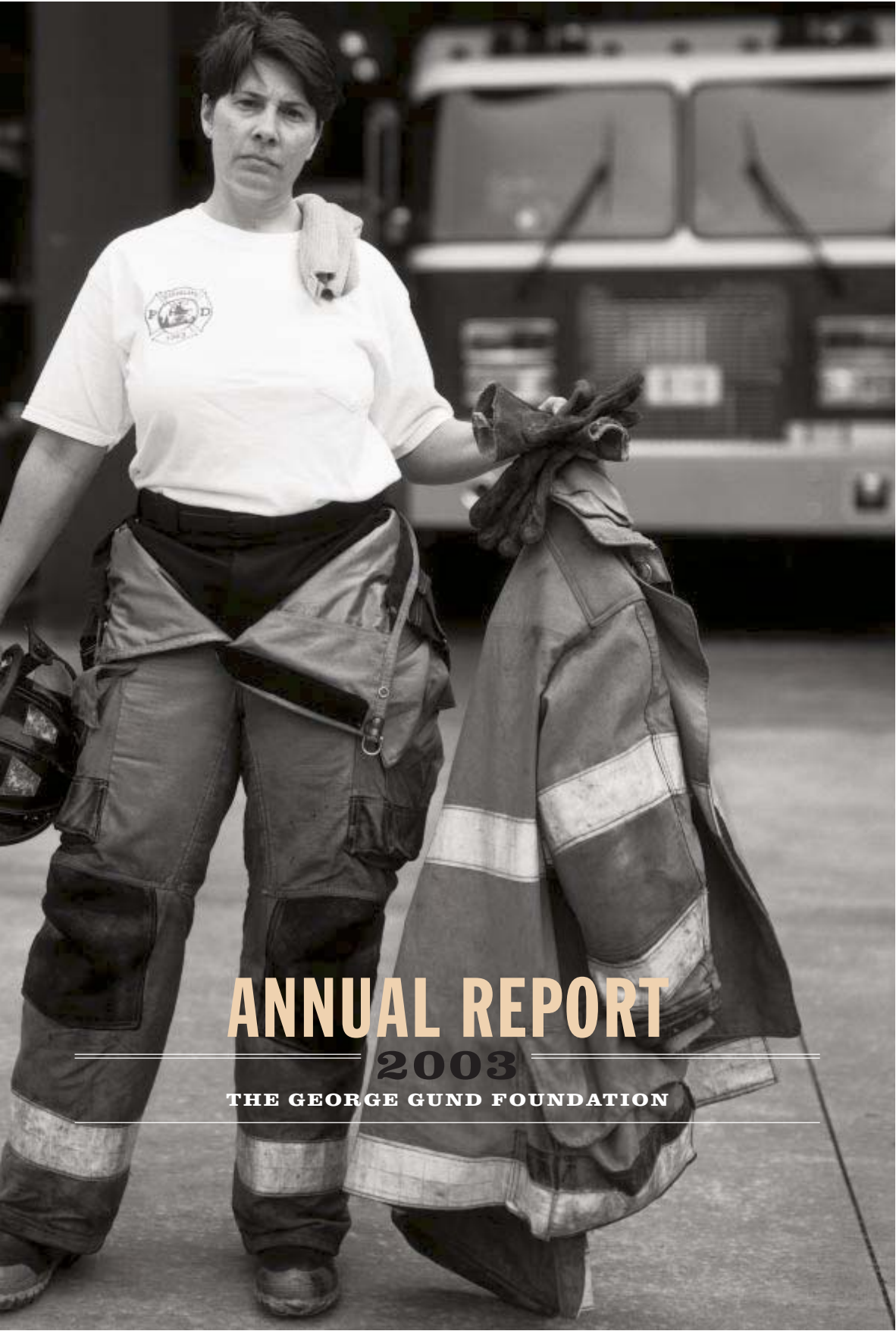




ANNUAL REPORT

2003

THE GEORGE GUND FOUNDATION



THE GEORGE GUND FOUNDATION

**WAS ESTABLISHED IN 1952 AS A PRIVATE, NONPROFIT
INSTITUTION WITH THE SOLE PURPOSE OF CONTRIBUTING
TO HUMAN WELL-BEING AND THE PROGRESS OF SOCIETY.**

**OVER THE YEARS, PROGRAM OBJECTIVES AND EMPHASES HAVE BEEN MODIFIED TO
MEET THE CHANGING OPPORTUNITIES AND PROBLEMS OF OUR SOCIETY, BUT THE
FOUNDATION'S BASIC GOAL OF ADVANCING HUMAN WELFARE REMAINS CONSTANT.**

PRESIDENT'S LETTER

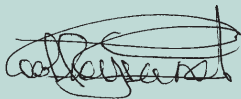
The Foundation continues to have a commitment to the economic revitalization of the city of Cleveland and Northeast Ohio. A major new initiative by the Foundation, developed in collaboration with other funders, and the photographic essay in this annual report are reflective of that important concern.

The George Gund Foundation is pleased to be one of the leading proponents of the \$30 million Fund for Our Economic Future. We believe that philanthropy can play an important catalytic role in reshaping the regional economy, and we are dedicated to supporting this effort. We see this as an obligation to the region and to the Foundation's other program interests. Improving the region's economic prospects is vital to the success of our ongoing grantmaking in the arts, education, the environment and human services. Those sectors, in turn, have much to contribute to the economic well-being of the community. By banding together, Northeast Ohio funders are communicating an important message: Creative, collaborative effort can move the region forward.

We are pleased that this initiative among foundations is occurring on a regional basis. The Foundation is deeply committed to the city of Cleveland, but it is clear that the city cannot go it alone. And Greater Cleveland has had great difficulty in crafting solutions that match the dimensions of its problems because those problems rarely confine themselves to one or a few jurisdictions. Northeast Ohio has numerous divisions, and prominent among them is the multiplicity of political subdivisions. Bridging those divisions demands regional cooperation and collaboration as does developing effective problem-solving approaches.

We can celebrate the development of regional efforts in many areas this year. The business community has reorganized to take a more regional approach. Leaders in higher education have enhanced their regional efforts. The arts have coalesced into a burgeoning, organized force in Cuyahoga County. We at the Foundation look forward to opportunities to include support for initiatives that demonstrate the importance of the city to regional economic development.

The photographic essay in this year's Foundation annual report is a noteworthy source of inspiration and hope. Each year the Foundation engages a photographer to depict some important aspect of our work. Andrea Modica's images this year illustrate the strength required to embrace change. All of the women pictured sought new careers in fields that have not traditionally been open to women. All sought and received assistance from Hard Hatted Women, a Foundation grantee. They offer lessons to the community and challenge us to think differently.



Geoffrey Gund
President and Treasurer

EXECUTIVE DIRECTOR'S LETTER

In an important sense, the real work of The George Gund Foundation is done less by our board and staff than it is by the nonprofit organizations to which we make grants. The Foundation cares deeply about advancing the arts, education, the environment, economic and community revitalization and human services. We are dedicated through these program areas to effect lasting improvement, especially in the ability of Cleveland and its region to compete effectively in a world of breathtakingly rapid change. The largest part of our work is making grants to organizations that face the often difficult day-to-day challenges of what George Gund called "improving the human condition." The organizations we invested in during 2003 are listed in this report.

Quite often we receive grateful acknowledgements from the organizations we fund. We appreciate those kind words, but, in fact, it is we who are grateful to them. Their work inspires us. They revitalize neighborhoods. They campaign for public arts funding. They provide college scholarships for disadvantaged students. They illuminate the destructive consequences of suburban sprawl. They ease the re-entry of released prisoners into our community. Powerful examples all, but they only brush the surface of our grantees' work. Their individual and collective impact is a testament to human compassion, ingenuity and commitment. Through nearly all of it runs a theme of stewardship of our community, a sense of responsibility that we share with them.

We take quite seriously the work of our grantees and our relationship with them. We also have an abiding desire to improve our own effectiveness. The combination of these sentiments led us during 2003 to engage the Center for Effective Philanthropy (CEP) to confidentially survey our grantees. We wanted to obtain their candid appraisal of the Foundation and how we conduct our business. Their responses, compiled by the CEP in a Grantee Perception Report, were both gratifying and instructive. We were glad to see grantee expressions of appreciation for the expertise of the Foundation's program officers and, especially, for the Foundation's leadership in various aspects of public policy engagement. We were equally pleased to receive their constructive criticism. In particular, they were critical of some of our communications and our civic affairs program area. We have taken their comments to heart.

In this report and on our overhauled web site, which should appear in mid-2004, you can see the effect of our grantees' insights. We have revised our program guidelines to express more coherently the relationship of all of our program areas to the sense of commitment that we feel to Cleveland and the surrounding area. The guidelines reflect the overlapping missions of nonprofits in the various program areas as well as our own increasingly interdisciplinary approach. In addition, we have eliminated the civic affairs program area. This field, as aptly noted by our grantees in the CEP survey, had become an unsatisfactory catch-all category. The discernment of our grantees, combined with the need to prioritize economic development, led the Foundation to conclude that civic affairs was no longer supportable as a stand-alone program area. We will continue to fund, on a limited basis, proposals in that field out of other program areas, but our emphasis will be ever more on the five stated program areas, with special attention to their interdisciplinary aspects, as stated in the guidelines beginning on page 48.

The grantee survey that we undertook in 2003 was a more formal expression of our long-standing interest in listening to the nonprofits that we fund. As our work and the work of those organizations evolve to meet changing needs, we intend to remain ever attuned to our grantees' views.



David T. Abbott
Executive Director

HARD HATTED WOMEN

ANDREA MODICA HAS MASTERFULLY CAPTURED THE DYNAMIC FACES OF CHANGE, RESOLVE AND ACCOMPLISHMENT IN HER STRIKING PORTRAITS OF WOMEN WHO HAVE LAUNCHED NONTRADITIONAL CAREERS WITH HELP FROM THE ORGANIZATION HARD HATTED WOMEN, A LONGTIME FOUNDATION GRANTEE. THESE WOMEN IN MANY WAYS REFLECT THE CHALLENGES FACING NORTHEAST OHIO — HOW TO TRANSITION FROM THE OLD TO THE NEW, EMBRACE CHANGE, TAKE RISKS AND LOOK FOR UNCONVENTIONAL ANSWERS TO OUR PROBLEMS.

ANDREA MODICA, WHOSE PHOTOGRAPHS APPEAR IN MAJOR MUSEUMS THROUGHOUT THE WORLD, HAS WON MANY AWARDS FOR HER WORK, INCLUDING THE PRESTIGIOUS JOHN SIMON GUGGENHEIM FELLOWSHIP. SHE LECTURES FREQUENTLY, AND HER IMAGES HAVE BEEN FEATURED IN BOTH PHOTOGRAPHIC AND GENERAL INTEREST PUBLICATIONS.



MICHELLE BONDRA Technician, Cleveland Metroparks Shelly has been with the Cleveland Metroparks for 17 years. Her current position is the first full-time job she has held since her graduation from Hocking Technical College. She is a mother of two.



BARBARA BRUNELL Plumber, Case Western Reserve University A 1991 graduate of Hard Hatted Women's pre-apprenticeship training program, Barb has more than a decade of experience as a plumber. She was hired by Case Western Reserve University in November 2002 and is the only female plumber on staff.



JENALLE SCHLEGEL Apprentice Ironworker, Ironworkers, Local 17 Jenalle has been a member of Local 17 since June 2000. She is a second-generation ironworker, having followed in the footsteps of her father, and is a 2001 graduate of Hard Hatted Women's pre-apprenticeship training program. Jenalle is a mother of one.



JOANIE WEIR Detective, Cleveland Fire Department Nineteen years ago, Joanie was among the first group of women to be hired by the Cleveland Fire Department. She previously worked for Cleveland Municipal Court. She is a mother of three.



