a full-service counseling center offering crisis intervention and affordable professional counseling to children ages 5 to 18 and families living in the greater North Hills school district.

\$45,000 toward a capital campaign to provide additional counseling space.

Onala Club

Pittsburgh, Pennsylvania

Onala Club provides an environment which is free of drugs and alcohol for men, women, and teenagers who are in various stages of recovery from the disease of addiction.

\$10,000 to develop programs for young people recovering from drug and alcohol addictions.

The Parental Stress Center, Inc.

Pittsburgh, Pennsylvania

The mission of the Parental Stress Center is to prevent child abuse and neglect by providing in-home family services, thus minimizing more expensive out-of-home placement.

\$100,000 toward operating support for the Family Reunification Program.

Pennsylvania Association for the Blind

Westmoreland County Branch
Greensburg, Pennsylvania

The Westmoreland County Blind Association provides services and employment opportunities for the blind and visually impaired, helping those individuals to become more independent.

\$100,000 toward support for its capital campaign.

Perry Hilltop Association for Successful Enterprises, Inc.

Pittsburgh, Pennsylvania

The association encourages economic revitalization of the North Side neighborhoods of Pittsburgh by focusing on affordable housing solutions that involve the residents as educated, skilled, and committed consumers.

\$150,000 toward unrestricted support.

The Pittsburgh Mediation Center

Pittsburgh, Pennsylvania

Through public education, training, and community mediation programs, the center provides conflict management services to individuals and groups in the Greater Pittsburgh area who seek alternative means of resolving disputes.

\$50,000 toward two-year support for a community capacity building project.

Pittsburgh Mercy Foundation

Pittsburgh, Pennsylvania

Mercy Hospital is a tertiary care center in the City of Pittsburgh sponsored by the Sisters of Mercy. One of its missions is to provide health care to the unsheltered homeless people in Greater Pittsburgh.

\$50,000 toward operating support for Operation Safety Net, a medical outreach program for the homeless of Allegheny County.

The Pittsburgh Public Theater Corporation

Pittsburgh, Pennsylvania

Since 1991, ARCH (Artists Raising the Consciousness of Humanity), in association with the Pittsburgh Public Theater, has used theater to address issues that are important to youth, primarily those considered at-risk.

\$50,000 to fund the evaluation of an arts program designed to reduce negative behavior in young people.

Pittsburgh Recovery Center

Pittsburgh, Pennsylvania

The Pittsburgh Recovery Center is a drop-in center for addicts. It is run entirely on a volunteer basis by recovering addicts.

\$5,000 toward operating support.

Presence, Inc.

Pittsburgh, Pennsylvania

The purpose of Presence is to bring about healing and wholeness to individuals, families, and communities, and to foster an atmosphere of recovery from personal addictions.

\$5,000 toward operating support.

Primary Care Health Services

Pittsburgh, Pennsylvania

The Homewood-Brushton Community Collaborative is one of three collaboratives formed by the United Way to help young, addicted mothers not currently being cared for by the system. Its goal is to establish a working partnership among human service providers and community institutions to develop, implement, maintain, and monitor a continuum of care for these women and their families.

\$150,000 toward start-up operating support for a transitional housing project developed by the Homewood-Brushton Community Collaborative in partnership with Primary Care Health Services (conditional).

The PROGRAM for Female Offenders, Inc.

Pittsburgh, Pennsylvania

The PROGRAM deters a return to crime by providing offenders with the education, training, and life-management support services that enable and encourage them to become positive contributors to society. Since its inception in 1974, The PROGRAM has expanded its mission to include the children and families of these offenders in order to deter intergenerational crime.

\$150,000 toward a capital campaign for construction of a training center (conditional).

Protestant Episcopal Diocese of Pittsburgh

Pittsburgh, Pennsylvania

Each summer 1,100 children, ages 8 to 16, attend Sheldon Calvary Camp, owned and operated by the Episcopal Diocese of Pittsburgh and situated along the Lake Erie shore near Conneaut, Ohio.

\$250,000 toward a capital campaign for erosion control along Lake Erie at Sheldon Calvary Camp.

Renaissance Center

Pittsburgh, Pennsylvania

Renaissance Center supports people with mental health/psychiatric challenges in achieving personal success and maximum independence in the community.

\$200,000 payable over three years toward program support.

Rosedale Block Cluster, Inc.

Pittsburgh, Pennsylvania

The goal of Rosedale Block Cluster is to create opportunities for area residents which will result in improved quality of life for the Rosedale-Tioga community in the City of Pittsburgh.

\$75,000 toward operating support.

