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THE GEORGE GUND FOUNDATION
ANNUAL 2006 REPORT

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THE GEORGE GUND FOUNDATION

No. 2006

school district

Cleveland

state

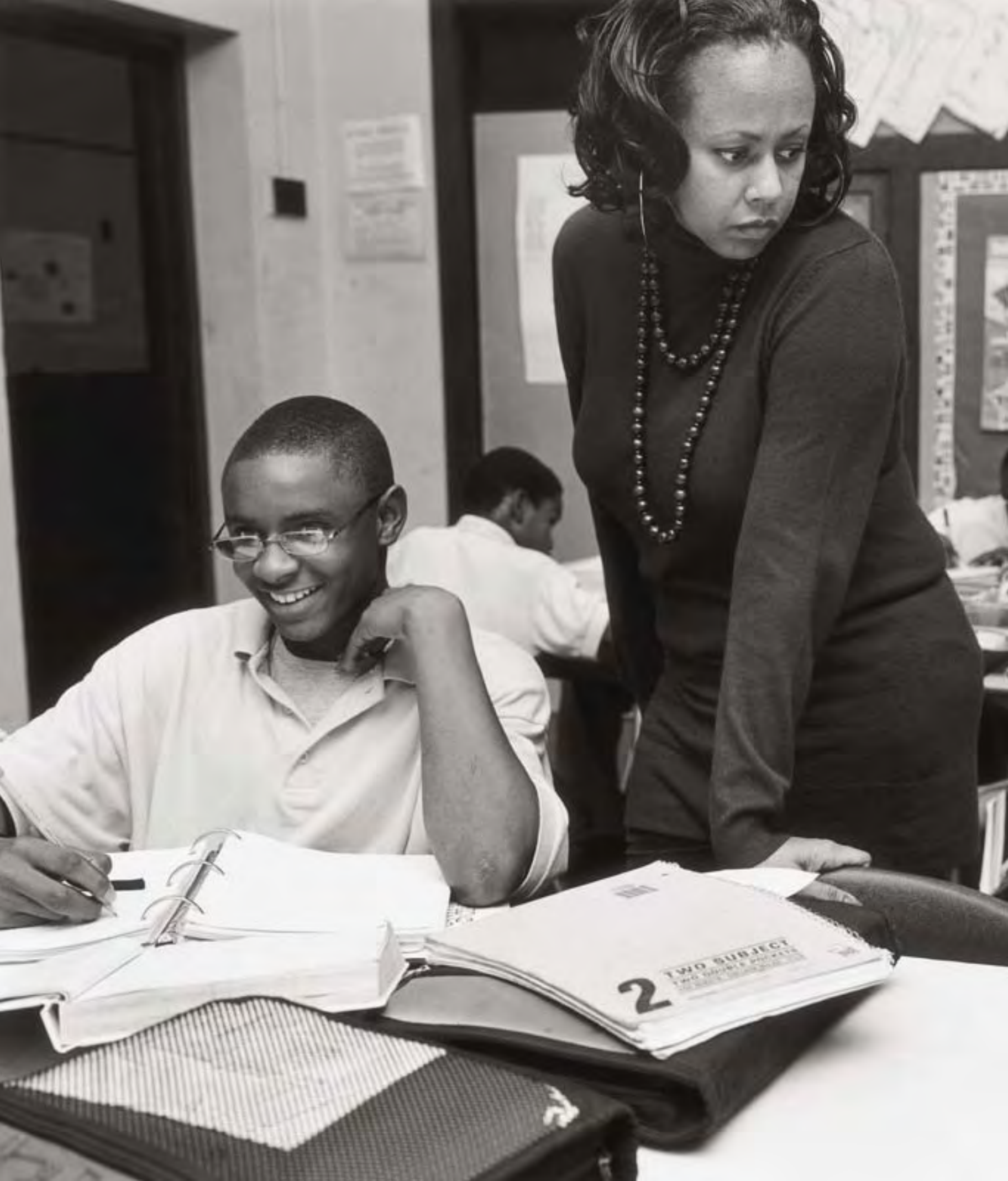
Ohio

county

Cuyahoga

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

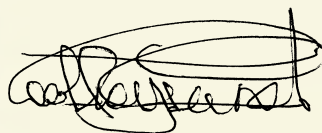
The photographic essay in this year's annual report focuses on teachers, the primary instruments of education, an important concern of the Foundation since its inception. The significance the Foundation has placed on education is illustrated by grants of almost \$27 million to support the Cleveland Municipal School District (CMSD) and its students over that period and more than \$95 million overall to education. While we have become increasingly focused on policy and funding at the state level, the Foundation also has been involved with all aspects of Cleveland's public schools. For example, under the leadership of David Bergholz, our former executive director, the Foundation was involved in significant efforts on both the state and local levels that led to the takeover of the school system by the mayor.

It is a fitting year for a focus on teachers as the Ohio Grantmakers Forum, a broad statewide group of funders chaired by David Abbott, the current executive director of this Foundation, presented a report in December of 2006, "Education for Ohio's Future," assessing the current status of schools in Ohio and presenting a plan for future developments. The report reinforces the importance of a number of issues that have been long-standing concerns of the Foundation, including scholarships, preschool education and teacher and principal training. It highlights a number of areas that have special significance in the current environment in which education is being increasingly considered in a global context, including the continuing achievement gap between white and minority students, the need for accountability at all levels and the need for more competitive public education to ready students for postgraduate education and the work world.

As a Foundation, we will continue to address many aspects of these education issues and hope that, working with the current administrations in Columbus and in Cleveland, we can be part of positive change. Three areas of our particular concern are flexible schools, excellent teachers and meeting the needs of the whole student. We recently made a \$150,000 grant to help create excellent new CMSD schools that will offer students with a range of needs and abilities educational choices and the content they need, as well as environments conducive to good education. This follows grants we have made to break down schools into a series of smaller schools to increase flexibility and meet the needs of individual learners. Our second important goal is to produce excellent teachers as there is evidence that high quality teachers who believe students can learn are able to raise students to higher levels of achievement. We will be working to establish a model for developing good teachers who know content and who learn from teaching placements what good teaching is while they are developing their abilities to do it. And finally, we will continue to work to meet the needs of the whole student—not just academic learning, but health and other needs as well.

In 2006, the Foundation took another step in its continuing mission of increased accountability by commissioning a Grantee Perception Report from the Center for Effective Philanthropy. This process, which we have been through before, led to a thorough review of the way we operate and reforms in the way we go about fulfilling our mission. A summary of the report's findings is on our website, at www.gundfoundation.org.

At the end of this year George Gund IV became a Trustee-candidate. We welcome him to the Board of the Foundation.