JAMUSCA BRITTEN Detective, Cleveland Police Department Jamusca joined the Cleveland Police Department in January 1994. She holds a bachelor's degree in criminal law from Central State University. Jamusca was formerly a substitute teacher and is a mother of one. **TONI COUSETT** (page 11) Project Inspector, Cuyahoga County Sanitary Engineering Division Toni joined the Cuyahoga County Sanitary Engineering Division in September 2001. For the past 10 years, she has been an active member of Hard Hatted Women's board of directors. She previously studied dietetics at Ohio State University.



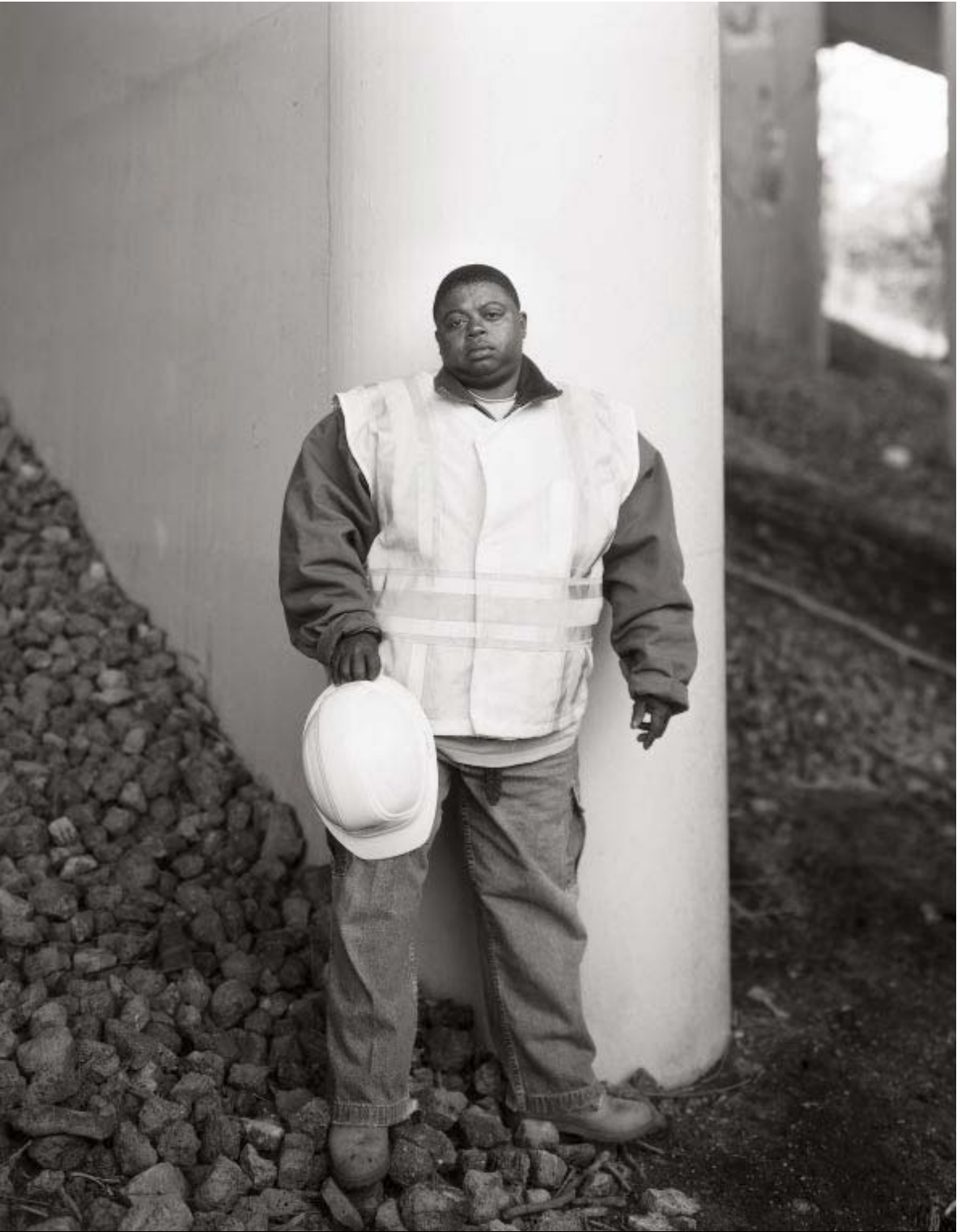




TERESA VEGA (left) and KIM MARTI Patrol Officers, Cleveland Police Department Teresa joined the Cleveland Police Department in March 1997, after serving in the U.S. Army at Fort Campbell, Ky. She is one of five people in her family to serve in the department and is the mother of two. Kim, a former supervisor at a home improvement store, was hired in 2001. She attended the police academy when the youngest of her four children began school.



LAUREN WEST First-Year Apprentice, International Union of Operating Engineers, Local 18 Lauren joined the Operating Engineers in May 2003. She will become a journeyperson after she completes a four-year apprenticeship program. Lauren previously drove a truck for a fundraising company. She is a mother of two.



DEIDRA PEARSON Highway Maintenance Worker 2, Ohio Department of Transportation (ODOT) Deidra wanted to pursue nontraditional employment and graduated from Hard Hatted Women's pre-apprenticeship training program in fall 1996. She joined ODOT in April 2003 and is one of only a small number of women in the highway maintenance division.



PATRICIA SWANSINGER Project Inspector, Cuyahoga County Sanitary Engineering Division In September 1998, Pat became the first female inspector for the Cuyahoga County Sanitary Engineering Division. She studied nursing at Ursuline College but became more interested in nontraditional employment.



KARON MURPHY Student, Hard Hatted Women Karon graduated from Hard Hatted Women's pre-apprenticeship training program in July 2003. She is applying to the cement mason apprenticeship program. Karon is also an assistant teacher and a mother of four.



LYNNE MARTIN Sewer Service Worker, Cleveland Division of Water Pollution Control Lynne joined Water Pollution Control in April 2003 after working in maintenance for the Cleveland Metroparks. She is a 2001 graduate of Hard Hatted Women's pre-apprenticeship training program. **LORI VALENTINO** (page 18, left) and **LAURA BECERRA** (page 18) Collectors, The Illuminating Company Lori has been with The Illuminating Company for 16 years and Laura, 15. Both began as meter readers. Before joining the company, Lori was a travel agent in Florida. Laura studied business and accounting at Bryant & Stratton and is a mother of one.







ANDREA PERSANYI Bridge Inspector, Ohio Department of Transportation (ODOT) Andrea joined ODOT in January 1993 after she was laid off from a job as a design specialist. She is the only woman in the bridge inspection unit. Andrea holds a degree in architecture from Ohio State University and is the mother of two young children.



PEBBLES BUSH Horticulturist, Cleveland Metroparks Zoo Pebbles holds an associate degree in applied science from Cuyahoga Community College. She worked at a garden center before joining the Zoo five years ago.



BRENDA PERRIN Lieutenant, Cleveland Fire Department Brenda started at the Cleveland Fire Department 19 years ago, one of the first women to be hired. She has two sons and a brother who also work in the department.



ALEXIS ROBINSON Water Pipe Repairperson, Cleveland Division of Water Alexis was hired by the Cleveland Water Division in February 2003. She previously worked at a collection agency after studying accounting at Cuyahoga Community College.

LEE LYONS (page 24) Carrier, U.S. Postal Service Lee followed in the footsteps of her sister at Hard Hatted Women's pre-apprenticeship training program. She graduated in June 2003 and is applying for a five-year electrician apprenticeship.







PAM HUNT Carpenter, The Ruhlin Company Pam is one of three female carpenters at Ruhlin. She is a second-generation carpenter, having followed in the footsteps of her father, and is the lead carpentry instructor for Hard Hatted Women. Pam was formerly a private first class in the U.S. Army.



GERI MAISTROS First-Year Apprentice, International Union of Operating Engineers, Local 18 Upon completion of a four-year apprenticeship program, Geri will become a journeyperson. She previously was a lab analyst for a chemical company and studied chemical engineering at Case Western Reserve University. Geri is a mother of four.



BEVERLY FRATICELLI Patrol Officer, Cleveland Police Department Beverly joined the Police Department in February 1998. She holds an associate of applied science degree in law enforcement from Cuyahoga Community College. Beverly previously worked in data entry at the Department of Public Safety.

COMMITMENTS

2003

EDUCATION

53 grants

\$1,818,050

ECONOMIC DEVELOPMENT & COMMUNITY REVITALIZATION

42 grants

\$5,176,710

ARTS

61 grants

\$2,158,475

HUMAN SERVICES

77 grants

\$3,059,350

CIVIC AFFAIRS

15 grants

\$435,100

ENVIRONMENT

75 grants

\$2,749,165

1 program-related
investment

\$250,000

SPECIAL PROJECTS

35 grants

\$2,323,421

GRAND TOTAL

358 grants and
1 program-related
investment
\$17,970,271

TOTAL SINCE
INCEPTION
OF FOUNDATION
IN 1952
\$409,139,434

EDUCATION

2003

The Foundation continued its long-standing support for school improvement activities in the Cleveland Municipal School District and funded efforts to bolster the capacity of colleges and universities in Northeast Ohio. We also encouraged innovative projects that are working to foster leadership development among school principals and to improve the quality of public school teachers. Total education grantmaking was \$1,818,050.

HIGHER EDUCATION

\$100,000
THE CLEVELAND
FOUNDATION
 Cleveland, OH;
 Governor's Commission
 on Higher Education
 and the Economy.

\$50,000
NORTHEAST OHIO COUNCIL
ON HIGHER EDUCATION
 Brecksville, OH; Operating
 support.

\$5,000
OHIO CAMPUS COMPACT
 Granville, OH; VISTA
 volunteer program.

\$15,000
UNITED NEGRO COLLEGE
FUND, INC.
 Fairfax, VA; Operating
 support.

\$50,000
THE UNIVERSITY OF
CINCINNATI FOUNDATION
 Cincinnati, OH;
 Ohio Partnership for
 Accountability.

\$220,000
Subtotal (5 grants)

NATIONAL SCHOOL IMPROVEMENT

\$25,000
THE PUBLIC AGENDA
FOUNDATION
 New York, NY;
 "Experiencing Opportunity
 and Success in Higher
 Education," a study of
 young adults.

\$50,000 (over 2 years)
THE RAND CORPORATION
 Santa Monica, CA;
 Establishment of voucher
 and charter school
 information clearinghouse.

\$75,000
Subtotal (2 grants)

PRIMARY AND SECONDARY EDUCATION

\$7,500
BUCKEYE ASSOCIATION OF
SCHOOL ADMINISTRATORS
 Columbus, OH; Cleveland
 First-Ring Superintendents'
 Collaborative.

\$35,000
CENTER FOR LEADERSHIP IN
EDUCATION, INC.
 Elyria, OH; Operating
 support.

\$40,000
CITY YEAR, INC.
 Boston, MA; Young Heroes
 program.

\$150,000 (over 2 years)
THE CLEVELAND
FOUNDATION
 Cleveland, OH; Community
 engagement initiative for
 school facilities planning
 and design.

\$80,000
CLEVELAND MUNICIPAL
SCHOOL DISTRICT
 Cleveland, OH; Academic
 standards implementation.

\$75,000
CLEVELAND SCHOLARSHIP
PROGRAMS, INC.
 Cleveland, OH; College
 advisory services and
 last-dollar scholarships
 for Cleveland and first-ring
 suburban high school
 students.

\$30,000
CLEVELAND STATE
UNIVERSITY
FOUNDATION, INC.
 Cleveland, OH; First-Ring
 Leadership Academy.

\$75,000
CLEVELAND TOMORROW
 Cleveland, OH; Bond
 Accountability
 Commission.

\$175,000
COMMUNITY RENEWAL
SOCIETY
 Chicago, IL; "Catalyst:
 For Cleveland Schools"
 newsmagazine.

\$25,000
E CITY
 Cleveland, OH; Operating
 support.

\$7,500
EAST CLEVELAND CITY
SCHOOLS
 East Cleveland, OH;
 Shaw Academy planning
 activities.