St. Francis Medical Center

Pittsburgh, Pennsylvania

St. Francis Medical Center runs the Community Offender Treatment Alternative (COTA), which is an outpatient, comprehensive alcohol and drug treatment program for adult criminal offenders.

\$175,000 payable over two years toward program support for COTA.

**The Salvation Army
of Beaver County**

Beaver Falls, Pennsylvania

To support citizens in need throughout Beaver County, The Salvation Army operates numerous programs from centers in Aliquippa, Beaver Falls, and Rochester. These three well-utilized and aging facilities require renovation and expansion to cope with the shifting and emerging needs of the region.

\$150,000 toward a capital campaign to renovate and expand three program centers.

The Tides Center

San Francisco, California

Grantmakers for Children, Youth and Families, a project of The Tides Center, serves as a national information forum for private funders focusing on these populations.

\$10,000 toward operating support for Grantmakers for Children, Youth and Families.

Three Rivers Adoption Council

Pittsburgh, Pennsylvania

The council is a 51-member consortium of agencies and parent groups. Its mission is to improve adoption opportunities for all children, with a prime focus on African-American children and children of all races with special needs and/or disabilities, and siblings who need to be placed together. The majority of these children have been abused or neglected, and most have experienced multiple moves in the foster care system.

\$100,000 toward two-year operating support.

**Travelers Aid Society
of Pittsburgh**

Pittsburgh, Pennsylvania

Organized in 1921, Travelers Aid Society annually responds to over 4,000 individuals and families with mobility crises or communication needs, including stranded travelers and foreign visitors, the homeless, runaway youths, persons in need of counseling or referrals, those with health care problems, or travelers experiencing other disruptive circumstances.

\$20,000 for technical assistance to develop a long-term fund-raising strategy.

**The United Way
of Allegheny County**

Pittsburgh, Pennsylvania

The United Way is sponsoring the Early Childhood Initiative, a community mobilization to accomplish the following:

- Increase the number of eligible low-income, preschool children enrolled in quality early care and education programs from 45 percent to 85 percent over a five-year period;
- Create a system of early care and education services that strengthens other services to families of children;
- Create community-based coalitions that will sponsor Early Childhood Initiative, take responsibility for its implementation, and in the process, increase the credibility of early care and education in the view of families involved;
- Establish Early Childhood Initiative as an overall community priority so that government, especially local and state, will assure permanent support for this initiative.

\$10,000,000 payable over five years toward support for the Early Childhood Initiative.

Visiting Nurse Foundation of Allegheny County
Pittsburgh, Pennsylvania

Over 76 years ago, the organization known today as VNA Healthcare Services was formed to teach, assist, and provide care and comfort to people residing at home who are sick, disabled, or at risk of further health complications.

\$250,000 toward the purchase of an automated clinical records system.

Whale's Tale Foundation
Pittsburgh, Pennsylvania

Founded over 25 years ago, Whale's Tale provides crisis intervention, counseling, emergency shelter, and residential services for high-risk youth and their families.

\$18,000 toward support for youth programs in Wilkesburg.

Womansplace
McKeesport, Pennsylvania

The mission of Womansplace is to bring about the safety and well-being of abused women and their children through prevention, education, and direct services.

\$15,000 toward support of the Children's Services program.

Women's Services of Westmoreland County
Greensburg, Pennsylvania

Formed in 1976, Women's Services is one of the oldest sexual assault and domestic violence agencies in Pennsylvania. In Westmoreland County, it is the only agency offering both these programs, and is one of only two shelters for battered women and children.

\$150,000 unrestricted support for a campaign to implement a strategic plan.

Young Men's Christian Association of McKeesport
McKeesport, Pennsylvania

The McKeesport YMCA designed the Youth Guidance and Development Program to help counter gang involvement in the Crawford Village public housing community. This after-school prevention program involves staff, peer leaders, local officials, and particularly, parents, in educational and recreational activities that provide youth with positive alternatives and caring role models.

\$100,000 payable over two years toward operating support for an after-school program.

Young Men's Christian Association of Pittsburgh
Pittsburgh, Pennsylvania

The East Suburban Program Center of the YMCA of Pittsburgh serves Murrysville, Plum, Export, and parts of Monroeville by developing character and leadership opportunities for its members, enabling them to grow in spirit, mind, and body.

\$100,000 toward a capital campaign for expansion of the East Suburban Program Center building.

YouthBuild Pittsburgh, Inc.
Pittsburgh, Pennsylvania

YouthBuild Pittsburgh positively impacts the lives of area youth by helping to develop technical, academic, leadership, and life skills promoting self-sufficiency and personal growth.