Geoffrey Gund
President and Treasurer

executive **DIRECTOR'S** letter

It seems that each day brings more news—news that is sobering, even frightening—about the negative impact of human behavior on our planet's climate. Few but the willfully ignorant or those blinded by narrow, short-term interests continue to seriously doubt or challenge the threat of climate change. The scientific community has concluded overwhelmingly that climate change is real and that the threat is severe, even though there continues to be debate about the specific ways in which the impact will be felt. Yet, even as the precise dimensions of human-induced climate change unfold, it is clear that the actual outcome depends on the responses of individuals, organizations and governments. We can, and must, influence our collective destiny.

While the focus of The George Gund Foundation has been primarily regional, global climate change has long been a concern for us as part of our environmental grantmaking. With the release of our revised funding guidelines in this annual report, we are expanding that concern beyond the confines of our environmental program area.

We will require all organizations seeking grants from the Foundation, beginning with proposals submitted for our September 15, 2007, deadline, to include statements about what they are doing or considering doing to reduce their impact on the accumulation of greenhouse gases. For many grantees, this will be a new consideration, and we hope to prompt them to think about this urgent issue and take action. Assistance will be provided by our staff and on our website to direct them to helpful resources that will educate them about climate change and provide guidance on the many steps any organization can take to become more environmentally sustainable. For some of our grantees, climate change has been an issue of focus for a long time, and from them we hope to hear about best practices that we can communicate more widely. Our Foundation also is assessing its own "carbon footprint," a measure of the greenhouse gases our work generates, to help us make changes in our operations and to serve as an example to grantees.

In addition, the Foundation now requires that organizations seeking capital support for new or rehabilitated buildings pursue U.S. Green Building Council certification for their projects. We join with the Cleveland Foundation in requiring this, and we hope that other funders will consider doing the same. Over the past several years, the health, environmental and economic benefits of green buildings have propelled this design and construction philosophy from obscurity to the mainstream. The urgency of responding to climate change demands that we establish this as mandatory practice, at least for projects seeking our financial support.

Finally, it is important to note that these changes, although emanating from the Foundation's long-standing environmental concerns, apply across all program areas. This is a testament both to the importance of responding to climate change and to the increasingly interdisciplinary nature of our work. Organizing our staff by program areas permits us to develop expertise and better focus on topics of particular interest, but we realize that life itself is not so easily categorized and confined. In our internal deliberations, we more and more rely on multiple perspectives both from inside and outside of the Foundation to identify issues, devise strategies and make decisions. It is likewise evident that the creation of greenhouse gases and their impact on our planet pervades human activity. So too must our response. All of us have an obligation and a role to play.



David T. Abbott
Executive Director

THE PHOTOGRAPHS

Mark Steinmetz offers an intimate photographic glimpse into the day-to-day lives of teachers at two Cleveland Municipal School District buildings—John Marshall High School and Miles Park Elementary School—and their ever-shifting roles as tutors, mentors, coaches, counselors, confidants and disciplinarians. Improving the quality of education for Cleveland's children has been a long-standing priority for the Foundation, and we celebrate the critical role teachers play in ensuring success for our next generation. Steinmetz, an instructor himself at universities such as Harvard and Emory, brings a special sensitivity to capturing the important work that teachers do. He is the recipient of many awards, including a John Simon Guggenheim Fellowship. Steinmetz's work is included in the collections of many major museums and has been featured in numerous publications and photography journals.