\$35,000
EAST CLEVELAND CITY
SCHOOLS
 East Cleveland, OH;
 Shaw Academy school
 improvement efforts.

\$20,000
EDUCATION ENHANCEMENT
PARTNERSHIP INC.
 Canton, OH; Operating
 support.

up to **\$25,000**
FEDERATION FOR
COMMUNITY PLANNING
 Cleveland, OH; Orientation
 and development program
 for newly appointed
 Cleveland Municipal School
 District school board.

up to **\$50,000**
FEDERATION FOR
COMMUNITY PLANNING
 Cleveland, OH; Analyzing
 and reporting on
 educational policy in Ohio.

\$45,500
HARVARD UNIVERSITY
 Cambridge, MA; Tripod
 Project for School
 Improvement.

\$35,000
HATHAWAY BROWN SCHOOL
 Shaker Heights, OH;
 Aspire Program.

\$5,000
LAKEWOOD CITY PUBLIC SCHOOLS
 Lakewood, OH; Lakewood Project, a high school rock orchestra.

\$25,000
LESBIAN-GAY COMMUNITY SERVICE CENTER OF GREATER CLEVELAND
 Cleveland, OH; Safe Schools Are For Everyone (SSAFE) program.

\$40,000
NEW YORK INSTITUTE FOR SPECIAL EDUCATION
 New York, NY; Expansion of Cornerstone Literacy Initiative in Cleveland Municipal School District.

\$2,000
NORTHEASTERN OHIO SCIENCE FAIR
 Chagrin Falls, OH; Science Fair.

\$6,250
NORTHEASTERN OHIO SCIENCE FAIR
 Chagrin Falls, OH; Minority outreach program.

\$35,000
OHIO AEROSPACE INSTITUTE
 Cleveland, OH; Regional Alliance of Informal Science Education (RAISE).

\$35,000
OHIO DEPARTMENT OF EDUCATION
 Columbus, OH; Schools of Promise Initiative.

\$25,000
OHIO FAIR SCHOOLS CAMPAIGN
 Athens, OH; Operating support.

\$7,500
THE OLD STONE FOUNDATION
 Cleveland, OH; Parenting and Literacy Program.

\$25,000
RETIRED SENIOR VOLUNTEER PROGRAM OF CLEVELAND, INC.
 Cleveland, OH; Experience Corps Tutoring Program expansion.

\$6,800
RURAL ACTION, INC.
 Trimble, OH; Ohio Fair Schools Campaign.

\$40,000
SUMMIT EDUCATION INITIATIVE
 Akron, OH; Operating support.

\$40,000
UNITED CHURCH OF CHRIST
 Cleveland, OH; Ohio Close the Gap Campaign.

\$50,000
YOUTH OPPORTUNITIES UNLIMITED
 Cleveland, OH; Operating support.

\$1,253,050
Subtotal (31 grants)

SPECIAL PROGRAMS

\$7,500
AMERICA SCORES
 New York, NY; Cleveland SCORES program.

up to **\$50,000**
THE ASSOCIATES OF THE UNIVERSITY OF CALIFORNIA PRESS
 Berkeley, CA; George Gund Foundation Imprint in African-American Studies.

\$6,000
CASE WESTERN RESERVE UNIVERSITY
 Cleveland, OH; NetWellness program internships.

\$25,000
CASE WESTERN RESERVE UNIVERSITY
 Cleveland, OH; Youth Philanthropy and Service project.

\$25,000
CLEVELAND HEALTH EDUCATION MUSEUM
 Cleveland, OH; Marketing program.

\$4,000
THE CLEVELAND PUBLIC THEATRE, INC.
 Cleveland, OH; Student Theatre Enrichment Program.

\$7,000
COMMUNITY AGENCY FOR SENIOR CITIZENS, INC.
 Staten Island, NY; "A Touch of Greatness" documentary.

\$6,500
EARTH DAY COALITION
 Cleveland, OH; Dike 14 Environmental Education Collaborative.

\$40,000 (over 2 years)
EL BARRIO, INCORPORATED
 Cleveland, OH; Creando Posibilidades/Creating Possibilities project.

\$7,500
ENVIRONMENTAL EDUCATION COUNCIL OF OHIO
 Alliance, OH; Promotion of environmental education.

\$20,000
LAKE ERIE JUNIOR NATURE AND SCIENCE CENTER
 Bay Village, OH; Organizational capacity building.

\$40,000
THE OHIO STATE UNIVERSITY RESEARCH FOUNDATION
 Columbus, OH; Community gardening program.

\$20,000 (over 2 years)
PROJECT LEARN, INC.
 Cleveland, OH; Strengthening the Group School program.

\$6,500
SHAKER HEIGHTS PUBLIC LIBRARY
 Shaker Heights, OH; Development planning.

\$5,000
THE WASHINGTON CENTER FOR INTERNSHIPS AND ACADEMIC SEMINARS
 Washington, DC; Ohio Initiative.

\$270,000
Subtotal (15 grants)

\$1,818,050
Total (53 grants)

ECONOMIC DEVELOPMENT & COMMUNITY REVITALIZATION

2003

The Foundation made a substantial, multi-year grant supporting the Fund for Our Economic Future, a unique collaboration involving dozens of Northeast Ohio philanthropies committed to reinvigorating this region's economy and restoring its historic spirit of entrepreneurship. Numerous other grants made during the year demonstrated the Foundation's abiding commitment to the vitality of Cleveland's neighborhoods. Economic development and community revitalization grantmaking totaled \$5,176,710.

ECONOMIC DEVELOPMENT

up to \$250,000
BIOENTERPRISE CORPORATION
Cleveland, OH; Operating support.

\$30,000
CLEVELAND BRIDGE BUILDERS, INCORPORATED
Cleveland, OH; Say YES! to Cleveland! program.

\$2,750,000 (over 3 years)
THE CLEVELAND FOUNDATION
Cleveland, OH; Fund for Our Economic Future.

\$7,500
CLEVELAND STATE UNIVERSITY FOUNDATION, INC.
Cleveland, OH; Product Innovation Institute.

\$7,500
CLEVELAND TOMORROW
Cleveland, OH; OneCleveland Initiative.

\$1,000
COMMUNITY DEVELOPMENT PARTNERSHIP NETWORK
Denver, CO; Neighborhood Funders Group presentation.

\$40,000
CONSUMER FEDERATION OF AMERICA FOUNDATION
Washington, DC; Cleveland Saves marketing campaign.

\$5,000
DOWNTOWN CLEVELAND PARTNERSHIP
Cleveland, OH; Cleveland International Business Center market feasibility study.

\$40,000
GREATER CLEVELAND MEDIA DEVELOPMENT CORPORATION
Cleveland, OH; Production coordinator and web management.

\$5,000
GREATER CLEVELAND NEIGHBORHOOD CENTERS ASSOCIATION
Cleveland, OH; Digital Vision household IT users survey.

\$400,000
SHOREBANK ENTERPRISE GROUP CLEVELAND
Cleveland, OH; Operating support.

\$7,500
UNITED LABOR AGENCY, INC.
Cleveland, OH; Community Hiring Hall.

\$1,410
UNIVERSITY SETTLEMENT, INC.
Cleveland, OH; Community conference on digital divide.

\$50,000
WECO FUND, INC.
Cleveland, OH; Individual Development Account and Microenterprise programs.

\$67,500
WESTSIDE INDUSTRIAL RETENTION & EXPANSION NETWORK
Cleveland, OH; Industrial Corridors Initiative.

\$5,000
YALE ALUMNI ASSOCIATION OF CLEVELAND
Cleveland, OH; Bulldogs on the Cuyahoga internship program.

\$3,667,410
Subtotal (16 grants)

EMPLOYMENT AND TRAINING

\$30,000
CENTER FOR EMPLOYMENT TRAINING CLEVELAND
Cleveland, OH; Operating support.

\$30,000
HARD HATTED WOMEN
Cleveland, OH; Operating support and strategic plan implementation.

\$60,000
Subtotal (2 grants)

HOUSING AND COMMUNITY DEVELOPMENT

\$500
CLEVELAND DEVELOPMENT FOUNDATION
Cleveland, OH; ArtSpace Cleveland tour of live/work space.

up to \$20,000
THE CLEVELAND FOUNDATION
Cleveland, OH; Neighborhood Progress, Inc., outside review.

\$80,000 (over 2 years)
CLEVELAND HISTORIC WAREHOUSE DISTRICT DEVELOPMENT CORP.
Cleveland, OH; Housing and commercial development activities.

\$80,000
CLEVELAND HOUSING NETWORK, INC.
Cleveland, OH; Operating support.

\$80,000 (over 2 years)
CLEVELAND RESTORATION SOCIETY, INC.
Cleveland, OH; Neighborhood housing and landmark preservation programs.

\$50,000
FIRST SUBURBS CONSORTIUM
DEVELOPMENT COUNCIL
Cleveland Heights, OH;
Community and economic
development activities.

\$80,000 (over 2 years)
THE HISTORIC GATEWAY
NEIGHBORHOOD
CORPORATION
Cleveland, OH; Commercial
and residential
development initiatives.

\$60,000
LUTHERAN HOUSING
CORPORATION
East Cleveland, OH;
East Cleveland housing
program.

\$20,000
OHIO CDC ASSOCIATION
Columbus, OH; Operating
support.

\$5,000
OHIO CITY NEAR WEST
DEVELOPMENT
CORPORATION
Cleveland, OH; Publication
of "Those Wonderful
Old Houses: A Handbook
for Homeowners."

\$20,000
ORGANIZE OHIO INC.
Cleveland, OH; Operating
support.

\$50,000
WESTSIDE/EASTSIDE
CONGREGATIONS ACTING
NOW, INC.
Cleveland, OH; Faith-based
organizing in Northeast
Ohio.

\$545,500
Subtotal (12 grants)

NEIGHBORHOOD REVITALIZATION

\$40,000
CLEVELAND NEIGHBORHOOD
DEVELOPMENT
CORPORATION
Cleveland, OH; Operating
support.

\$150,000
DOWNTOWN CLEVELAND
PARTNERSHIP
Cleveland, OH; Strategic
initiatives.

\$200,000
PARKWORKS, INC.
Cleveland, OH; Downtown
Greenspace Initiative.

\$390,000
Subtotal (3 grants)

SPECIAL PROGRAMS

\$7,500
CLEVELAND WORKERS
RIGHTS EDUCATION FUND
Cleveland, OH;
Cleveland Jobs with
Justice coalition.

\$150,000
GREATER CLEVELAND
SPORTS COMMISSION
Cleveland, OH;
International Children's
Games and Cultural
Festival.

\$157,500
Subtotal (2 grants)

URBAN DESIGN, PLANNING AND AMENITIES

\$63,800
HARBOR HERITAGE SOCIETY
Cleveland, OH;
Management systems
improvements.

\$100,000
KENT STATE UNIVERSITY
FOUNDATION, INC.
Kent, OH; Cleveland Urban
Design Collaborative.

\$35,000
THE NORTH CUYAHOGA
VALLEY CORRIDOR, INC.
Cleveland, OH; Operating
support.

\$70,000
PARKWORKS, INC.
Cleveland, OH; Operating
support.

\$7,500
TRINITY CATHEDRAL
Cleveland, OH; Ten
Thousand Villages store.

\$30,000
UNIVERSITY CIRCLE
INCORPORATED
Cleveland, OH; Operating
support.

\$50,000
UNIVERSITY CIRCLE
INCORPORATED
Cleveland, OH; Wade Oval
Circle Walk improvements.

\$356,300
Subtotal (7 grants)

\$5,176,710
Total (42 grants)

ARTS

2003

The Foundation maintained its commitment to ensuring the vitality of a lively arts community in Cleveland with grants to organizations, both large and small, for productions and projects that reached audiences in the city's neighborhoods and schools as well as in downtown performance and exhibition venues. We also provided significant support for the Community Partnership for Arts and Culture and its efforts to secure local public funding for the arts in Greater Cleveland. Arts education continued to be a priority. Arts grantmaking totaled \$2,158,475.