\$100,000 toward operating support.

Total Human Services

\$16,032,000

EDUCATION

APEX Consortium, Inc. *Pittsburgh, Pennsylvania*

As a consortium of suburban Pittsburgh area school districts, APEX works to create “energy centers” consisting of teachers who focus on ways to reach students, improve learning outcomes and support needed changes in the way children learn.

\$100,000 toward operating support.

Arsenal Family and Children’s Center *Pittsburgh, Pennsylvania*

The mission of Arsenal Family and Children’s Center is to be a promoter of and advocate for healthy development of young children, and to support their parents in building a nurturing relationship with each child.

\$50,000 toward operating support.

ASSET, Inc. *Pittsburgh, Pennsylvania*

The ASSET mission is to expedite systemic reform in elementary science and technology education by sharing resources to improve the science and technology achievement of students and increase the supply of well-trained people for science and technology careers.

\$75,000 toward three-year program support.

Bloomfield-Garfield Corporation *Pittsburgh, Pennsylvania*

This community-based organization encourages, plans, and facilitates economic development in the Bloomfield-Garfield neighborhood and addresses the needs of residents through such programs as FACES—the Friendship Academy Collaboration for Educational Success—a community-family-school collaborative.

\$100,000 toward two-year operating support for after-school and summer programs at Friendship Academy.

Carlow College *Pittsburgh, Pennsylvania*

Carlow College is a private four-year liberal arts college, primarily for women, which was founded in 1929 by the Sisters of Mercy in response to requests from Pittsburgh industrialists to create a college for the daughters of “blue collar” laborers.

\$500,000 toward construction of a new Center for Science and Technology.

Carnegie Library of Pittsburgh *Pittsburgh, Pennsylvania*

In 1984, Beginning with Books started as an early-intervention literacy program directed to low-income families with young children. Its goal is to increase meaningfully the numbers of children who become capable readers. This is facilitated through model programs offering information, materials, skill development, and encouragement that enable parents and other caregivers to promote the literacy development of the children in their care.

\$300,000 payable over three years toward support for the family literacy program.

The Heartwood Institute *Pittsburgh, Pennsylvania*

The institute’s mission is to promote the understanding and practice of ethical values that are the foundation of community among all people, with particular emphases on children and families and the understanding of seven universal attributes: Courage, Loyalty, Justice, Respect, Hope, Honesty, and Love.

\$25,000 toward funding for program evaluation.

Indian Creek Valley Christian Family and Children’s Center *Champion, Pennsylvania*

The center was created in 1981 with a mission for providing biblically based programs to support families and children such as preschool, K-12, marriage and family counseling, crisis pregnancy center, and consulting services.

\$40,000 toward a capital campaign to enhance the center and toward the purchase of computers.

Negro Educational Emergency Drive *Pittsburgh, Pennsylvania*

The Negro Educational Emergency Drive provides educational counseling and financial assistance to young people who want to pursue higher education.

\$105,000 payable over four years toward scholarship support for five minority students.

Nursing Recruitment Coalition
Pittsburgh, Pennsylvania

Committed to increasing the number of African-American professional registered nurses, the coalition provides qualified nursing students with comprehensive support services and programs designed to alleviate some of the financial, social, and academic roadblocks to earning a degree.

\$30,000 to upgrade computer equipment for administrative and program services.

Pittsburgh Council on Public Education
Pittsburgh, Pennsylvania

The council's mission is to ensure that every child in Pittsburgh receives the highest quality public education. As a membership group of parents, community members, educators, business people, and civic leaders, the council organizes and supports their involvement in schools by providing information on key education issues, and by developing and sustaining the leadership potential of parents, community members, and students through targeted training programs.

\$100,000 toward operating support.

Pressley Ridge School
Pittsburgh, Pennsylvania

The mission of the Pressley Ridge School is to enhance the adjustment and achievement of troubled children and their families through effective programs that focus on all aspects of their environment.

\$200,000 three-year grant to provide seed money for an educational and training initiative.

Saint Vincent Archabbey
Latrobe, Pennsylvania

Saint Vincent Seminary, the fourth oldest Catholic theological school in the United States, trains seminarians for the priesthood. The seminary has nearly doubled its enrollment in the last five years and must be enlarged to meet related housing needs.

\$100,000 toward the Roderick challenge grant to establish a Seminary Building Fund.

Saint Vincent College
Latrobe, Pennsylvania

Saint Vincent was ranked in 1996 as one of the top 10 regional liberal arts colleges in the North by *U.S. News & World Report's* "Annual Guide to America's Best Colleges." Approximately 1,200 men and women attend the Catholic, Benedictine college, founded in 1846.