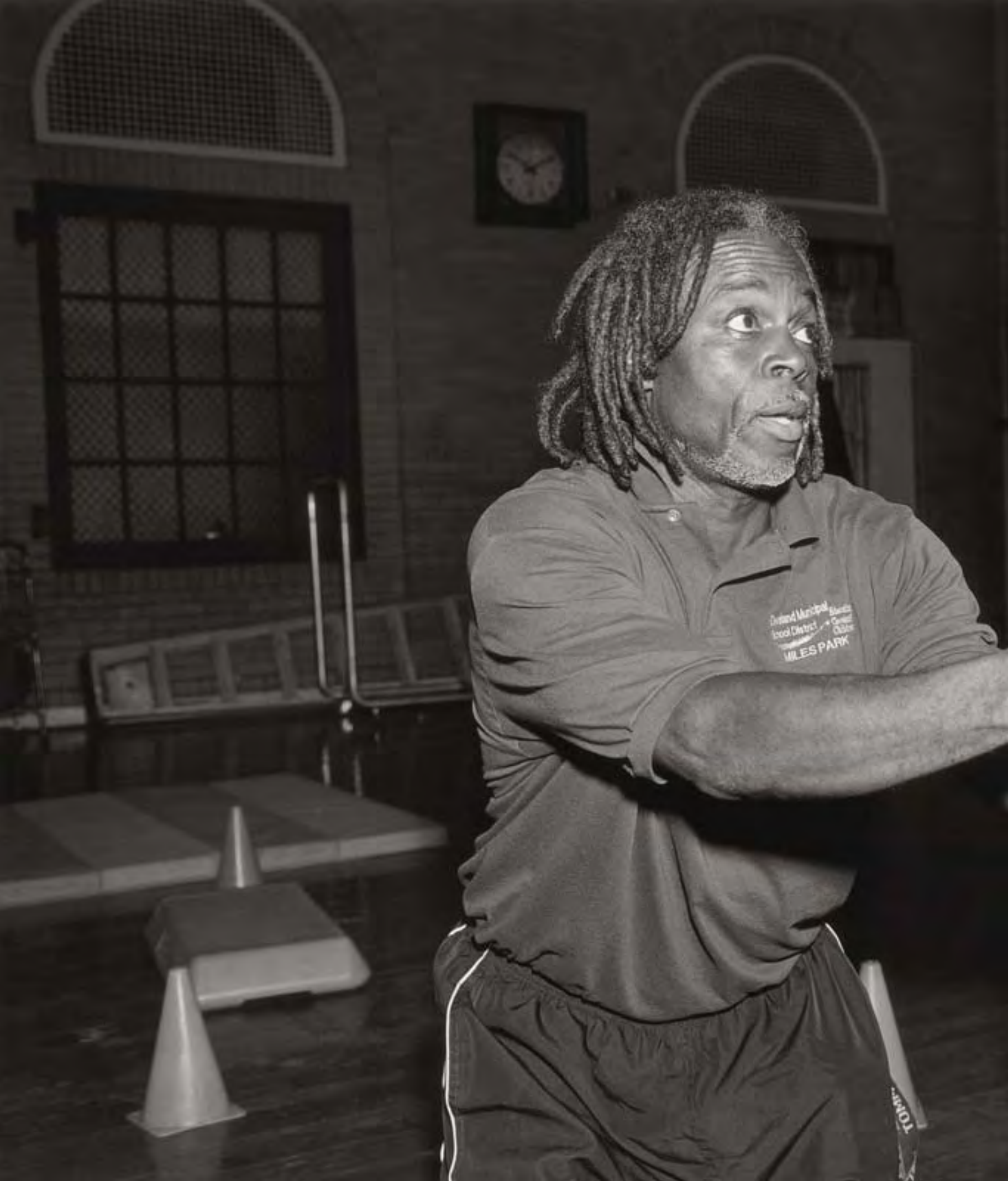


















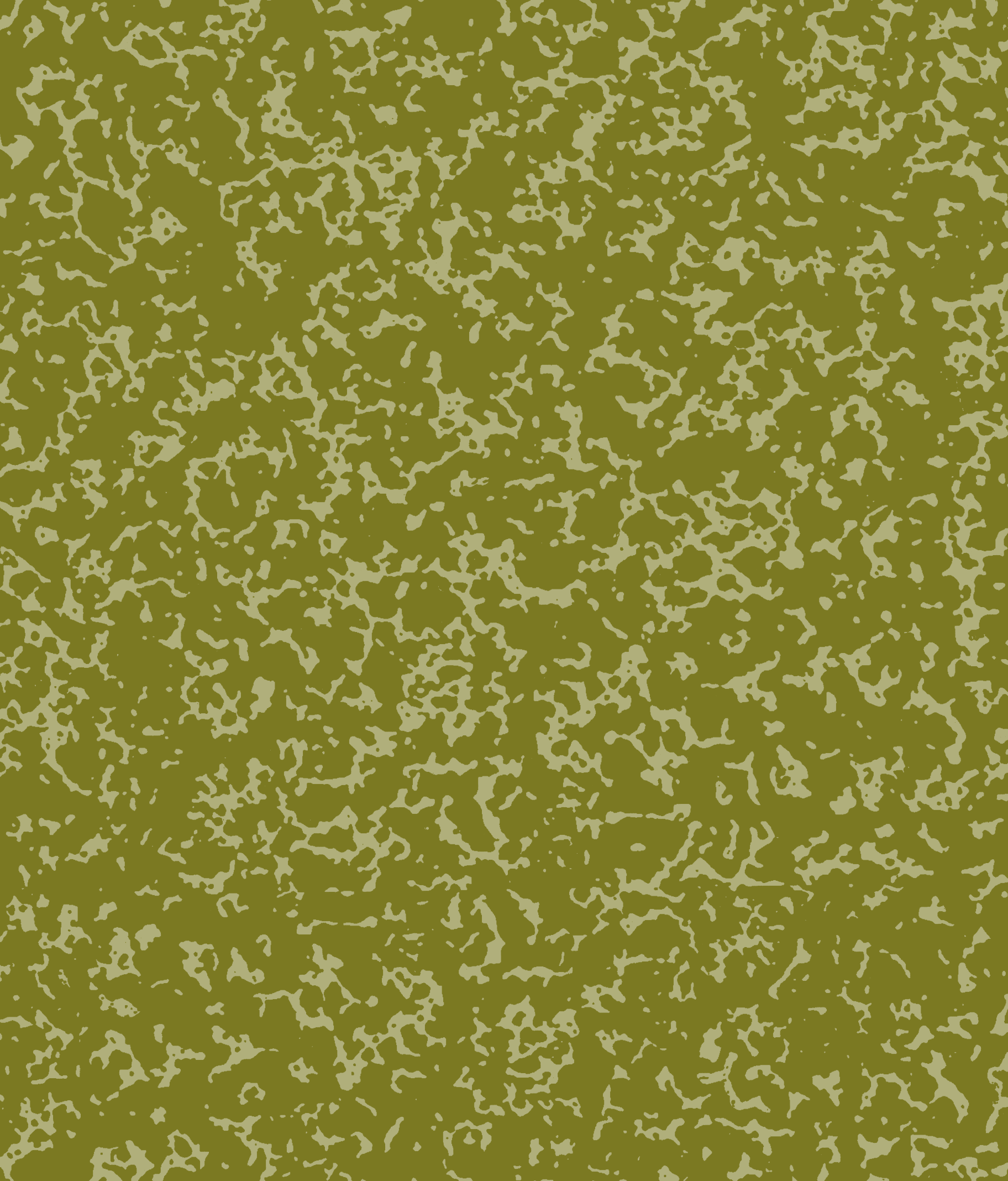






2006 COMMITMENTS

Human Services (76 grants)	\$3,646,300
Arts (62 grants)	\$5,586,700
Education (42 grants)	\$2,541,371
Economic Development & Community Revitalization (47 grants)	\$8,779,170
Environment (67 grants)	\$4,316,007
Special Commitments (24 grants)	\$2,681,490
Grand Total (318 grants)	\$27,551,038
Total since inception of the Foundation in 1952	\$483,433,698



HUMAN
SERVICES

The Foundation continued to prioritize support for state and federal policy analysis and advocacy efforts aimed at strengthening public investment in early childhood development and access to safety net programs for our most vulnerable citizens. Highlights included support for launching a universal prekindergarten program in Cuyahoga County and for universal access to comprehensive, medically accurate sexuality education for all children, grades K-12, in the Cleveland Municipal School District. Human services grantmaking totaled \$3,646,300.

CHILD AND FAMILY
DEVELOPMENT

- \$35,000
The Action for Children of Franklin County
Columbus, OH; Early childhood policy coordination.
- \$35,000
Action Against Crime and Violence Education Fund
Washington, DC; Fight Crime: Invest in Kids Ohio office.
- \$200,000 (over 2 years)
Adoption Network Cleveland
Cleveland, OH; Adopt Cuyahoga’s Kids.
- \$72,000 (over 2 years)
Capital University
Columbus, OH; National Center for Adoption Law and Policy.
- \$25,000
Catholic Diocese of Cleveland Foundation
Cleveland, OH; Resource Mothers and Doulas of Cleveland programs.
- \$235,700 (over 15 months)
The Center for Community Solutions
Cleveland, OH; Ohio Early Care and Education Campaign.
- \$200,000 (over 2 years)
Center for Law and Social Policy
Washington, DC; Welfare reform, child welfare, early childhood development and community re-entry federal policy analyses.
- \$10,000
Cleveland Baseball Federation
Beachwood, OH; Operating support.
- \$50,000
Georgetown University
Washington, DC; Center for Children and Families.
- \$7,500
Glenville Community Youth Center
Cleveland, OH; Youth Summer Employment and Enrichment Program.
- \$50,000
Heights Youth Club Inc.
Cleveland Heights, OH; Capital campaign.
- \$20,000
The Lakewood Foundation
Lakewood, OH; Greater Cleveland Family Support Consortium.