EDUCATION

\$20,000

THE BECK CENTER FOR
THE CULTURAL ARTS
Lakewood, OH; Education
outreach.

\$15,000

CLEVELAND SIGNSTAGE
THEATRE, INC.
Cleveland, OH; Operating
support.

\$17,000

THE CONTEMPORARY YOUTH
ORCHESTRA
Cleveland, OH; Tribute to
Rock Artists Festival.

\$30,000

CUYAHOGA COMMUNITY
COLLEGE FOUNDATION
Cleveland, OH; Community
Music Program.

\$6,000

THE ELEANOR B. RAINEY
MEMORIAL INSTITUTE, INC.
Cleveland, OH; Summer
arts day camp.

\$15,000

FAIRMOUNT MUSIC
EDUCATION FUND INC.
Cleveland Heights, OH;
Outreach coordinator.

\$12,000

FRIENDS OF THE CLEVELAND
SCHOOL OF THE ARTS
Cleveland, OH;
Photography department.

\$100,000

GREAT LAKES THEATER
FESTIVAL, INC.
Cleveland, OH; Education
programs.

\$7,000

MUSIC & PERFORMING
ARTS AT TRINITY
CATHEDRAL, INC.
Cleveland, OH; Urban
artist-in-residence
program.

\$20,000

NEAR WEST THEATRE, INC.
Cleveland, OH;
Administrative staff.

\$60,000

NEW CLEVELAND OPERA
COMPANY
Cleveland, OH; Education
department.

\$4,000

OHIO DANCE THEATRE
Oberlin, OH; "Journey"
student matinees.

\$5,000

OHIODANCE
Columbus, OH; In-Let
Dance Theatre summer
program.

\$70,000 (over 2 years)

PLAYHOUSE SQUARE
FOUNDATION
Cleveland, OH; Education
program with Cleveland
Municipal School District.

\$7,500

THEA BOWMAN CENTER
Cleveland, OH; Youth
music program.

\$125,000

YOUNG AUDIENCES OF
GREATER CLEVELAND, INC.
Cleveland, OH; Initiative
for Cultural Arts in
Education.

\$513,500

Subtotal (16 grants)

FILM AND MEDIA

\$50,000

THE CLEVELAND
INTERNATIONAL FILM
FESTIVAL, INC.
Cleveland, OH; Operating
support.

\$30,000

IDEASTREAM
Cleveland, OH; Arts and
culture programming.

\$15,000

INDEPENDENT PICTURES
Cleveland, OH; Operating
support.

\$80,000 (over 2 years)

NATIONAL PUBLIC
RADIO, INC.
Washington, DC; Midwest
news coverage.

\$175,000

Subtotal (4 grants)

PERFORMING ARTS

\$25,000

APOLLO'S FIRE THE
CLEVELAND BAROQUE
ORCHESTRA
Cleveland Heights, OH;
Artist fees.

\$12,000

CHARENTON THEATER CO.
Cleveland, OH;
Administrative expenses.

\$25,000 (over 15 months)

CLEVELAND CONTEMPORARY
DANCE THEATRE
Cleveland, OH; Operating
support.

\$20,000

THE CLEVELAND MODERN
DANCE ASSOCIATION
Cleveland, OH; Operating
support.

\$15,000

THE CLEVELAND
PLAY HOUSE
Cleveland, OH; Planning.

\$90,000

THE CLEVELAND
PLAY HOUSE
Cleveland, OH; Artistic
support.

\$10,000

THE CLEVELAND POPS
ORCHESTRA, INC.
Beachwood, OH; Family
concert series.

\$70,000
THE CLEVELAND PUBLIC THEATRE, INC.
 Cleveland, OH; Operating and Danceworks support.

\$5,000
CLEVELAND SHAKESPEARE FESTIVAL
 Cleveland, OH; Free outdoor Shakespeare performances.

\$7,500
CUYAHOGA COMMUNITY COLLEGE FOUNDATION
 Cleveland, OH; Showtime at High Noon.

\$40,000
CUYAHOGA COMMUNITY COLLEGE FOUNDATION
 Cleveland, OH; Tri-C JazzFest.

\$5,000
DANCE USA
 Washington, DC; Professional development activities in Cleveland.

\$37,500
DOBAMA THEATRE, INC.
 Cleveland Heights, OH; Operating and marketing support.

\$28,500
THE ENSEMBLE THEATRE
 Cleveland Heights, OH; Operating support.

\$5,000
FINE ARTS ASSOCIATION
 Willoughby, OH; "Missionaries" production expenses.

\$20,000
GROUNDWORKS DANCETHEATER
 Cleveland Heights, OH; Operating support.

\$75,000
KARAMU HOUSE
 Cleveland, OH; Theater support.

\$40,000
LYRIC OPERA CLEVELAND
 Cleveland, OH; Summer Festival.

\$25,000
THE NEW ORCHESTRA OF CLEVELAND
 Cleveland, OH; Start-up support.

\$15,000
NORTHEAST OHIO JAZZ SOCIETY, INC.
 Cleveland, OH; Operating support.

\$40,000 (over 15 months)
OHIO CHAMBER BALLET
 Akron, OH; Operating support.

\$25,000 (over 2 years)
OPERA CIRCLE, INC.
 Cleveland, OH; Operating support.

\$20,000
PROFESSIONAL FLAIR, INC.
 Cleveland, OH; Operating support.

\$25,000
THE REPERTORY PROJECT
 Cleveland Heights, OH; Operating support.

\$5,000
THE ST. MARYS COMMUNITY FOUNDATION
 St. Marys, OH; The Wallpaper Project's Cleveland performances.

\$685,500
Subtotal (25 grants)

SPECIAL PROGRAMS

\$5,000
AFRICAN AMERICAN MUSEUM
 Cleveland, OH; Emergency expenses.

\$50,000
CLEVELAND ARTS PRIZE
 South Euclid, OH; Campaign to Perpetuate the Prize.

up to \$100,000
CLEVELAND INSTITUTE OF ART
 Cleveland, OH; Facilities planning.

\$100,000
THE CLEVELAND INSTITUTE OF MUSIC
 Cleveland, OH; Facility expansion.

\$100,000
CLEVELAND PUBLIC ART, INC.
 Cleveland, OH; Operating and project support.

\$7,500
THE CLEVELAND PUBLIC THEATRE, INC.
 Cleveland, OH; "Angle" magazine.

\$3,000
CLEVELAND STATE UNIVERSITY FOUNDATION, INC.
 Cleveland, OH; Forum on "Merging an Artistic and Civic Vision: Law, the Arts and Urban Planning."

\$4,475
THE COMMUNITY PARTNERSHIP FOR ARTS AND CULTURE
 Cleveland, OH; Cleveland dance community exploratory retreat.

up to \$45,000
THE COMMUNITY PARTNERSHIP FOR ARTS AND CULTURE
 Cleveland, OH; Public education and research.

\$210,000
THE COMMUNITY PARTNERSHIP FOR ARTS AND CULTURE
 Cleveland, OH; Operating support.

\$6,500
GREAT LAKES THEATER FESTIVAL, INC.
 Cleveland, OH; Cleveland Theater Collective.

\$7,500
INDEPENDENT PICTURES
 Cleveland, OH; Sparx in the City.

\$638,975
Subtotal (12 grants)

VISUAL ARTS

\$12,000
ART ON WHEELS INC.
 Cleveland, OH; Administrative expenses.

\$31,000 (over 2 years)
CLEVELAND ARTISTS FOUNDATION
 Lakewood, OH; Internship program.

\$90,000
MUSEUM OF CONTEMPORARY ART CLEVELAND
 Cleveland, OH; Operating support.

\$12,500
SCULPTURE CENTER
 Cleveland, OH; "Monumental Spirit: A Celebration of David E. Davis" activities.

\$145,500
Subtotal (4 grants)

\$2,158,475
Total (61 grants)

HUMAN SERVICES

2003

The Foundation's grantmaking reflected the strains produced by proposed state and federal cutbacks in programs serving society's most fragile members. Significant investment went into battling proposed reductions in public funding, aiding basic safety net services and promoting tax policy reforms that would provide more equitable distribution of resources. Supporting advocacy work as a means of pursuing systemic change remained central to our work. Interest in the impact of the justice system on family stability grew through grants addressing prisoner re-entry and juvenile justice reform. Human services grantmaking totaled \$3,059,350.

CHILD AND FAMILY DEVELOPMENT

\$7,000

THE ACTION FOR CHILDREN OF FRANKLIN COUNTY
Columbus, OH; Ohio School Readiness Indicators initiative.

\$25,000

ADOPTION NETWORK CLEVELAND
Cleveland, OH; Operating support.

\$7,500

ALLIANCE FOR CHILDREN & FAMILIES
Milwaukee, WI; Faces of Change project.

\$7,500

BEECH BROOK
Cleveland, OH; Summer skill-building programs.

\$7,500

CATHOLIC DIOCESE OF CLEVELAND FOUNDATION
Cleveland, OH; Greater Cleveland Camping Alliance.

\$35,000

CENTER FOR FAMILIES AND CHILDREN
Cleveland, OH; Local government liaison position and public policy conference.

\$25,000

THE CHILDREN FIRST CAMPAIGN EDUCATION FUND
Washington, DC; Operating support.

\$2,500

CHILDREN INCORPORATED
Covington, KY; Early childhood development conference.

\$75,000 (over 2 years)

CHILDREN'S DEFENSE FUND
Columbus, OH; Covering Kids matching grant and early childhood education program.

\$7,850

CITY OF CLEVELAND
Cleveland, OH; Cudell Summer Basketball League.

\$35,000

CLERGY UNITED FOR JUVENILE JUSTICE, INC.
Cleveland, OH; Project Restoration.

\$50,000

COALITION FOR GREATER CLEVELAND'S CHILDREN
Cleveland, OH; Staff support.

\$7,000

CONNECT FOR KIDS
Washington, DC; Operating support.

\$40,000

CUYAHOGA COMMUNITY COLLEGE FOUNDATION
Cleveland, OH; Faculty Project on the Brain.

\$20,000

CUYAHOGA COUNTY BOARD OF COMMISSIONERS
Cleveland, OH; Summer youth program.

\$25,000

EAST END NEIGHBORHOOD HOUSE ASSOCIATION
Cleveland, OH; Project Seed.

\$37,500

EAST END NEIGHBORHOOD HOUSE ASSOCIATION
Cleveland, OH; Development support.

\$7,500

FEDERATION FOR COMMUNITY PLANNING
Cleveland, OH; Public policy program.

\$10,000

GLENVILLE COMMUNITY YOUTH CENTER
Cleveland, OH; Summer youth program.

\$20,000

HEIGHTS PARENT CENTER
Cleveland Heights, OH; Strategic alliance consultation.

\$12,500

LEXINGTON-BELL COMMUNITY CENTER
Cleveland, OH; Summer day camp.

\$6,000

NATIONAL GOVERNORS ASSOCIATION CENTER FOR BEST PRACTICES
Washington, DC; Governors' Forum on Quality Preschool.

\$7,500

NATIONAL WOMEN'S LAW CENTER
Washington, DC; Convening of early child care and education leaders regarding emerging policy issues.

\$25,000

NATIONAL WOMEN'S LAW CENTER
Washington, DC; State ballot initiative analysis.

\$110,000

NORTHERN KENTUCKY CHILDREN'S LAW CENTER, INC.
Covington, KY; Creation of Ohio office and implementation of "Justice Cut Short" study.

\$7,500

OHIO FAMILY CARE ASSOCIATION
Columbus, OH; Operating support.

\$12,500

PARKWORKS, INC.
Cleveland, OH; Junior Community Parks Liaison program.

\$40,000

PUBLIC CHILDREN SERVICES ASSOCIATION OF OHIO, INC.
Columbus, OH; Public policy advocacy and strategic communications.