\$350,000 toward a capital campaign for a Technology Resource Center.

University of Pittsburgh at Greensburg
Greensburg, Pennsylvania

Approximately 1,400 students attend the University of Pittsburgh at Greensburg, which grants degrees in 17 fields. A valuable asset to the community, the campus has averaged a 6 percent annual increase in student population over the past 10 years.

\$100,000 toward purchase of property to expand the Greensburg Campus.

University of Pittsburgh School of Education
Pittsburgh, Pennsylvania

The School Leadership Collaborative, University of Pittsburgh, has been designed to integrate the activities and the resources of the Superintendents Academy, the Principals Academy, and the Tri-State School Study Council into a synergistic force for school and community renewal.

\$75,600 toward support for the Western Pennsylvania Forum for School Superintendents (conditional).

Total Education

\$2,250,600

MEDICINE

Children's Hospital of Pittsburgh

Pittsburgh, Pennsylvania

The mission of the hospital is to excel in service that provides children and their families compassionate, state-of-the-art care in a cost-effective manner.

\$900,000 toward a collaborative program with Latrobe Area Hospital to improve pediatric care in Westmoreland and Somerset Counties.

Magee-Womens Health Foundation

Pittsburgh, Pennsylvania

Magee-Womens Hospital is committed to enhancing the health care and well-being of women, infants, and their families.

\$350,000 to help support a health care outreach program for women living in poverty.

MPC Corporation

Pittsburgh, Pennsylvania

MPC (Mellon-Pitt-Carnegie) Corporation was formed to coordinate joint research among Carnegie Mellon University, University of Pittsburgh, and the University of Pittsburgh Medical Center.

\$3,000,000 to further the establishment of the Center for the Neural Basis of Cognition, a joint program of Carnegie Mellon University and University of Pittsburgh.

Phoebe Putney Health Systems, Inc.

Albany, Georgia

The mission of Phoebe Putney Health Systems is to offer the basic and outreach services, skills, and resources needed to provide health care associated with Phoebe Putney Memorial Hospital, a 450-bed tertiary facility.

\$250,000 toward construction of a family practice center.

Shadyside Hospital Foundation

Pittsburgh, Pennsylvania

Located in the East End of Pittsburgh, Shadyside Hospital is a tertiary care hospital noted for the excellent clinical care its staffs provide.

\$300,000 payable over three years toward operating support for a new family health clinic.

University of Pittsburgh School of Medicine

Pittsburgh, Pennsylvania

Recognizing that the high cost of obtaining a medical degree can be particularly difficult for African-American students, the School of Medicine at the University of Pittsburgh seeks to raise scholarship money.

\$74,000 toward minority scholarship support.

Total Medicine

\$4,874,000

CIVIC AFFAIRS

Aliquippa Alliance for Unity & Development *Aliquippa, Pennsylvania*

The Aliquippa Alliance is a coalition of private citizens, business persons, institutions, organizations, and community leaders working together to organize initiatives to spark the area's economy, identify opportunities for the community's recovery, and address the critical needs of the area's low-income and needy populations.

\$60,000 capital grant toward Phase I renovation of a long-vacant building in downtown Aliquippa to help stimulate community revitalization.

Allegheny Conference on Community Development *Pittsburgh, Pennsylvania*

Allegheny Conference is an important vehicle for convening corporate leaders around issues that improve the quality of life and the economy for all citizens in the region. Its current agenda focuses on improvements in four major areas: education and workforce development, regional development, civic organization, and public governance.

\$150,000 for the Agenda Development Fund, which supports specific projects and activities designed to achieve the conference's objectives.

\$1,000,000 toward general support of the Pittsburgh Tissue Engineering Initiative, designed to stimulate economic growth and establish Pittsburgh's leadership in the emerging biotechnology field of tissue engineering by developing and commercializing university-driven technologies.

\$210,500 payable over three years toward operating and transportation planning support for the conference.

Borough of Ligonier *Ligonier, Pennsylvania*

A mobile home park at the east entrance to Ligonier Borough became available for purchase for the first time since its construction. Purchase of the land marks the first step in converting it to a public park.

\$255,000 toward the purchase of property adjacent to the Borough to establish a public park.

Community Loan Fund of Southwestern Pennsylvania, Inc. *Pittsburgh, Pennsylvania*

The Community Loan Fund of Southwestern Pennsylvania (CLF) was established six years ago to provide badly needed capital to low-income communities not served by conventional lenders.