- \$15,000
The Lakewood Foundation
Lakewood, OH; Youth Master Plan development.
- \$150,000 (over 2 years)
MDRC
New York, NY; Early childhood demonstration project.
- \$60,000 (over 2 years)
MetroHealth Foundation, Inc.
Cleveland, OH; Community Advocacy Program.
- \$75,000
Northern Kentucky Children’s Law Center, Inc.
Covington, KY; Ohio Juvenile Justice Initiative.
- \$10,000
Parkworks, Inc.
Cleveland, OH; Community Park Liaisons program.
- \$100,000
The Pew Charitable Trusts
Philadelphia, PA; Partnership for America’s Economic Success.
- \$9,000
Police Athletic League
Cleveland, OH; Cudell Summer Basketball League.
- \$10,000
Preston Fund for SMA Research Inc.
Chagrin Falls, OH; Preston’s H.O.P.E. playground for children with disabilities.
- \$80,000 (over 2 years)
Public Children Services Association of Ohio, Inc.
Columbus, OH; Public policy and advocacy.
- \$10,000
The Salvation Army
Cleveland, OH; Job placement for re-entry population.
- \$50,000
Towards Employment, Incorporated
Cleveland, OH; NETWORKS 4 Success and legal services.
- \$1,000
Trinity Cathedral
Cleveland, OH; Lecture series.
- \$50,000
Voices for Children of Greater Cleveland
Cleveland, OH; Columbus office.

continued

\$10,000
Voices for Children of Greater Cleveland
Cleveland, OH; Transition technical assistance.

\$50,000
West Side Community House
Cleveland, OH; Settlement house relocation.

\$50,000
**Zero To Three – National Center for
Infants, Toddlers, and Families**
Washington, DC; National policy summit and
Zero To Three Policy Center.

\$1,670,200

Subtotal (28 grants)

MEETING BASIC NEEDS

\$25,000
**AIDS Taskforce of Greater
Cleveland, Inc.**
Cleveland, OH; Public policy advocacy
initiative.

\$300,000 (over 2 years)
Center on Budget and Policy Priorities
Washington, DC; Operating support.

\$100,000 (over 2 years)
Center for Community Change
Washington, DC; Coalition on Human Needs.

\$75,000 (over 2 years)
Cleveland Foodbank, Inc.
Cleveland, OH; Hunger relief advocacy
program.

\$60,000
**Coalition on Homelessness and
Housing in Ohio**
Columbus, OH; Operating support.

\$100,000 (over 2 years)
Community Catalyst, Inc.
Boston, MA; National Advisory Board on
Religious Restrictions to Health Care.

\$15,000
**Community Legal Services of
Cleveland Inc.**
Cleveland, OH; Operating support.

\$7,500
**Cuyahoga County Board of
Commissioners**
Cleveland, OH; Voter attitude survey about
health and human services needs.

\$100,000 (over 2 years)
Families USA Foundation, Inc.
Washington, DC; State and national health
care policy analysis and advocacy.

\$35,000
Farm Labor Research Project, Inc.
Toledo, OH; Legal clinic.

\$5,000
The Finance Project
Washington, DC; Grantmakers Income
Security Taskforce.

\$35,000
**The Free Medical Clinic of
Greater Cleveland**
Cleveland, OH; Syringe Exchange Program.

\$30,000
Georgetown University
Washington, DC; HIV and Medicaid
policy project.

\$5,000
Grantmakers in Health
Washington, DC; Issues briefing.

\$5,000
**InterReligious Partners in Action
of Greater Cleveland**
Cleveland, OH; Homeless Stand Down
program.

\$20,000
Lutheran Metropolitan Ministry
Cleveland, OH; Emergency shelter volunteer
coordination.

\$10,000
Malachi House
Cleveland, OH; Endowment campaign.

\$25,000
Merrick House
Cleveland, OH; Advocates for Budget
Legislation Equality.

\$35,000
National Health Law Program, Inc.
Los Angeles, CA; Medicaid monitoring
and advocacy.

\$10,000
National Health Law Program, Inc.
Los Angeles, CA; Ohio-based policy analysis.

\$20,000
**Northeast Ohio Coalition for
the Homeless**
Cleveland, OH; Cleveland Homeless Legal
Assistance Program.

\$25,000
Ohio Association of Free Clinics
Columbus, OH; Operating support.

up to \$125,000
Stark County Community Mental Health Board
Canton, OH; Center for Innovative Practices.

\$5,000
Stop Targeting Ohio's Poor
Cleveland, OH; Voter outreach activities.

\$7,500
Trinity Cathedral
Cleveland, OH; A Place at the Table program.

\$25,000
Universal Health Care Action Network
Cleveland, OH; Operating support.

\$25,000
Universal Health Care Action Network of Ohio
Columbus, OH; Cleveland Health Care Agenda Project.

\$25,000
West Side Catholic Center
Cleveland, OH; Basic needs programs.

\$1,255,000
Subtotal (28 grants)

REPRODUCTIVE HEALTH

\$45,000
Advocates for Youth
Washington, DC; Operating support.

\$60,000
American Civil Liberties Union Foundation, Inc.
New York, NY; Reproductive Freedom Project.

\$30,000
Center for Adolescent Health & the Law
Chapel Hill, NC; Operating support.

\$25,000
The Center for Reproductive Rights, Inc.
New York, NY; U.S. Supreme Court litigation.

\$35,000
Family Planning Association of Northeast Ohio, Inc.
Painesville, OH; Teen clinics in Ashtabula and Lake counties.

\$35,000
Feminist Majority Foundation
Arlington, VA; National Clinic Access Project.

\$30,000
National Abortion Rights Action League of Ohio Education Foundation
Cleveland, OH; Operating support.

\$40,000
National Conference of State Legislatures
Denver, CO; Teen pregnancy prevention initiatives.

\$75,000
Planned Parenthood Affiliates of Ohio Institute for Research
Columbus, OH; Prevention First Initiative.

up to \$40,000
Rutgers University Foundation
New Brunswick, NJ; Ohio Training Institute in Sexual Health Education.

up to \$150,000 (over 2 years)
ScenariosUSA Inc.
Brooklyn, NY; Operating support and Cleveland film production.

\$25,000
Trustees of Hampshire College
Amherst, MA; Civil Liberties and Public Policy Program.

\$590,000
Subtotal (12 grants)

SPECIAL PROGRAMS

\$25,000
Alliance for Justice, Inc.
Washington, DC; Web-based advocacy evaluation tool.

\$50,000
The American Red Cross
Cleveland, OH; Second Century Campaign.

\$7,500
Case Western Reserve University
Cleveland, OH; Center for AIDS Research spring conference.

\$2,000
Case Western Reserve University
Cleveland, OH; Flora Stone Mather Center for Women Ambassadors Committee.

\$37,600
Hanna Perkins School
Shaker Heights, OH; Internship and post-doctoral fellowship program in clinical psychology.

\$5,000
Lutheran Chaplaincy Service
Cleveland, OH; Moving expenses.