\$7,500

THE SALVATION ARMY
Cleveland, OH; Summer camp.

\$75,000

THE URBAN INSTITUTE
Washington, DC; Tax Policy Center.

\$200,000 (over 2 years)

THE URBAN INSTITUTE
Washington, DC; "Returning Home" community re-entry study.

\$955,350

Subtotal (31 grants)

EMERGING NEEDS

\$7,500

ALTERNATIVES AGENCY, INC.
Cleveland, OH; Exploration of building purchase.

\$7,500

COUNTY OF CUYAHOGA
Cleveland, OH; West Nile Virus impact study.

\$7,500

FEDERATION FOR COMMUNITY PLANNING
Cleveland, OH; Emergency state budget campaign.

\$67,500

FEDERATION FOR COMMUNITY PLANNING
Cleveland, OH; Emergency state budget campaign.

\$100,000

HEALTH POLICY INSTITUTE OF OHIO
Cincinnati, OH; Health Policy Institute of Ohio.

\$125,000

OHIO GRANTMAKERS FORUM
Columbus, OH; Health Policy Institute of Ohio.

\$315,000

Subtotal (6 grants)

MEETING BASIC NEEDS

\$20,000

AIDS TASKFORCE OF GREATER CLEVELAND, INC.
Cleveland, OH; Public policy initiative.

\$350,000 (over 2 years)

CASE WESTERN RESERVE UNIVERSITY
Cleveland, OH; Center on Urban Poverty and Social Change.

\$80,000 (over 2 years)

COMMUNITY CATALYST, INC.
Boston, MA; Prescription Access Litigation project.

\$2,000

CONTACT CENTER, INC.
Cincinnati, OH; Ohio Empowerment Coalition's statewide grassroots welfare conference.

\$90,000

FAMILIES USA FOUNDATION, INC.
Washington, DC; State and national health access policy.

\$35,000

FARM LABOR RESEARCH PROJECT, INC.
Toledo, OH; Clinic expansion.

\$7,500

FEDERATION FOR COMMUNITY PLANNING
Cleveland, OH; Triad Research Group survey on human services levy.

\$35,000

THE FREE MEDICAL CLINIC OF GREATER CLEVELAND
Cleveland, OH; Syringe Exchange Program.

\$35,000

GEORGETOWN UNIVERSITY
Washington, DC; Analysis of Medicaid reform impact on people with HIV/AIDS.

\$200,000

GREATER CLEVELAND COMMUNITY FOODBANK, INC.
Cleveland, OH; New foodbank facility.

\$2,000

HEALTH FOUNDATION OF GREATER CINCINNATI
Cincinnati, OH; Publication and distribution of "Ohio Medicaid Basics" booklet.

\$40,000 (over 2 years)

LEGAL AID SOCIETY OF CINCINNATI
Cincinnati, OH; Transition to Employment initiative.

\$15,000

MERRICK HOUSE
Cleveland, OH; Community AIDS Prevention Program.

\$7,500

NORTHEAST OHIO COALITION FOR THE HOMELESS
Cleveland, OH; Cleveland Homeless Legal Assistance Program.

\$55,000 (over 2 years)

OHIO ASSOCIATION OF FREE CLINICS
Columbus, OH; Operating support.

\$20,000

RECOVERY RESOURCES
Cleveland, OH; HIV High Risk Prevention Program.

\$15,000

SHOES FOR KIDS, INC.
Cleveland, OH; Operating support.

\$40,000

ST. VINCENT DE PAUL SOCIETY
Brooklyn, OH; Cleveland Clothing Bank.

\$30,000

UNIVERSAL HEALTH CARE ACTION NETWORK
Cleveland, OH; Operating support.

\$30,000

UNIVERSAL HEALTH CARE ACTION NETWORK OF OHIO, INC.
Columbus, OH; Cleveland Hospital Free Care Project.

\$40,000

VOLUNTEERS OF AMERICA, INC.
Cleveland, OH; Veterans' Resource Center.

\$30,000

WEST SIDE CATHOLIC CENTER
Cleveland, OH; Basic needs programs.

\$50,000

YOUNG MEN'S CHRISTIAN ASSOCIATION OF CLEVELAND OHIO, INC.
Cleveland, OH; Y-Haven operating support.

\$1,229,000

Subtotal (23 grants)

REPRODUCTIVE HEALTH

\$40,000

ADVOCATES FOR YOUTH
Washington, DC; Operating support.

\$65,000

AMERICAN CIVIL LIBERTIES UNION FOUNDATION, INC.
New York, NY; Reproductive Freedom Project.

\$50,000

THE CHRISTIAN COMMUNITY INC.
Fort Wayne, IN; Adolescent comprehensive sexuality education initiative.

\$7,500

CLEVELAND RAPE CRISIS CENTER
Cleveland, OH; Advocacy and community education program.

\$50,000

THE EDUCATION FUND OF FAMILY PLANNING ADVOCATES OF NEW YORK STATE, INC.
Albany, NY; National Advisory Board on Access to Reproductive Health Care.

(continued)

HUMAN SERVICES

CONTINUED

\$35,000

**FEMINIST MAJORITY
FOUNDATION**
Arlington, VA; Clinic
Access Project.

\$25,000

HAMPSHIRE COLLEGE
Amherst, MA; Civil
Liberties and Public Policy
Program.

\$50,000 (over 2 years)

**MS. FOUNDATION FOR
WOMEN, INC.**
New York, NY;
Reproductive Rights
Coalition and Organizing
Fund.

\$70,000

**NATIONAL WOMEN'S LAW
CENTER**
Washington, DC; Child
care and reproductive
rights programs.

\$7,500

PRETERM CLEVELAND, INC.
Cleveland, OH; Physician
Training Initiative.

\$35,000

**RELIGIOUS COALITION FOR
REPRODUCTIVE CHOICE
EDUCATIONAL FUND**
Washington, DC;
Operating support.

\$25,000

**RUTGERS UNIVERSITY
FOUNDATION**
Piscataway, NJ; National
Teen-to-Teen Sexuality
Education Project.

\$50,000

SCENARIOSUSA INC.
New York, NY;
Responsible sexuality film
development program.

\$40,000

**SEXUALITY INFORMATION
AND EDUCATION COUNCIL
OF THE UNITED STATES**
New York, NY; Public
policy program.

\$550,000

Subtotal (14 grants)

SPECIAL PROGRAMS

\$6,000

**FEDERATION FOR
COMMUNITY PLANNING**
Cleveland, OH; Federal
Budget Training Academy.

\$1,500

LAKELAND FOUNDATION
Kirtland, OH; Men's
Resource Center.

\$2,500

**LESBIAN-GAY COMMUNITY
SERVICE CENTER OF
GREATER CLEVELAND**
Cleveland, OH; Operating
support toward GLBT
Leadership Summit.

\$10,000

Subtotal (3 grants)

\$3,059,350

Total (77 grants)

CIVIC AFFAIRS

2003

Grants to organizations working to reduce gun violence remained a hallmark of the Foundation's grantmaking in civic affairs. Grants also supported increased citizen participation in civic affairs and continuance of fair housing efforts. Civic affairs grantmaking totaled \$435,100.

CITIZEN PARTICIPATION

\$15,000

CLEVELAND BRIDGE BUILDERS, INCORPORATED
Cleveland, OH; Strategic program assessment.

\$40,000

LEAGUE OF WOMEN VOTERS OF CLEVELAND EDUCATIONAL FUND, INC.
Cleveland, OH; Advancing Good Government in Greater Cleveland project.

\$6,000

LOOK UP TO CLEVELAND
Cleveland, OH; Operating support.

\$6,000

LOOK UP TO CLEVELAND
Cleveland, OH; Student leadership program.

\$35,000

SLAVIC VILLAGE DEVELOPMENT
Cleveland, OH; Broadway Diversity in Progress initiative.

\$5,000

TOWN HALL OF CLEVELAND
Cleveland, OH; Programming.

\$50,000

URBAN LEAGUE OF GREATER CLEVELAND
Cleveland, OH; Operating support.

\$157,000

Subtotal (7 grants)

CIVILITY

\$40,000

BRADY CENTER TO PREVENT GUN VIOLENCE
Washington, DC; Legal Action Project.

\$25,000

EDUCATIONAL FUND TO STOP HANDGUN VIOLENCE
Washington, DC; Firearms Litigation Clearinghouse.

\$7,500

GREATER CLEVELAND ROUNDTABLE
Cleveland, OH; Communications and fund development expansion.

\$48,600

GREATER CLEVELAND ROUNDTABLE
Cleveland, OH; Operating support.

\$17,000

HEIGHTS COMMUNITY CONGRESS
Cleveland Heights, OH; Integration maintenance and community relations.

\$30,000

VIOLENCE POLICY CENTER
Washington, DC; Operating support.

\$168,100

Subtotal (6 grants)

GOVERNMENTAL EFFECTIVENESS

\$35,000

NATIONAL URBAN FELLOWS, INC.
New York, NY; Cleveland fellows.

\$35,000

Subtotal (1 grant)

SPECIAL PROGRAMS

\$75,000

POLICY MATTERS OHIO
Cleveland, OH; Policy research on state-level economic issues.

\$75,000

Subtotal (1 grant)

\$435,100

Total (15 grants)

ENVIRONMENT

2003

The Foundation's grantmaking reflected continuing program priorities that included conservation of natural systems, protection of human health, nonprofit capacity building, green buildings, urban sprawl/smart growth and environmental media/public education. Grantmaking focused primarily on Greater Cleveland, Ohio and the Lake Erie/Ohio River watersheds and included funding for a range of public education, policy, capacity building, training, protection and program activities in these areas. Environment grantmaking and a program-related investment totaled \$2,999,165.

CONSERVATION OF NATURAL SYSTEMS AND BIODIVERSITY

\$50,000 (over 2 years)
ALASKA CONSERVATION FOUNDATION
Anchorage, AK; Operating support.

\$40,000 (over 2 years)
AMERICAN ASSOCIATION OF ZOOLOGICAL PARKS AND AQUARIUMS
Silver Spring, MD; Ohio Butterfly Conservation Initiative.

\$30,000
THE BUCKEYE FOREST COUNCIL, INC.
Athens, OH; Forest protection on Ohio's public lands.

\$4,750
CHAGRIN RIVER LAND CONSERVANCY
Novelty, OH; Land protection.

\$30,000 (over 2 years)
THE CLEVELAND MUSEUM OF NATURAL HISTORY
Cleveland, OH; Natural areas program stewardship.

\$15,000
COAST ALLIANCE
Washington, DC; Great Lakes coastal conservation.

\$10,000
FIRELANDS LAND CONSERVANCY INC.
Oberlin, OH; Operating support.

\$20,000
THE FRIENDS OF EUCLID CREEK
Lyndhurst, OH; Watershed land use planning.

\$94,000 (over 2 years)
GREAT LAKES UNITED
Buffalo, NY; Habitat and Biodiversity Task Force 2004.

\$25,000
HEARTWOOD, INCORPORATED
Bloomington, IN; Forest protection on public lands in the Midwest.

\$40,000
THE LAND TRUST ALLIANCE, INC.
Washington, DC; Technical assistance and training for Ohio land trusts.

\$50,000
NATIONAL AUDUBON SOCIETY
New York, NY; Important Bird Areas conservation and biodiversity policy efforts in Ohio.

\$49,960
NATIONAL FISH AND WILDLIFE FOUNDATION
Washington, DC; Expansion of grantmaking in Cleveland and Northeast Ohio.

\$80,000 (over 2 years)
THE NATURE CONSERVANCY, INC.
Arlington, VA; Western Allegheny Plateau Ecoregion plan implementation.

\$35,000
THE NORTHEAST-MIDWEST INSTITUTE
Washington, DC; Great Lakes Protection and Restoration Initiative.

\$32,000
OHIO RIVER FOUNDATION
Cincinnati, OH; Technical assistance and coordination of grassroots groups focused on conservation of Ohio River and tributaries.