\$150,000 to provide matching funds required for CLF to qualify for a grant from the new Community Development Financial Institution Fund of the U.S. Treasury Department.

The Downtown Management Organization *Pittsburgh, Pennsylvania*

The Pittsburgh Downtown Partnership was established in 1994 to address issues adversely affecting downtown and to take advantage of promotional opportunities improving the image and the public's awareness of downtown.

\$20,000 toward project support.

\$50,000 toward operating support.

Episcopal Diocese of Pittsburgh *Pittsburgh, Pennsylvania*

Designed by renowned Boston architect Henry Hobson Richardson, Emmanuel Episcopal Church was built in 1886 and has long been recognized as a masterpiece in design. In 1968 it gained status as a historical landmark and since 1974 has been listed on the National Registry of Historic Places.

\$150,000 toward a capital campaign to renovate Emmanuel Episcopal Church.

Grantmakers of Western Pennsylvania *Pittsburgh, Pennsylvania*

Grantmakers is a professional society of member grantmaking organizations dedicated to promoting effective philanthropy in western Pennsylvania.

\$9,600 toward operating support.

\$3,000 toward program support.

Ligonier Valley Memorial Association *Ligonier, Pennsylvania*

The Ligonier Valley Memorial Association was formed to erect, operate, and maintain a non-sectarian memorial chapel on land leased from the Ligonier Valley Cemetery Association.

\$100,000 to provide entry to and exit from the memorial chapel (restricted grant).

The Minority Enterprise Corporation of Southwestern Pennsylvania

Pittsburgh, Pennsylvania

The Minority Enterprise Corporation is dedicated to the creation and growth of minority-owned businesses in southwestern Pennsylvania.

\$100,000 toward two-year operating support.

Penn's Southwest Association

Pittsburgh, Pennsylvania

Penn's Southwest Association is the economic development organization created to implement a marketing strategy for revitalizing the nine counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Lawrence, Washington, and Westmoreland.

\$240,000 toward operating support.

\$300,000 toward two-year operating support for the Pittsburgh Regional Alliance, a supporting organization whose mission is to coordinate, focus, and strategically implement economic development activities in the Greater Pittsburgh Region.

The Pennsylvania State University

University Park, Pennsylvania

Penn State University's Department of Landscape Architecture has developed prototype computer software capable of visually rendering the effects of zoning changes, thereby helping communities undertake the most efficient and effective planning strategies.

\$100,000 to help create a "library" of images for a visual interactive code program to assist local municipalities with planning and zoning.

Urban League of Pittsburgh, Inc.

Pittsburgh, Pennsylvania

The Urban League of Pittsburgh, established in 1918, works to secure equal opportunity and full participation in American society for minorities and the economically disadvantaged. Its major programs target employment, housing, education, and health and welfare.

\$125,000 payable over two years toward a community mobilization project for the City of Duquesne.

\$600,000 payable over three years toward the Pittsburgh Youth Collaborative for Serious Offenders, part of a county-wide crime-prevention initiative.

Western Pennsylvania Community Accountants

Homestead, Pennsylvania

Western Pennsylvania Community Accountants provides free, direct technical accounting assistance to organizations that cannot afford such services, and educates the accounting community in general through the development and presentation of seminars on relevant financial topics.

\$15,000 to help implement a strategic plan.

Total Civic Affairs

\$3,638,100

CULTURAL ACTIVITIES

The Children's Festival Chorus, Inc.

Pittsburgh, Pennsylvania

The mission of The Children's Festival Chorus is to provide stimulating and challenging choral education of the highest artistic standards for children in the Pittsburgh metropolitan and surrounding region. The choir is currently made up of 135 singers, ranging in age primarily from 8 to 13, and selected by competitive audition.

\$15,000 toward operating support.

Civic Light Opera Association of Greater Pittsburgh

Pittsburgh, Pennsylvania

For 50 years, Civic Light Opera has produced and presented high quality musical theater productions in western Pennsylvania and is recognized nationally for its artistic excellence. In addition to its 90 performances each season, it operates a number of outreach and educational activities which increase its contributions to the community and particularly to youth.

\$150,000 toward New Works Initiative.

Grantmakers in the Arts

Pittsburgh, Pennsylvania

Grantmakers in the Arts is the national membership organization of arts philanthropy comprising about 150 institutional and affiliate grantmakers.

\$7,000 toward support for an arts conference in Pittsburgh.