\$2,000
Women's Action for New Directions Education Fund
Arlington, MA; Training for female members of the Ohio General Assembly.

\$2,000
Women's Fund of Central Ohio Inc.
Columbus, OH; Women's Funds' Statehouse Day.

\$131,100
Subtotal (8 grants)

\$3,646,300
Total (76 grants)

ARTS

The Foundation maintained its commitment to ensuring the vitality of Cleveland's arts community with grants to organizations, both large and small, that reached audiences in the city's neighborhoods and schools as well as in traditional performance and exhibition venues. A major grant to the Cleveland Institute of Art for its new University Circle campus reflected our long-standing relationship with that important institution. We continued support for the Community Partnership for Arts and Culture, which in 2006 realized its goal of securing local public funding for the arts. Arts grantmaking totaled \$5,586,700.

EDUCATION

- \$2,000
Art On Wheels Inc.
Cleveland, OH; Camp scholarships.
- \$20,000
The Broadway School of Music and the Arts
Cleveland, OH; Operating support.
- \$22,000 (over 2 years)
Cleveland Artists Foundation
Lakewood, OH; WPA art education activities.
- \$5,000
Cleveland BoyChoir
Cleveland, OH; Transitional expenses.
- \$10,000
The Contemporary Youth Orchestra
Cleveland, OH; Rock the Orchestra project.
- \$20,000 (over 2 years)
Eleanor B. Rainey Memorial Institute, Inc.
Cleveland, OH; Excellence through the Arts program at City of Cleveland recreation centers.
- \$6,000
Eleanor B. Rainey Memorial Institute, Inc.
Cleveland, OH; Summer arts program.
- \$10,000
Fairmount Music Education Fund Inc.
Cleveland Heights, OH; Marketing and development activities.
- \$17,000
Friends of the Cleveland School of the Arts
Cleveland, OH; New Plays Festival.
- \$100,000
Great Lakes Theater Festival, Inc.
Cleveland, OH; Education programs.
- \$3,000
In Let Dance Theatre
Cleveland Heights, OH; Summer Dance Intensive scholarships.
- \$2,000
Musical Theater Education Programming Inc.
Lakewood, OH; All City Musical programming.
- \$20,000
Near West Theatre, Inc.
Cleveland, OH; Operating support.

- \$3,000
Neighborhood Leadership Institute
Cleveland, OH; Black Culture International On Parade workshops.
- \$60,000
New Cleveland Opera Company, dba Cleveland Opera
Cleveland, OH; Education programs.
- \$20,000
Thea Bowman Center
Cleveland, OH; Mt. Pleasant Community Music Program.
- \$125,000
Young Audiences of Greater Cleveland, Inc.
Cleveland, OH; Initiative for Cultural Arts in Education.
- \$445,000
- Subtotal (17 grants)**

FILM AND MEDIA

- \$3,000
Angle Magazine Inc.
Cleveland, OH; Membership brochure.
- \$45,000
The Cleveland International Film Festival, Inc.
Cleveland, OH; Operating support.
- \$5,000
Independent Pictures
Cleveland, OH; Ohio Independent Film Festival.
- \$2,000
Shaker Heights City School District
Shaker Heights, OH; Orchard Park community garden documentary.
- \$55,000
- Subtotal (4 grants)**

PERFORMING ARTS

- \$25,000
Apollo's Fire The Cleveland Baroque Orchestra
Cleveland Heights, OH; Operating support.
- \$3,000
CityMusic Cleveland Inc.
Cleveland, OH; Slavic Village concerts.
- \$3,000
Cleveland Chamber Symphony Council Inc.
University Heights, OH; Young and Emerging Composers Concert.

\$25,000
Cleveland Contemporary Dance Theatre
Cleveland, OH; Operating support.

\$20,000
Cleveland Jazz Orchestra
Cleveland, OH; Administrative and marketing support.

\$35,000
Cleveland Modern Dance Association
Cleveland, OH; Operating support.

\$100,000
The Cleveland Play House
Cleveland, OH; Operating support.

\$90,000
The Cleveland Public Theatre, Inc.
Cleveland, OH; Operating support.

\$10,000
The Cleveland Public Theatre, Inc.
Cleveland, OH; DanceWorks performance series.

\$7,500
Cleveland Shakespeare Festival
Cleveland, OH; Free outdoor summer theater.

\$4,000
Convergence-Continuum
Cleveland, OH; Artistic expenses.

\$25,000
Cuyahoga Community College Foundation
Cleveland, OH; Tri-C JazzFest.

\$20,000
Dobama Theatre, Inc.
Cleveland Heights, OH; Operating support.

\$20,000
The Ensemble Theater
Cleveland Heights, OH; Operating support.

\$7,700
Groundworks Dancetheater
Cleveland Heights, OH; Lighting equipment.

\$100,000
New Cleveland Opera Company, dba Cleveland Opera
Cleveland, OH; Merger support.

\$15,000
Opera Circle, Inc.
Cleveland, OH; Operating support.

\$20,000
Professional Flair, Inc.
Cleveland, OH; New works.

\$25,000
Red-An Orchestra
Cleveland, OH; Operating support.

\$7,500
University Circle Incorporated
Cleveland, OH; Wade Oval Wednesdays concert series.

\$35,000
Verb Ballets
Cleveland, OH; Operating support.

\$597,700
Subtotal (21 grants)

SPECIAL PROGRAMS

\$1,000
Americans for the Arts
Washington, DC; Operating expenses.

\$16,000
Art House, Inc.
Cleveland, OH; Staff and program support.

\$10,000
Arts Collinwood Inc.
Cleveland, OH; Start-up support.

\$55,000 (over 2 years)
The Beck Center for the Cultural Arts
Lakewood, OH; Transitional support.

\$125,000
Cleveland Festival of Art and Technology Inc.
Cleveland, OH; Ingenuity Festival.

\$3,500,000 (over 6 years)
Cleveland Institute of Art
Cleveland, OH; Capital campaign.

\$100,000
Cleveland Public Art, Inc.
Cleveland, OH; Project and operating support.

\$260,000
The Community Partnership for Arts and Culture
Cleveland, OH; Operating support.

\$10,000
The Community Partnership for Arts and Culture
Cleveland, OH; Focus group research.

\$50,000
Detroit Shoreway Community Development Organization
Cleveland, OH; Gordon Square Arts District campaign infrastructure.

\$25,000
Downtown Cleveland Partnership
Cleveland, OH; Sparx in the City.

\$22,000 (over 2 years)
Poets' & Writers' League of Greater Cleveland
Cleveland, OH; Strategic plan implementation.

\$10,000
Ukrainian Museum-Archive, Inc.
Cleveland, OH; Operating support.

up to \$57,000 (over 2 years)
University Circle Incorporated
Cleveland, OH; Cleveland Cultural Collaborative.