\$40,000
RURAL ACTION, INC.
Trimble, OH; Forest conservation program.

\$80,000
SHAKER LAKES REGIONAL NATURE CENTER
Cleveland, OH; Doan Brook Watershed conservation programs.

\$50,000
TRUST FOR PUBLIC LAND
San Francisco, CA; Ohio field office operating support.

\$35,000
UNION OF CONCERNED SCIENTISTS
Cambridge, MA; Efforts to reduce spread of invasive species.

\$50,000 (over 2 years)
WATER WATCH OF OREGON
Portland, OR; Operating support.

\$40,000
WILDLIFE HABITAT ENHANCEMENT COUNCIL, INC.
Silver Spring, MD; Restoration of corporate and industrial land in the Cuyahoga Valley.

\$900,740
Subtotal (22 grants)

ENVIRONMENTAL JOURNALISM/PUBLIC EDUCATION

\$25,000
CENTER FOR RESOURCE ECONOMICS
Washington, DC; New approaches and solutions to land use for protection of biodiversity and public health.

\$35,000
CITIZENS POLICY CENTER
Cleveland, OH; Ohio Open Secrets Project.

\$20,000
MICHIGAN STATE UNIVERSITY
East Lansing, MI; Great Lakes Environmental Journalism Training Institute.

\$20,000
MICHIGAN STATE UNIVERSITY
 East Lansing, MI; Great Lakes Environmental Journalism Training Institute.

\$25,000
REGENTS OF THE UNIVERSITY OF MICHIGAN
 Ann Arbor, MI; Great Lakes Radio Consortium training for radio producers.

\$7,500
THE SOCIETY OF ENVIRONMENTAL JOURNALISTS INC.
 Jenkintown, PA; Conference fellowships for Ohio journalists.

\$132,500
Subtotal (6 grants)

GREEN BUILDINGS

\$44,750
CASE WESTERN RESERVE UNIVERSITY
 Cleveland, OH; Costs associated with green dormitory design.

\$120,000 (over 2 years)
THE CLEVELAND GREEN BUILDING COALITION, INC.
 Cleveland, OH; Operating support.

\$5,900
ECOCITY CLEVELAND
 Cleveland Heights, OH; Green Building Coalition strategic planning.

\$50,000
ECOCITY CLEVELAND
 Cleveland Heights, OH; Green Building Coalition's High Performance Schools project.

\$220,650
Subtotal (4 grants)

LEADERSHIP DEVELOPMENT / CAPACITY BUILDING

\$6,400
CENTER FOR WATERSHED PROTECTION
 Ellicott City, MD; Training retreat and scholarships for Northeast Ohio participants.

\$25,000
THE CLEVELAND GREEN BUILDING COALITION, INC.
 Cleveland, OH; "Collaborating for Success," a Midwest conference for multi-tenant nonprofit centers.

\$7,500
CLEVELAND METROPARKS SYSTEM
 Cleveland, OH; Volunteer services support.

\$5,000
CUYAHOGA RIVER COMMUNITY PLANNING ORGANIZATION
 Cleveland, OH; Northeast Environmental Collaborative.

\$35,000
ENVIRONMENTAL FUND FOR OHIO
 Columbus, OH; Operating support.

\$5,000
INSTITUTE FOR CONSERVATION LEADERSHIP
 Takoma Park, MD; Production and distribution of "Managing in Hard Times."

\$3,000
THE INTERCHURCH CENTER
 New York, NY; Conference on creating and operating multi-tenant nonprofit centers.

\$50,000
LEAGUE OF CONSERVATION VOTERS EDUCATION FUND, INC.
 Washington, DC; List enhancement, SOAP Project, coalition building and leadership development in Ohio.

\$3,000
OHIO & ERIE CANAL CORRIDOR COALITION, INC.
 Akron, OH; Scholarships for International Heritage Development Conference.

\$50,000
OHIO LEAGUE OF CONSERVATION VOTERS EDUCATION FUND
 Columbus, OH; Operating support.

\$14,000
THE TIDES CENTER
 San Francisco, CA; Rockwood Leadership Program for leadership development in Northeast Ohio.

\$6,800
WESTERN RESERVE RC&D, INC.
 Painesville, OH; Strategic planning.

\$210,700
Subtotal (12 grants)

PROTECTION OF HUMAN HEALTH

\$6,000
BEYOND PESTICIDES
 Washington, DC; Ohio's public health response to West Nile Virus.

\$30,000
CENTER FOR HEALTH, ENVIRONMENT AND JUSTICE
 Falls Church, VA; Technical assistance in the Great Lakes region.

\$7,000
ENVIRONMENTAL DEFENSE, INCORPORATED
 New York, NY; Campaign to reduce overuse of antibiotics in livestock in Ohio.

\$60,000 (over 2 years)
ENVIRONMENTAL LAW AND POLICY CENTER OF THE MIDWEST
 Chicago, IL; New source review and Midwest Independent System Operator policy work in Ohio.

\$30,000
GREEN ENERGY OHIO
 Columbus, OH; Operating support.

\$5,000
MUSIC & PERFORMING ARTS AT TRINITY CATHEDRAL, INC.
 Cleveland, OH; Documentary on environmental hazards of Hocking Valley coal fields.

\$4,000
NATIONAL COALITION AGAINST THE MISUSE OF PESTICIDES
 Washington, DC; Public forum on "The Health Consequences and Efficacy of Pesticide Spraying to Control West Nile Virus."

\$70,000 (over 2 years)
NATIONAL WILDLIFE FEDERATION
 Reston, VA; Policy development on mercury contamination in Ohio.

\$50,000
OHIO CITIZEN ACTION EDUCATION FUND
 Cleveland, OH; Good Neighbor campaigns with Ohio industrial facilities.

\$160,000 (over 2 years)
THE OHIO ENVIRONMENTAL COUNCIL
 Columbus, OH; Operating support.

\$40,000
SHOREBANK ENTERPRISE GROUP CLEVELAND
 Cleveland, OH; Entrepreneurs for Sustainability.

\$40,000
ST. CLAIR-SUPERIOR COALITION
 Cleveland, OH; Operating support.

\$502,000
Subtotal (12 grants)

(continued)

ENVIRONMENT

CONTINUED

URBAN SPRAWL/ SMART GROWTH

\$1,000
**COMMISSION ON CATHOLIC
COMMUNITY ACTION**
Cleveland, OH;
Presentation to faith-
based landholders.

\$40,000
**CUYAHOGA COUNTRYSIDE
CONSERVANCY**
Peninsula, OH; Operating
support.

\$6,000
**CUYAHOGA COUNTY
PLANNING COMMISSION**
Cleveland, OH; Cuyahoga
Valley Initiative.

\$7,500
ECOCITY CLEVELAND
Cleveland Heights, OH;
Planning for statewide
smart growth network.

\$65,000
ECOCITY CLEVELAND
Cleveland Heights, OH;
Operating support.

\$240,000 (over 2 years)
ECOCITY CLEVELAND
Cleveland Heights, OH;
Start-up of Greater Ohio,
a statewide smart
growth coalition.

\$35,000
**ECOLOGICAL DESIGN
INNOVATION CENTER**
Oberlin, OH; Northeast
Ohio Foodshed Network.

\$40,000
**THE ENVIRONMENTAL AND
ENERGY STUDY INSTITUTE**
Washington, DC; Federal
energy and smart growth
policy.

\$7,500
**MID-OHIO REGIONAL
PLANNING COMMISSION**
Columbus, OH;
Informational assistance
for the Ohio House
Subcommittee on Growth
and Land Use.

\$7,200
**OHIO ASSOCIATION OF
RAILROAD PASSENGERS**
Lakewood, OH; Start-up
support.

\$25,000
**OHIO ASSOCIATION OF
RAILROAD PASSENGERS**
Lakewood, OH; Ohio
Mobility Partners.

\$45,000
**OHIO PARKLANDS
FOUNDATION**
Westerville, OH; Ohio
Greenways Project.

\$45,000 (over 2 years)
**RAILS TO TRAILS
CONSERVANCY**
Washington, DC;
Operating support for Ohio
office and conference
scholarships for Ohio trail
advocates.

\$1,000
SCENIC AMERICA
Washington, DC;
Publication of "Scenic
Easements: Protecting
Landscapes of America
the Beautiful."

\$7,500
SMART GROWTH AMERICA
Washington, DC;
Communications and
opposition research.

\$50,000
SMART GROWTH AMERICA
Washington, DC;
Operating support.

\$50,000
**SURFACE TRANSPORTATION
POLICY PROJECT**
Washington, DC; Alliance
for a New Transportation
Charter.

\$49,875
**WESTERN RESERVE
RC&D, INC.**
Painesville, OH; Center
for Farmland Preservation
in Northeast Ohio.

\$60,000
**WESTERN RESERVE
RC&D, INC.**
Painesville, OH;
Countryside Program.

\$782,575
Subtotal (19 grants)

PROGRAM-RELATED INVESTMENT

\$250,000
**CHAGRIN RIVER LAND
CONSERVANCY**
Novelty, OH; Loan to the
Land Protection Fund of
the Chagrin River Land
Conservancy for ongoing
land acquisition.

\$250,000
**Subtotal (1 program-
related investment)**

\$2,749,165
Total (75 grants)

\$250,000
**Total (1 program-
related investment)**

SPECIAL PROJECTS

2003

The Foundation continued its commitment to fund research on the causes, nature and prevention of inherited retinal degenerative diseases. We also maintained our support for a wide range of organizations that work to strengthen and provide services to the nonprofit and philanthropic fields. Special projects grantmaking totaled \$2,323,421.

PHILANTHROPIC SERVICES

\$5,000
BOARDSOURCE
Washington, DC;
Operating support.

\$30,000
BUSINESS VOLUNTEERS UNLIMITED
Cleveland, OH; Assistance to nonprofit organizations.

\$19,800
THE CENTER FOR EFFECTIVE PHILANTHROPY
Cambridge, MA; Grantee survey.

\$50,000 (over 2 years)
CLEVELAND SOCIAL VENTURE PARTNERS
Cleveland, OH;
Administrative expenses.

\$7,500
COLLINS CENTER FOR PUBLIC POLICY, INC.
Miami, FL; Funders' Network for Smart Growth and Livable Communities Translation Papers.

\$7,500
COLLINS CENTER FOR PUBLIC POLICY, INC.
Miami, FL; Funders' Network for Smart Growth and Livable Communities.

\$4,000
CONSULTATIVE GROUP ON BIOLOGICAL DIVERSITY INC.
San Francisco, CA;
Operating support.

\$34,600
COUNCIL ON FOUNDATIONS, INC.
Washington, DC;
Operating support.

\$25,000
DIOCESE OF OHIO EPISCOPAL COMMUNITY SERVICES FOUNDATION
Cleveland, OH; Social outreach programs.

\$25,000
THE FOUNDATION CENTER
Cleveland, OH; Operating support.

\$2,000
FUNDERS FOR LESBIAN AND GAY ISSUES INC.
New York, NY; Operating support.

\$2,000
FUNDERS NETWORK ON POPULATION REPRODUCTIVE HEALTH & RIGHTS
Takoma Park, MD;
Operating support.

\$4,000
THE GRANTMAKER FORUM ON COMMUNITY & NATIONAL SERVICE
Berkeley, CA; Operating support.

\$2,000
GRANTMAKERS FOR CHILDREN, YOUTH & FAMILIES, INC.
Washington, DC;
Operating support.

\$5,000
GRANTMAKERS FOR EDUCATION
Portland, OR; Operating support.

\$5,000
GRANTMAKERS FOR EFFECTIVE ORGANIZATIONS
Washington, DC;
Operating support.

\$2,000
GRANTMAKERS IN AGING INC.
Dayton, OH; Annual conference in Cleveland.

\$3,000
GRANTMAKERS IN THE ARTS
Seattle, WA; Operating support.

\$2,000
GRANTMAKERS IN HEALTH
Washington, DC; The Art and Science of Health Grantmaking Symposium.