Pittsburgh Dance Alloy

Pittsburgh, Pennsylvania

As Pittsburgh's professional resident contemporary dance company, Dance Alloy explores dance as a creative performance medium and an educational process for people of all ages. The company serves the community through performances, teaching residencies, outreach activities, and classes at its Dance Alloy School at Carnegie Institute.

\$75,000 toward support to implement a long-range plan.

Pittsburgh New Music Ensemble

Pittsburgh, Pennsylvania

Established in 1976, Pittsburgh New Music Ensemble encourages the creation, performance, dissemination, and appreciation of contemporary music, with special emphasis on American music and living composers.

\$20,000 toward two-year operating support.

The Pittsburgh Trust for Cultural Resources

Pittsburgh, Pennsylvania

The Pittsburgh Trust is dedicated to expanding the arts in all disciplines. Its goals are to revitalize a downtown area of Pittsburgh designated as the Cultural District and, through expansion of varied arts activities, to improve the quality of life and broaden the economic development of the Cultural District.

\$190,000 toward capital support.

QED Communications, Inc.

Pittsburgh, Pennsylvania

WQED Pittsburgh is a production center for award-winning national and local programs, teleconferences, instructional television, corporate, and governmental video. Its mission is to set the standard for public broadcasting.

\$200,000 toward unrestricted support.

\$100,000 toward program support.

Renaissance & Baroque Society of Pittsburgh

Pittsburgh, Pennsylvania

Founded in 1969, the Renaissance & Baroque Society fosters the understanding and appreciation of the music, arts, and culture of the Middle Ages, Renaissance, Baroque, and Early Classical periods. It fulfills its mission by presenting internationally and nationally-acclaimed early music performers in an eight-concert subscription series held each year.

\$20,000 toward two-year operating support.

Total Cultural Activities

\$777,000

RICHARD KING MELLON FOUNDATION
STATEMENTS OF FINANCIAL POSITION

	December 31,	
ASSETS	1996	1995
Cash	\$ 2,149,328	\$ 3,593,908
Other current assets	439,597	605,404
Investments, at market:		
Stocks	825,544,457	873,646,958
Long-term debt instruments	278,505,075	129,384,108
Temporary investments	137,136,150	66,615,924
Other investments	108,526,039	148,343,002
Total	1,349,711,721	1,217,989,992
Program-related investments	26,567,846	27,980,673
Other assets	914,768	791,994
Total assets	\$1,379,783,260	\$1,250,961,971
LIABILITIES AND NET ASSETS		
Liabilities		
Grants approved but not paid	\$ 17,140,000	\$ 18,700,500
Appropriations for program-related investments	26,567,846	27,980,673
Total	43,707,846	46,681,173
Unrestricted net assets	1,336,075,414	1,204,280,798
Total liabilities and net assets	\$1,379,783,260	\$1,250,961,971

See notes to financial statements.

RICHARD KING MELLON FOUNDATION
**STATEMENTS OF ACTIVITIES AND
 CHANGES IN NET ASSETS**

For the year ended December 31,	1996	1995
Investment income	\$ 46,857,760	\$ 39,982,305
Expenses		
Administrative and investment expenses	8,471,667	7,323,504
Provision for federal taxes	3,324,129	1,301,920
	<u>11,795,796</u>	<u>8,625,424</u>
Net investment income	35,061,964	31,356,881
Grants and appropriations approved	51,793,460	58,225,822
Deficiency of net investment income over approvals	(16,731,496)	(26,868,941)
Net gain from investments	137,149,107	52,867,370
Unrealized appreciation on investments	11,377,005	150,588,146
	<u>148,526,112</u>	<u>203,455,516</u>
Increase in unrestricted net assets	131,794,616	176,586,575
Unrestricted net assets:		
Beginning of year	1,204,280,798	1,027,694,223
End of year	<u>\$1,336,075,414</u>	<u>\$1,204,280,798</u>

See notes to financial statements.

RICHARD KING MELLON FOUNDATION
STATEMENTS OF CASH FLOWS

For the year ended December 31,	1996	1995
Cash flows from operating activities:		
Change in unrestricted net assets	\$ 131,794,616	\$ 176,586,575
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities:		
Depreciation	135,040	134,762
Accretion	483,763	(341,568)
Equity in earnings of partnership investments	(8,146,558)	(7,511,836)
Realized gain on investments	(111,019,097)	(37,413,120)
Unrealized appreciation on investments	(11,377,005)	(150,588,146)
Increase (decrease) in unrestricted net assets from a change in:		
Other current assets	165,807	729,862
Grants approved but not paid	(1,560,500)	4,029,000
Net cash provided (used) by operating activities	<u>476,066</u>	<u>(14,374,471)</u>
Cash flows from investing activities:		
Purchases of investments	(1,794,772,117)	(1,224,326,007)
Proceeds from sales of investments	1,793,084,121	1,240,034,813
Fixed asset expenditures	(232,650)	—
Net cash provided (used) by investing activities	<u>(1,920,646)</u>	<u>15,708,806</u>
Net increase (decrease) in cash	(1,444,580)	1,334,335
Cash, beginning of year	3,593,908	2,259,573
Cash, end of year	<u>\$ 2,149,328</u>	<u>\$ 3,593,908</u>

See notes to financial statements.