\$4,241,000
Subtotal (14 grants)

VISUAL ARTS

\$17,500 (over 2 years)
Intermuseum Conservation Association
Cleveland, OH; Education department start-up.

\$90,000
Museum of Contemporary Art Cleveland
Cleveland, OH; Operating support.

\$3,000
Sankofa Fine Arts Plus
Cleveland, OH; Professional development workshops for visual artists.

\$110,000 (over 2 years)
SPACES
Cleveland, OH; Operating support.

\$20,000
St. Vincent Quadrangle, Inc.
Cleveland, OH; Red Dot Project.

\$7,500
Zygote Press Inc.
Cleveland, OH; Administrative expenses.

\$248,000
Subtotal (6 grants)

\$5,586,700
Total (62 grants)

EDUCATION

The Foundation completed an in-depth review of its education strategy and focused on a plan to help create new, innovative and excellent schools for Cleveland’s children. We continued to work closely with the new chief executive officer and administrative team in the Cleveland Municipal School District, the Cleveland Teachers Union and other grantmaking colleagues to achieve this vision. We also joined an unprecedented collaboration among Ohio’s private, community, family and corporate foundations, organized by Ohio Grantmakers Forum, in an analysis of the state of education in Ohio and the development of recommendations for change. Total education grantmaking was \$2,541,371.

HIGHER EDUCATION

\$140,000 (over 2 years)
Case Western Reserve University
Cleveland, OH; Mandel Center for Nonprofit Organizations’ community and youth philanthropy programs.

\$100,000
Lorain County Community College Foundation
Elyria, OH; Vision 2015 campaign.

\$100,000
Northeast Ohio Council on Higher Education
Cleveland, OH; College 360.

\$10,000
Thurgood Marshall Scholarship Fund
New York, NY; Operating support.

\$10,000
United Negro College Fund, Inc.
Fairfax, VA; Operating support.

\$75,000
The University of Cincinnati Foundation
Cincinnati, OH; Teacher Quality Partnership project.

\$435,000
Subtotal (6 grants)

NATIONAL SCHOOL IMPROVEMENT

\$300,000 (over 2 years)
Center on Education Policy
Washington, DC; Operating support.

\$10,000
Global Environment & Technology Foundation
Arlington, VA; Publication on costs and benefits of green schools.

\$100,000 (over 2 years)
GLSEN, Inc.
New York, NY; Operating support.

\$100,000
Public Education Network
Washington, DC; Public hearings on the No Child Left Behind Act.

\$510,000
Subtotal (4 grants)

PRIMARY AND SECONDARY EDUCATION

\$1,990
Case Western Reserve University
Cleveland, OH; Lincoln West High School mathematics study.

\$10,000
The Center for Community Solutions
Cleveland, OH; Assessment and report on Cleveland Municipal School District audits.

\$7,000
Chess for Success Inc.
Cleveland Heights, OH; Cleveland Municipal School District chess program.

\$40,000
City Year, Inc.
Boston, MA; Young Heroes program.

\$225,000 (over 3 years)
Cleveland Entrepreneurship Preparatory School
Cleveland, OH; Start-up support.

\$150,000
The Cleveland Foundation
Cleveland, OH; Planning to create a portfolio of excellent schools in Cleveland.

\$100,000
Cleveland Scholarship Programs, Inc.
Cleveland, OH; College advisory services, last-dollar scholarships for Cleveland and first-ring suburban high school students and Six to Success program.

\$35,000
Cleveland SCORES
Cleveland, OH; Operating support.

\$25,000
Community Partners
Los Angeles, CA; Ohio Mayors’ Education Roundtable.

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

\$15,000
Earth Day Coalition
Cleveland, OH; Northeast Ohio Student Environmental Congress.

\$9,125
East Cleveland City Schools
East Cleveland, OH; Shaw High School Leadership Academy.

\$25,000
Facing History and Ourselves National Foundation Inc.
Brookline, MA; Cleveland office operating support.
\$5,000
Granville Academy of Cleveland
Cleveland, OH; Operating support.
\$30,000
Hathaway Brown School
Shaker Heights, OH; Aspire Program.
\$40,000
ideastream
Cleveland, OH; FIRST Buckeye Regional Robotics Competition.
\$25,000
ideastream
Cleveland, OH; Regional Alliance for Informal Science Education.
\$113,256
Institute for Student Achievement, Inc.
Lake Success, NY; Research on successful Cleveland schools.
\$95,000
KidsOhio.org
Columbus, OH; Analysis of Cleveland Municipal School District enrollment trends.
\$10,000
Ohio Children and Educators Assistance Network, Inc.
Cleveland, OH; Teaching and learning conditions survey in the Cleveland Municipal School District.
\$50,000
Ohio Fair Schools Campaign
Athens, OH; Operating support.
\$100,000 (over 2 years)
Parkworks, Inc.
Cleveland, OH; Development of shared campus green space between the Cleveland School of the Arts and John Hay High School.
\$80,000 (over 2 years)
Shaker Heights City School District
Shaker Heights, OH; Efforts to close the academic achievement gap.
\$75,000
Youth Opportunities Unlimited
Cleveland, OH; Operating support.
\$1,291,371
Subtotal (24 grants)

SPECIAL PROGRAMS
\$2,000
Cleveland Association of Phi Beta Kappa
Cleveland, OH; National Teacher of the Year City Club Forum.
\$250,000
The Cleveland Foundation
Cleveland, OH; The Literacy Cooperative of Greater Cleveland.
\$2,000
Cleveland Heights/University Heights City School District
University Heights, OH; Reaching Heights Civility Project.
\$10,000
The Junior League of Cleveland, Inc.
Cleveland, OH; “Girl Culture” exhibit.
\$1,000
Look Up to Cleveland
Cleveland, OH; Student participation at City Club presidential visit.
\$2,500
Northeastern Ohio Science and Engineering Fair
Cleveland, OH; Operating support.
\$35,000
Ohio Grantmakers Forum
Columbus, OH; Report on the state of education in Ohio.
\$2,500
Policy Matters Ohio
Cleveland, OH; Northeast Ohio legislator briefing.
\$305,000
Subtotal (8 grants)
\$2,541,371
Total (42 grants)

ECONOMIC
DEVELOPMENT
& COMMUNITY
REVITALIZATION

The Foundation increased its support for the Fund for Our Economic Future, a collaborative philanthropic effort to develop a common, focused agenda for economic growth and development in Northeast Ohio. We also continued our core commitment to Cleveland’s neighborhoods with renewed funding of Neighborhood Progress, Inc., the local intermediary supporting efforts of community development corporations in the city. A leadership grant to the Neighborhood Funders Group will bring grantmakers from across the country to Cleveland in 2007 for the organization’s annual conference. Economic development and community revitalization grantmaking totaled \$8,779,170.