\$3,000
GRANTMAKERS IN HEALTH
Washington, DC;
Operating support.

\$5,000
THE GREATER CLEVELAND COMMUNITY SHARES
Cleveland, OH; Ohio Shares project.

\$5,000
THE GREATER CLEVELAND COMMUNITY SHARES
Cleveland, OH;
Development of electronic pledging tool.

\$12,500
INDEPENDENT SECTOR
Washington, DC;
Operating support.

\$1,000
NATIONAL CENTER FOR FAMILY PHILANTHROPY
Washington, DC;
Operating support.

\$7,500
NATIONAL COMMITTEE FOR RESPONSIVE PHILANTHROPY
Washington, DC;
Operating support.

\$2,000
NATIONAL VIDEO RESOURCES
New York, NY;
Grantmakers in Film and Electronic Media.

\$3,500
NEIGHBORHOOD FUNDERS GROUP, INC.
Washington, DC;
Operating support.

\$20,000
OHIO ASSOCIATION OF NONPROFIT ORGANIZATIONS
Columbus, OH; Operating support.

\$3,621
OHIO GRANTMAKERS FORUM
Columbus, OH; Nonprofit capacity-building online database project.

\$5,000
OHIO GRANTMAKERS FORUM
Columbus, OH; Annual conference.

\$8,000
OHIO GRANTMAKERS FORUM
Columbus, OH; Operating support.

\$1,900
ROCKEFELLER FAMILY FUND, INC.
New York, NY;
Environmental Grantmakers Association operating support.

\$6,500
ROCKEFELLER FAMILY FUND, INC.
New York, NY;
Environmental Grantmakers Association fall retreat.

\$3,500
WOMEN AND FOUNDATIONS CORPORATE PHILANTHROPY
Washington, DC;
Operating support.

\$323,421
Subtotal (34 grants)

RETINITIS PIGMENTOSA RESEARCH

\$2,000,000
THE FOUNDATION FIGHTING BLINDNESS
Owings Mills, MD; Retinal degenerative disease research.

\$2,000,000
Subtotal (1 grant)

\$2,323,421
Total (35 grants)

CONDENSED FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

December 31	2003	2002
ASSETS		
Cash and cash equivalents	\$ 76,672,916	\$ 80,869,637
Receivables	1,692,294	1,834,840
Marketable and U.S. Government securities	371,486,183	315,804,095
Other assets	310,018	306,471
Total assets	\$ 450,161,411	\$ 398,815,043
LIABILITIES		
Accounts payable and accrued expenses	\$ 446,267	\$ 157,149
Grants payable	5,585,800	6,951,500
Deferred federal excise tax	1,666,254	1,047,778
Total liabilities	7,698,321	8,156,427
NET ASSETS		
Income fund	(2,756,181)	(3,015,664)
Principal fund	445,219,271	393,674,280
Total net assets	442,463,090	390,658,616
Total liabilities and net assets	\$ 450,161,411	\$ 398,815,043

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF ACTIVITIES

For the Years Ended December 31	2003	2002
INCOME FUND		
Revenues		
Dividend income	\$ 5,342,554	\$ 5,440,510
Interest income	4,582,642	5,482,815
Recovery of prior years' grants	—	33,624
	9,925,196	10,956,949
Expenses		
Grants authorized	17,712,771	19,470,767
Administrative expenses	3,673,630	3,172,330
Federal income tax	92,982	399,008
	21,479,383	23,042,105
Decrease in net assets in income fund before transfer	(11,554,187)	(12,085,156)
Transfer from principal fund	11,813,670	13,805,515
Increase in net assets in income fund	259,483	1,720,359
Income fund net assets – beginning	(3,015,664)	(4,736,023)
Income fund net assets – ending	\$ (2,756,181)	\$ (3,015,664)
PRINCIPAL FUND		
Revenues and unrealized gains and losses:		
Net realized gains on securities	\$ 1,781,626	\$ 31,081,820
Net unrealized gains (losses) on securities	62,199,025	(47,051,786)
Federal excise tax credit (expense) on unrealized gains or losses	(621,990)	470,518
Increase (decrease) in net assets in principal fund before transfers	63,358,661	(15,499,448)
Transfers to income fund	(11,813,670)	(13,805,515)
Increase (decrease) in net assets in principal fund	51,544,991	(29,304,963)
Principal fund net assets – beginning	393,674,280	422,979,243
Principal fund net assets – ending	\$ 445,219,271	\$ 393,674,280

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Years Ended December 31	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 51,804,474	\$ (27,584,604)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	65,973	75,682
Net realized gains on securities	(1,781,626)	(31,081,820)
Net unrealized (gains) losses on securities	(62,199,025)	47,051,786
Deferred federal excise tax	618,476	(473,800)
Changes in assets and liabilities:		
Receivables	142,546	720,707
Other assets	(1,388)	(982)
Accounts payable and accrued expenses	289,118	39,032
Grants payable	(1,365,700)	(237,017)
Net cash used in operating activities	(12,427,152)	(11,491,016)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of securities	131,636,391	191,475,046
Purchase of investments	(123,337,828)	(269,443,863)
Purchase of equipment and improvements	(68,132)	(29,043)
Net cash provided by (used in) investing activities	8,230,431	(77,997,860)
Net decrease in cash and cash equivalents	(4,196,721)	(89,488,876)
Cash and cash equivalents – beginning	80,869,637	170,358,513
Cash and cash equivalents – ending	\$ 76,672,916	\$ 80,869,637
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year:		
Income taxes, excise	\$ —	\$ —
Interest	\$ —	\$ —

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2003 and 2002

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The George Gund Foundation (“the Foundation”) is a private foundation which makes grants to educational, community service and philanthropic organizations, basically in Greater Cleveland.

BASIS OF ACCOUNTING

The Foundation's financial statements are presented on the accrual basis of accounting. Accordingly, revenues are recorded when earned, and expenses are recognized when incurred. The Foundation has only 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of highly-liquid investments with maturity dates of three months or less which are readily convertible into cash.

INVESTMENTS

Marketable and U.S. securities are reported at their market value. Securities traded on a national securities exchange are valued at the last reported trading price on the last business day of the year. Realized gains or losses are determined by comparison of asset cost to net proceeds received. Unrealized gains or losses are determined by comparison of asset cost to market values at the end of the year. Presenting the fair value of program-related investments is impractical since the purpose of these investments is to provide low interest loans to nonprofit organizations to assist them in their specific projects.

CONDENSED FINANCIAL STATEMENTS

FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Furniture, equipment and leasehold improvements are stated at cost. Amortization and depreciation is recorded using both straight-line and accelerated methods over the estimated useful lives of the assets. Depreciation expense amounted to \$65,973 and \$75,682 for the years ended December 31, 2003 and 2002, respectively.

NOTE 2: LEASES

The Foundation occupies office space in the Landmark Office Towers under a lease that extends to January 31, 2010. Base annual rentals are \$123,833 through February 1, 2005 and \$129,461 for the remaining term of the lease, with escalation charges from these base rentals. There are renewal options for two additional periods of five years each. Rental expense for the years ended December 31, 2003 and 2002 amounted to \$130,752 and \$127,665, respectively.

The future minimum lease commitments under leases with terms in excess of one year are as follows:

2004	\$ 123,833
2005	128,992
2006	129,461
2007	129,461
2008	129,461
Thereafter	140,250
	<u>\$ 781,458</u>

NOTE 3: EMPLOYEE BENEFIT PLAN

The Foundation has an employee's tax-sheltered annuity plan for substantially all employees. Employer contributions are required at 9% of participants' compensation up to the Social Security wage base and 14.7% of the participants' compensation in excess of this wage base, with a limit of \$200,000 of compensation. Contributions to the plan for the year ended December 31, 2003 and 2002 amounted to \$91,936 and \$88,404, respectively.

NOTE 4: CREDIT CONCENTRATION

Aside from their holdings in the Kellogg Co., the Foundation's portfolio of investments is highly diversified; however, at December 31, 2003 and 2002, 30% and 32%, respectively, of the total market value of securities and 56% and 61%, respectively, of dividend income in each year are attributable to ownership of Kellogg Co. stock. The Foundation has a concentration of risk in its cash position as of December 31, 2003 in that the Foundation has over \$7,662,965 in one checking account that is insured by the F.D.I.C. up to a limit of \$100,000.

NOTE 5: EXCISE TAXES

The Foundation is exempt from federal income taxes and is classified as a private foundation under Section 501 of the Internal Revenue code (IRC). It is subject to a 2% (1% if certain criteria are met) federal excise tax on net investment income, including realized gains, as defined by the IRC.

Deferred federal excise taxes are provided on the unrealized appreciation or depreciation of investments and interest and dividend income and certain expenses being reported for financial statement purposes in different periods than for tax purposes.

Accordingly, federal excise taxes of \$92,982 and \$399,008 have been provided for the years ended December 31, 2003 and 2002, respectively, in the income fund. Included in the above amounts are \$3,514 and \$3,282 reflecting the net change in deferred taxes for the years ending December 31, 2003 and 2002, respectively. The principal fund excise tax is the result of the deferred tax at a rate of 1% on the unrealized gains or losses on securities for the years 2003 and 2002.

NOTE 6: NET ASSETS

Net assets include the accounts of two board-designated funds (principal and income) both of which consist entirely of unrestricted net assets. The principal fund consists of investments in securities and receives the realized and unrealized gains or losses on those assets. The income fund receives interest and dividends on the principal fund investments which are used for grants and administrative expenses. At December 31, the statements of financial position included the following income fund accounts:

	2003	2002
Cash	\$ 1,591,722	\$ 2,219,904
Receivables	1,692,294	1,834,840
Other assets	16,309	14,921
Due from principal fund	(17,335)	33,938
Accounts payable	(446,267)	(157,149)
Grants payable	(5,585,800)	(6,951,500)
Deferred Federal excise tax	(7,104)	(10,618)
	<u>\$ (2,756,181)</u>	<u>\$ (3,015,664)</u>

The following is a summary of the changes in total net assets:

	2003	2002
Income fund	\$ 259,483	\$ 1,720,359
Principal fund	51,544,991	(29,304,963)
Increase (decrease) in net assets	51,804,474	(27,584,604)
Net assets – beginning	390,658,616	418,243,220
Net assets – ending	<u>\$ 442,463,090</u>	<u>\$ 390,658,616</u>

The change in individual funds includes transfers by the Foundation of \$11,813,670 in 2003 and \$13,805,515 in 2002 from the principal fund to the income fund.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF TRUSTEES, THE GEORGE GUND FOUNDATION

We have audited the accompanying statements of financial position of The George Gund Foundation as of December 31, 2003 and 2002, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements 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 evaluating 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 George Gund Foundation at December 31, 2003 and 2002, and the results of its activities and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Walshall, Drake & Wallace LLP

Certified Public Accountants

Cleveland, Ohio
March 11, 2004

GRANT PROGRAM GUIDELINES

The George Gund Foundation's long-standing interests in the arts, economic development and community revitalization, education, the environment and human services are reflected in the guidelines below. Uniting them and coursing through the history of the Foundation is a deep commitment to place, to the Greater Cleveland community that is the home of the Foundation. The Foundation's philanthropic stewardship of this region derives from its roots, from our belief that Cleveland can continue to develop original solutions to urban problems and from our hope that collaborations across boundaries can create a crucible of innovation in all fields of endeavor. Moreover, the urban emphasis of our work stems from our belief that thriving cities are the nation's best hope for addressing our essential problems. This sense of stewardship increasingly causes the Foundation to acknowledge that many grant proposals do not fit neatly into one program area. Indeed, the work of many nonprofit organizations brings together aspects of several of our core concerns.

Recognition of these interrelationships draws the Foundation toward support of funding opportunities that cross program boundaries and that integrate elements of these various disciplines. Program areas remain points of focused attention, but we expect to be ever more interdisciplinary in our approach. This will be particularly evident with regard to initiatives that aim to make urban areas, in particular Cleveland, globally competitive and increasingly livable because it is in this domain that the greatest need and opportunity converge with the Foundation's primary interests and ongoing stewardship.