RICHARD KING MELLON FOUNDATION
SUMMARY OF INVESTMENTS

December 31, 1996 and 1995

	December 31, 1996		December 31, 1995	
	Book Value	Market Quotations	Book Value	Market Quotations
STOCKS				
Domestic equities	\$ 309,129,890	\$ 512,887,390	\$364,821,978	\$ 566,891,150
Foreign equities	259,817,503	312,657,067	262,912,644	306,755,808
TOTAL STOCKS	568,947,393	825,544,457	627,734,622	873,646,958
LONG-TERM DEBT INSTRUMENTS				
Corporate bonds	80,463,270	82,132,571	24,764,902	25,393,852
United States Government and Government Agencies obligations	182,594,039	185,308,372	88,498,463	94,737,683
Other long-term obligations	10,731,858	10,797,705	7,443,480	7,772,299
Foreign debt obligations	257,188	266,427	1,319,865	1,480,274
TOTAL LONG-TERM DEBT INSTRUMENTS	274,046,355	278,505,075	122,026,710	129,384,108
TEMPORARY INVESTMENTS				
Demand and interest-bearing notes	129,463,877	131,346,764	58,100,173	58,869,454
Foreign short-term investments	5,503,181	5,789,386	7,118,133	7,746,470
TOTAL TEMPORARY INVESTMENTS	134,967,058	137,136,150	65,218,306	66,615,924
OTHER INVESTMENTS				
Hedge funds	—	—	51,645,016	56,440,849
Venture capital	51,870,986	83,413,763	40,127,097	64,162,024
Realty	20,569,857	19,995,197	20,620,761	20,486,656
Other	5,207,388	5,117,079	7,891,801	7,253,473
TOTAL OTHER INVESTMENTS	77,648,231	108,526,039	120,284,675	148,343,002
TOTAL INVESTMENTS	\$1,055,609,037	\$1,349,711,721	\$935,264,313	\$1,217,989,992

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1—Significant Accounting Policies

Basis of Accounting

The accounts of the Foundation, except for federal taxes and grants approved but not paid, are maintained on the cash basis, the result of which is not materially different from the accrual basis of accounting.

Nature of Operations

The purpose of the Foundation is to provide grants to organizations in Pittsburgh and Southwestern Pennsylvania, primarily in the areas of Human Services, Education, Medicine and Health Care, Civic Affairs and Cultural Activities. Its interest in the area of Conservation is a national program.

Cash

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

Investments

For financial reporting purposes, investments are stated primarily at market quotations which may not necessarily represent realizable values. Market quotations of foreign investments include the effect of the conversion into U.S. dollars at the foreign currency exchange rate in effect at year end. Investments for which market quotations are not available are stated at estimated values as determined by investment managers. The book value of direct investments shown on the summary of investments is cost, except for donated assets which are valued at the market quotations at the date of receipt by the Foundation; investments in partnerships are accounted for under the equity method, except for venture capital partnerships which are at cost.

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

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

New Accounting Pronouncements

In 1996, the Foundation adopted Statement of Financial Accounting Standards (SFAS) No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." It requires investments in equity securities with readily determinable fair values and investments in debt securities to be reported at fair value with gains and losses included in the statement of activities and changes in net assets. The adoption of this standard did not have a material effect on the statements presented.

In 1995, the Foundation adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations." SFAS No. 116 generally requires that unconditional promises to give (pledges) be recognized as expenses in the period made at their fair values. Conditional promises to give are recognized when they become unconditional, that is, when the conditions are substantially met. SFAS No. 117 establishes standards for external reporting by not-for-profit organizations and requires, among other things, that resources be classified for accounting and reporting purposes according to externally (donor) imposed restrictions. Due to the nature of the Foundation's operations and its initial funding upon inception, all net assets have been classified as unrestricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REPORT OF INDEPENDENT ACCOUNTANTS

NOTE 2 — Program-related Investments

Beginning in 1988, the Foundation has invested in land, land rights and interests in land pursuant to the Foundation's American Land Conservation Program. The purpose of the investment is land conservation, wildlife preservation and the protection of open and scenic spaces. The properties remaining in the program at December 31, 1996 and 1995 are stated at cost. The properties donated to conservation organizations during 1996 and 1995 were distributed at fair market value.