ECONOMIC DEVELOPMENT	
\$10,000	Cleveland Bridge Builders, Incorporated Cleveland, OH; Cleveland Brain Gain project.
\$100,000	The Cleveland Clinic Foundation Cleveland, OH; Research Skills Center.
\$10,000	Cleveland Development Foundation Cleveland, OH; Community Wealth Building Summit.
\$3,100,000 (over 3 years)	The Cleveland Foundation Cleveland, OH; Northeast Ohio Fund for Our Economic Future.
\$91,250 (over 3 months)	Downtown Cleveland Alliance Cleveland, OH; Bridge operating support.
\$40,000	Greater Cleveland Media Development Corporation Cleveland, OH; Operating support.
\$10,000	Hispanic Business & Community Development Corporation Cleveland, OH; Hispanic Regional Economic Development Program.
\$75,000	Policy Matters Ohio Cleveland, OH; Operating support.
\$300,000	Shorebank Enterprise Group Cleveland Cleveland, OH; Economic opportunity development in Cleveland’s East Side neighborhoods.
\$150,000 (over 2 years)	Westside Industrial Retention & Expansion Network Cleveland, OH; Operating support.
\$3,886,250	
Subtotal (10 grants)	

HOUSING AND COMMUNITY REVITALIZATION	
\$20,000 (over 6 months)	Cleveland Historic Warehouse District Development Corp. Cleveland, OH; Operating support.
\$7,500	Cleveland Historic Warehouse District Development Corp. Cleveland, OH; Responsible Hospitality Institute.
\$80,000	Cleveland Housing Network, Inc. Cleveland, OH; Operating support.
\$40,000	Cleveland Neighborhood Development Corporation Cleveland, OH; Operating support.
\$25,000	Cleveland State University Foundation, Inc. Cleveland, OH; City of Cleveland tax abatement study.
\$8,420	Cleveland State University Foundation, Inc. Cleveland, OH; Center for Neighborhood Development internship program.
\$5,000	Cuyahoga Community Land Trust Inc. Cleveland, OH; Foreclosure prevention and predatory lending conference.
\$20,000	East Side Organizing Project, Inc. Cleveland, OH; Predatory Lending Action Project.
\$80,000 (over 2 years)	First Suburbs Consortium Development Council Cleveland Heights, OH; Operating support.
\$2,000	FutureHeights Inc. Cleveland Heights, OH; Strategic planning.
\$20,000 (over 6 months)	The Historic Gateway Neighborhood Corporation Cleveland, OH; Operating support.
\$10,000	Housing Research & Advocacy Center Cleveland, OH; “Cleveland Neighborhood Lending Fact Book.”

\$40,000
Neighborhood Funders Group, Inc. Washington, DC; Annual conference in Cleveland.
\$3,600,000 (over 3 years)
Neighborhood Progress, Inc. Cleveland, OH; Operating support.
\$100,000
Neighborhood Progress, Inc. Cleveland, OH; Abandoned property strategy implementation.
\$40,000
Northeast Ohio Alliance for Hope We-Can Cleveland, OH; Operating support.
\$20,000
Ohio CDC Association Columbus, OH; Operating support.
\$5,000
Organize Ohio Inc. Cleveland, OH; National Truth Commission event.
\$4,122,920
Subtotal (18 grants)
SPECIAL PROGRAMS
\$10,000
AmericaSpeaks Inc. Washington, DC; Voices & Choices leadership development convening.
\$30,000
The City Club Forum Foundation Cleveland, OH; Education outreach.
\$150,000 (over 2 years)
Cleveland Bridge Builders, Incorporated Cleveland, OH; Cleveland Leadership Continuum.
\$5,000
Local Initiatives Support Corporation New York, NY; CEOs for Cities.
\$10,000
Ohio Community Computing Center Network Cleveland, OH; Ohio Digital Inclusion Project.
\$25,000
Policybridge Cleveland, OH; Capacity building.

\$5,000
Summer on the Cuyahoga Cleveland, OH; Operating support.
\$235,000
Subtotal (7 grants)
URBAN DESIGN, PLANNING AND AMENITIES
\$40,000
Cleveland Restoration Society, Inc. Cleveland, OH; Operating support.
\$30,000
Cuyahoga Valley Preservation and Scenic Railway Association Peninsula, OH; Assessment of service extension to downtown Cleveland.
\$60,000
Harbor Heritage Society Cleveland, OH; Operating support for Mather Museum during merger with Great Lakes Science Center.
\$100,000
Kent State University Foundation, Inc. Kent, OH; Cleveland Urban Design Collaborative.
\$7,500
Midtown Cleveland Cleveland, OH; Cleveland Innerbelt Reconstruction project.
\$40,000
The North Cuyahoga Valley Corridor, Inc. Cleveland, OH; Historic preservation and interpretation of Canal Corridor Park network.
\$20,000
The Ohio State University Research Foundation Columbus, OH; Urban Gardening Program.
\$100,000
Parkworks, Inc. Cleveland, OH; Operating support.
\$60,000
Parkworks, Inc. Cleveland, OH; Rockefeller Park strategic plan.
\$60,000
Parkworks, Inc. Cleveland, OH; Second phase of Rockefeller Park strategic plan.

\$7,500
Ten Thousand Villages of Cleveland Inc. Cleveland, OH; Strategic planning.
\$10,000
University Circle Incorporated Cleveland, OH; Cozad-Bates property repairs.
\$535,000
Subtotal (12 grants)
\$8,779,170
Total (47 grants)

ENVIRONMENT

The Foundation’s grantmaking reflected continuing program priorities of biodiversity and conservation of natural systems, protection of human health, nonprofit capacity building, green buildings, sustainable business and energy, urban sprawl/smart growth and environmental journalism and media. Grantmaking focused primarily on Greater Cleveland, Ohio and the Lake Erie watershed and included funding for a range of public education, policy, capacity building, training, protection and program activities in these areas. Environment grant-making totaled \$4,316,007.

CONSERVATION OF
NATURAL SYSTEMS AND
BIODIVERSITY

- \$40,000 (over 2 years)
The Buckeye Forest Council, Inc.
Columbus, OH; State policy on forest preservation.
- \$20,000
Chagrin River Watershed Partners, Inc.
Willoughby, OH; Operating support.
- \$43,334 (over 2 years)
Cleveland Botanical Garden
Cleveland, OH; Urban biodiversity programs and institutional sustainability planning.
- \$90,000 (over 2 years)
Cleveland Zoological Society
Cleveland, OH; Biodiversity Alliance.
- \$10,000
Consultative Group on Biological Diversity Inc.
San Francisco, CA; Operating support.
- \$6,000
Environmental Law Institute
Washington, DC; Workshop on biodiversity conservation and land use planning.
- \$22,000 (over 2 years)
Grand River Partners, Inc.
Painesville, OH; Operating support.
- \$110,000 (over 2 years)
Great Lakes United
Buffalo, NY; Lake Erie programs.
- \$45,000
National Audubon Society
New York, NY; National Audubon Society of Ohio.
- \$50,000 (over 2 years)
National Wildlife Federation
Reston, VA; Lake Erie restoration.
- \$76,000 (over 2 years)
The Nature Conservancy, Inc.
Arlington, VA; Northeast Ohio biodiversity conservation.
- \$70,000 (over 2 years)
The Nature Conservancy, Inc.
Arlington, VA; Western Lake Erie migratory bird sites conservation.