Although our focus is centered in Greater Cleveland, a portion of the Foundation's grantmaking will continue to support state and national policy making that bolsters our work.

EDUCATION

Education is fundamental to success, and the Foundation is especially conscious of the vital role of the Cleveland Municipal School District in any successful strategy to advance this region's prospects. Consequently, the Foundation's concern for improving primary and secondary education is focused on that school district and, to a lesser degree, on public schools in the first-ring suburbs. Our emphasis is on systemic school improvements, particularly in the areas of management and teacher quality, academic programs that address the needs of disadvantaged children and efforts to better connect schools with their communities.

Colleges and universities are playing an ever larger role in the economic and community life of their regions, and the Foundation supports efforts of public and private universities in Greater Cleveland to forge these innovative ventures. An additional area of interest is increasing access to higher education for disadvantaged students.

Some support is provided to organizations that work to advance educational equity and excellence through state and national policy and to build and strengthen support for public education.

ECONOMIC DEVELOPMENT AND COMMUNITY REVITALIZATION

Sustaining uniquely urban assets such as vibrant neighborhoods and a thriving downtown is a key part of a successful regional strategy to promote economic growth. The Foundation devotes considerable attention to these dynamics, in particular by supporting collaborative efforts that leverage resources. Specific physical development proposals in Cleveland neighborhoods are usually not considered directly but are referred to Neighborhood Progress, Inc., a local intermediary supported by the Foundation. Likewise, specific proposals for economic development initiatives are referred to the Northeast Ohio Fund for Our Economic Future, a collaboration of many philanthropic organizations in the region.

Highest priority is given to initiatives that bolster the impact of foundation-supported intermediary organizations working to improve the competitiveness of Cleveland and its metropolitan region. Examples of such initiatives include quality urban planning and design efforts, improvements to urban parks and other public spaces and promotion of equal opportunity and diversity in housing and the workplace. Also receiving serious consideration are proposals that significantly leverage other resources for redevelopment of Cleveland's downtown, neighborhoods and its first-ring suburbs. Proposals of national or statewide significance are considered, but they must demonstrate a substantial contribution toward the Foundation's locally oriented economic development and community revitalization objectives.

ARTS

The Foundation values and supports the role the arts play in making Cleveland and its region a more desirable place to live, fostering the growth of a creative workforce, catalyzing development in our neighborhoods and serving as a bridge between various segments of the community. The Foundation encourages a lively, diverse arts community in Greater Cleveland by funding local projects that emphasize artistic quality, innovative programming, reaching new audiences and organizational development. We also try to balance support for Cleveland's long-standing institutions with funding for newer organizations that promise to reach different audiences and cultures and to expand the city's artistic offerings. Arts education continues to be a high priority, with a focus on curriculum-related partnerships between arts organizations and the Cleveland Municipal School District. In addition, the Foundation seeks to advance the region's understanding of the importance of the arts by supporting The Community Partnership for Arts and Culture.

HUMAN SERVICES

The Foundation believes that heightened focus on developing a more globally competitive city and region demands direct concurrent attention to the needs of those most at risk of being left out of social and economic transformation. We recognize this by helping to meet immediate human needs in Greater Cleveland and, especially, by supporting organizations working to alleviate those needs through policy changes locally, in the state of Ohio and at the national level. Areas of particular interest are tax and fiscal policy analysis and building the analytical and advocacy capacity of nonprofit organizations.

As a means of investing in the future, the Foundation pays special attention to the needs of disadvantaged children through grants to support early childhood care and education, abuse prevention, improved foster care and adoption systems and assessment of the impact of welfare reform. In addition, the Foundation provides some support for the local "safety net" of food, clothing, shelter and access to health care. A closely related set of interests is reflected in the Foundation's desire to help vulnerable populations achieve access to health insurance, to the legal system, to community support following release from prison and to safe and affordable reproductive health services.

ENVIRONMENT

Human well-being is inextricably linked to the quality of the environment, and urban areas bring this fact into sharp focus as historic disregard for the environment and modern development pressures create great challenges. The Foundation responds by making grants to organizations that work to address environmental issues in Northeast Ohio. In addition, we have an interest in the environment of the state as a whole and in the Lake Erie and Ohio River ecosystems. The Foundation focuses on six substantive areas: Smart Growth and Livable Communities, which promotes alternatives to urban sprawl; Green Buildings and Sustainable Energy, which seeks to advance approaches to reduced energy consumption and waste; Conservation of Natural Systems and Biodiversity, which focuses on conserving intact, high-quality ecosystems and threatened biodiversity; Protection of Human Health, which supports organizations that work to reduce environmental health threats; Public Education and Journalist Training, which provides support for media to increase public awareness of environmental issues; and Leadership Development, which seeks to enhance skills of nonprofit environmental organization leaders.

Within these areas, a wide range of proposals will be considered for Northeast Ohio. Statewide emphasis is on policy issues and organizations that assist grassroots groups. Limited support is provided to organizations that work at the national level on federal policies and programs that affect Ohio.

The Foundation normally does not consider grants for endowments or capital needs, including renovation, equipment or construction, except in special circumstances or when part of a larger project. Grants are not made for debt reduction or to fund benefit events. Funding for conferences, publications and media is limited to projects directly related to priorities in the Foundation's five program areas.

The Foundation does not make grants to individuals, nor does it administer programs it supports. Grants are limited to organizations located in the United States.

The Foundation makes grants only to organizations that meet Internal Revenue Code requirements as nonprofit, tax-exempt organizations and to qualified government units and agencies. Grant funds may not be used to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

GRANT APPLICATION PROCEDURES

Proposals are considered by the Foundation's Trustees in March, June, September and December. Deadlines for submitting proposals for consideration at the next regularly scheduled meeting of the Trustees are December 30, March 30, June 30 and September 30. Proposals are due the next business day if a deadline falls on a weekend. Faxed proposals are not accepted. Please do not submit proposals in notebooks, binders or plastic folders.

Each proposal should include a one-page cover letter describing the project and the amount of funds being requested. The proposal should also include:

ORGANIZATIONAL BACKGROUND

History, mission, types of programs offered, constituencies served.

PROJECT DESCRIPTION

Justification of need, specific goals and objectives, activities planned to meet goals and objectives, project time line, qualifications of key personnel, methods of evaluation.

PROJECT BUDGET

Anticipated expenses, including details about how Foundation funds would be used, and anticipated income, including information about other sources approached for funding.

ORGANIZATIONAL BUDGET

Current year budget and proposed budget for project year(s) showing both income and expenses, the organization's most recent audited financial statement.

SUPPORTING DOCUMENTS

List of current trustees, letters of support, readily available printed material about organization such as annual reports or brochures, IRS letter confirming Internal Revenue Code 501(c)(3) status and classification as a public charity or information confirming status as a governmental unit or agency.

All grant applications and requests for information should be addressed to: The George Gund Foundation, 1845 Guildhall Building, 45 Prospect Avenue West, Cleveland, Ohio 44115 (telephone 216.241.3114).

All proposals are screened and evaluated by the staff before presentation at Trustee meetings. Receipt of proposals will be acknowledged by mail.

Grantseekers may obtain information about other foundation and corporate funding sources at The Foundation Center Library in Cleveland, 1422 Euclid Avenue, or by calling 800.424.9836 for the locations of other Foundation Center offices.



GEORGE GUND

George Gund was born in La Crosse, Wisconsin, and his family settled in Cleveland in 1897. Following graduation from Harvard College (1909) and graduate study at Harvard Business School, his early career included banking and real estate in Seattle, serving in Army intelligence during World War I, developing the Kaffee-Hag Corporation in Cleveland, attending Animal Husbandry School at Iowa State University and ranching in Nevada.

In 1936, Mr. Gund married Jessica Roesler and settled down in Cleveland to raise a family. His interest in banking culminated in his becoming President of The Cleveland Trust Company in 1941. At his death in 1966, he was Chairman of the Board.

In 1937, Mr. Gund began a formal program of charitable giving, and his philanthropic concern extended throughout his life. He carefully selected those charities to which he committed his funds. If the commitment was considerable over a long period of time, he characteristically devoted much of his time and energy to the institution.

Strong relationships developed with the educational institutions that shaped Mr. Gund's early life. He contributed time and money to University School (Cleveland), where he was a trustee, and to Iowa State University, where he established a scholarship program for students of animal husbandry. He served on the Board of Overseers of Harvard College from 1954 to 1960 and was closely involved at Harvard with the School of Public Health and the Business School from 1954 to 1966. Another interest in higher education was Kenyon College, where he served as a trustee for many years.

Although Mr. Gund had little personal experience in the arts, his devotion to them was great. Perhaps the single best example was his long association with the Cleveland Institute of Art. In 1942, he became President of the Institute and, under his leadership, saw it develop into a lively and prestigious institution.

The George Gund Foundation was created in 1952 because Mr. Gund believed the private foundation concept provided the most positive, farsighted vehicle for intelligent underwriting of creative solutions to social ills in a manner which would not be limited to his own lifetime. He favored the corporate foundation structure directed by an experienced, sensitive board of trustees entrusted not only with disbursement of funds, but an objective, practical review of proposals. He valued the degree of freedom a private foundation can exercise in seeking and fostering innovative ideas and in implementing demonstration projects.

Today, Mr. Gund's vision is carried forth through the continued involvement of the Gund family in the Foundation's work. Since its inception, the Foundation has made grants totaling more than \$409 million toward the advancement of human welfare.

by Geoffrey Gund, President



1.



2.

BOARD OF TRUSTEES

1. **Geoffrey Gund, President and Treasurer**

2. **Llura A. Gund, Vice President**

3. **Ann L. Gund, Secretary**

4. **Marjorie Carlson, Trustee**

5. **Catherine Gund, Trustee***

6. **George Gund III, Trustee**

7. **Zachary Gund, Trustee**

8. **Robert D. Storey, Trustee**



3.



4.

ADMINISTRATIVE STAFF

David T. Abbott, Executive Director

Robert B. Jaquay, Associate Director

Marcia Egbert, Senior Program Officer

Deena M. Epstein, Senior Program Officer

Jeffrey M. Glebocki, Senior Program Officer

Jon M. Jensen, Senior Program Officer

Alice M. Cardillo, Office Manager

Cynthia M. Gasparro, Executive Secretary/Assistant

Joyce M. Hancock, Senior Secretary

Lynn Ryan, Senior Secretary

Denise Stoudenmire, Receptionist



5.



6.



7.



8.

*On leave during 2003

CONCETTA ZINGALE (front cover) Lieutenant, Cleveland Fire Department After studying physical therapy at Cuyahoga Community College, Connie sought a greater physical challenge in her work life. Nineteen years ago, she was among the first women to be hired by the Cleveland Fire Department. She is one of only seven uniformed women in the department.

VERONICA MASSEY (inside front cover) First-Year Apprentice, International Union of Operating Engineers, Local 18 Veronica's career change from corrections officer to first-year apprentice came after she completed Hard Hatted Women's pre-apprenticeship training program in December 2002. She joined the Operating Engineers full time in April 2003 and is a mother of two.

KELLY ARMSTRONG (inside back cover) Homemaker Kelly, an aspiring electrician, graduated from Hard Hatted Women's pre-apprenticeship training program in May 2003. She holds an associate degree in business management from Bryant & Stratton and is the mother of two young children.

JUSTINA SAXBY (back cover) First-Grade Firefighter, Cleveland Fire Department Before joining the Cleveland Fire Department in April 1985, Justina was a gymnastics instructor. She was among the first group of women to be hired by the department. Justina studied biology and chemistry at Baldwin-Wallace College and is the mother of two teenagers.



THE GEORGE GUND FOUNDATION
www.gundfdn.org

1845 Guildhall Building
45 Prospect Avenue West
Cleveland, Ohio 44115
216.241.3114