NOTE 3 — Federal Taxes

The Foundation is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The Foundation is subject to a federal excise tax equal to two percent of net investment income, which consists of interest and dividend income, realized gains on sales of investments less realized losses to the extent that they can be offset against realized gains, less related investment expenses. For 1996, the Foundation provided for federal excise tax of two percent. For 1995, the Foundation met certain distribution requirements defined in Section 4940 of the Internal Revenue Code, resulting in a reduced tax of one percent of net investment income for the year ended December 31, 1995. In 1996 and 1995, the Foundation was subject to a business income tax of \$55,000 and \$384,000, respectively, on certain activities of several of the partnerships in which the Foundation has invested.

NOTE 4 — Commitments

The Foundation is a Limited Partner in several limited partnerships for investment purposes. At December 31, 1996 and 1995, the Foundation had contractually committed to additional investments of \$40,256,189 and \$25,498,063, respectively.

To the Trustees of
Richard King Mellon Foundation:

We have audited the accompanying statements of financial position of the Richard King Mellon Foundation as of December 31, 1996 and 1995 and the related statements of activities and changes in net assets and cash flows for the years then ended. We have also audited the supporting summary of investments as of December 31, 1996 and 1995. These financial statements and summary of investments are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements and summary of investments based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and summary of investments are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as assessing the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Richard King Mellon Foundation as of December 31, 1996 and 1995 and the results of its activities and its cash flows for the years then ended in conformity with generally accepted accounting principles. In addition, in our opinion, the summary of investments referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information included therein.

As discussed in Note 1 to the financial statements, in 1996 the Richard King Mellon Foundation adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 124, "Accounting for Certain Investments held by Not-for-Profit Organizations." Additionally, in 1995, the Richard King Mellon Foundation adopted the provisions of SFAS No. 116, "Accounting for Contributions Received and Contributions Made," and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations."

COOPERS & LYBRAND L.L.P.

Pittsburgh, Pennsylvania
June 5, 1997

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Candace Jiles, *Clerical Secretary/Receptionist*
Suzanne Taleff, *Secretary*

RICHARD KING MELLON FOUNDATION

Pittsburgh, Pennsylvania

GUIDELINES: Basic information about the priorities of the Foundation are contained in the information below. The reverse side is an application form which should accompany any proposal sent to the Foundation.

POLICY

The Foundation has two distinct areas of interest:

- 1) Pittsburgh and Southwestern Pennsylvania
Programs that relate to:
 - Human Services
 - Education and Medicine
 - Civic Affairs and Cultural Activities

- 2) National Programs
 - American Land Conservation Program
 - Conservation of Natural Areas

Proposals must be accompanied by a copy of the applicant's classification ruling under current Internal Revenue Service regulations.

The Foundation will not consider requests on behalf of individuals, and normally does not consider requests for grants to conduit organizations which pass on funds to other organizations. Also, the Foundation does not make grants outside the United States.

The Board of Trustees meets periodically to review proposals.

All proposals must be accompanied by a completed application form (see reverse), and be addressed to:

Mr. Michael Watson
Vice President and Director
Richard King Mellon Foundation
One Mellon Bank Center
500 Grant Street, Suite 4106
Pittsburgh, PA 15219-2502

Richard King Mellon Foundation
GRANT APPLICATION

Please complete the following:

Name of Organization:

Address:

Administrative Officer:

Amount Requested:

Mission Statement of Organization:

.....
.....
.....

Brief Description of Project:

(Please limit to space provided below)

.....
.....
.....
.....
.....
.....

Checklist of Required Attachments:

A copy of the latest Internal Revenue Service determination letter indicating tax-exempt status under Section 501(c)(3) and 509(a).

An Executive Summary providing an overview of the organization, the proposed project, the problem it seeks to address, the population it will serve, and how it will be operated.

List of Board of Directors and names of Chairman and/or President.

Background of organization, including history, purpose, and types of programs it provides.

Audited financial statements for the last two years.

Operating budget and timetable for proposed project.

Annual Reports, brochures, catalogs, etc.

Other sources of funding and an explanation of how project will be financed at the expiration of the proposed grant.

The method to be used in evaluating the success of the project.

**RICHARD KING MELLON
FOUNDATION
1996 ANNUAL REPORT**