- \$6,000
The Ohio Environmental Council
Columbus, OH; Great Lakes Restoration Conference.
- \$35,000
Ohio Parklands Foundation
Westerville, OH; Ohio Greenways Project.
- \$5,000
The Ohio State University Foundation
Columbus, OH; Ohio Bird Conservation Initiative.
- \$5,000
Portage County Park District
Ravenna, OH; Park, Trail and Greenway Plan project.
- \$5,000
Restore America’s Estuaries
Arlington, VA; Ohio/Lake Erie travel scholarships for conference on coastal and estuarine habitat restoration.
- \$55,000
Trust for Public Land
San Francisco, CA; Operating support.
- \$220,000 (over 2 years)
Western Reserve Land Conservancy
Novelty, OH; Merger of eight Northeast Ohio land trusts.
- \$913,334
- Subtotal (19 grants)**
- ENVIRONMENTAL
JOURNALISM/
PUBLIC EDUCATION**
- \$25,000
Earthwatch Ohio Inc.
Chagrin Falls, OH; Start-up of free environmental newspaper.
- \$5,000
Independent Pictures
Cleveland, OH; Blue Hole Productions’ “Walking the Cuyahoga” documentary.
- \$3,000
League of Women Voters – Cuyahoga Regional Area Education Fund, Inc.
Cleveland, OH; First Thursday Forums on environmental issues.
- \$18,000
Michigan State University
East Lansing, MI; Great Lakes Environmental Journalism Training Institute.

\$15,000
National Environmental Education and Training Foundation, Inc.
Washington, DC; Earth Gauge broadcast meteorology project in Ohio.

up to \$108,000
Ohio League of Conservation Voters Education Fund
Columbus, OH; Ohio Pride environmental message development.

\$50,000 (over 2 years)
The Regents of the University of Michigan
Ann Arbor, MI; Training for radio environmental journalists.

\$4,345
The Society of Environmental Journalists Inc.
Jenkintown, PA; Conference fellowships for Ohio journalists.

\$228,345
Subtotal (8 grants)

**GREEN BUILDINGS,
SUSTAINABLE BUSINESS
AND RENEWABLE ENERGY**

\$50,000
The Cleveland Green Building Coalition, Inc.
Cleveland, OH; Operating support.

\$1,000,000 (over 5 years)
Cleveland Zoological Society
Cleveland, OH; Green building design for African Elephant Crossing exhibit.

\$75,000 (over 15 months)
Entrepreneurs for Sustainability
Cleveland, OH; Operating and program support.

\$90,000 (over 2 years)
The Environmental and Energy Study Institute
Washington, DC; Efforts to integrate energy conservation into planning practice.

\$80,000 (over 2 years)
Green Energy Ohio
Columbus, OH; Operating support.

\$80,000 (over 2 years)
Institute for America's Future Inc.
Washington, DC; Analysis on adapting Northeast Ohio manufacturing capacity to renewable energy market.

\$35,000
Ohio PIRG Education Fund Inc.
Columbus, OH; Ohio's Wind Energy Future project.

\$440,000 (over 2 years)
Parkworks, Inc.
Cleveland, OH; Building Cleveland by Design initiative.

\$1,850,000
Subtotal (8 grants)

**NONPROFIT LEADERSHIP
DEVELOPMENT AND
COALITION BUILDING**

\$8,000
EcoCity Cleveland
Cleveland, OH; Beaming Bioneers conference planning.

\$66,000 (over 2 years)
Environmental Fund for Ohio
Columbus, OH; Operating support.

\$20,000
Environmental Support Center, Inc.
Washington, DC; Capacity building for Ohio environmental justice groups.

\$9,400
Institute for Conservation Leadership
Takoma Park, MD; Planning for Northeast Ohio capacity-building programs.

\$30,000
The Land Trust Alliance, Inc.
Washington, DC; Technical assistance and training for Ohio land trusts.

\$90,000 (over 2 years)
River Network
Portland, OR; Training and technical assistance for Ohio grassroots watershed conservation organizations.

\$7,500
Wendy Park Foundation
Cleveland, OH; Great Lakes Burning River Fest.

\$230,900
Subtotal (7 grants)

**PROTECTION OF HUMAN
HEALTH**

\$20,000
Alliance for Healthy Homes
Washington, DC; Ohio Healthy Homes organizing project.

\$40,000
Beyond Pesticides
Washington, DC; Pesticides Alternatives for Safe Schools in Greater Cleveland.

\$43,400
Buckeye Environmental Network
Grove City, OH; Operating support.

\$10,000
Center for Health, Environment and Justice
Falls Church, VA; Environmental justice organizing project.

\$50,000
Clean Air Task Force, Inc.
Boston, MA; Cleveland Diesel Hot Spots project.

\$70,000 (over 2 years)
Cuyahoga River Community Planning Organization
Cleveland, OH; Outreach and communications.

\$50,000
Earth Day Coalition
Cleveland, OH; Sustainable communities urban program.

\$130,000 (over 2 years)
Environmental Health Watch, Inc.
Cleveland, OH; Operating support.

\$30,000
Food Animal Concerns Trust Inc. (FACT, Inc.)
Chicago, IL; Project to reduce overuse of antibiotics in Ohio animal agriculture.

\$3,500
Natural Resources Defense Council, Inc.
New York, NY; Ohio travel scholarships for Clean Water Network caucus meeting in Cleveland.

\$130,000 (over 2 years)
Ohio Citizen Action Education Fund
Cincinnati, OH; Good Neighbor Campaign in Cleveland.

continued

ENVIRONMENT

continued

\$31,320
Ohio Citizen Action Education Fund
Cincinnati, OH; Air toxics monitor purchase.

\$5,000
Ohio Citizen Action Education Fund
Cincinnati, OH; Good Neighbor Campaign training manual.

\$45,000
St. Clair – Superior Development Corporation
Cleveland, OH; Environmental program.

\$658,220
Subtotal (14 grants)

SMART GROWTH

\$70,000 (over 2 years)
American Farmland Trust
Washington, DC; Ohio office operating support.

\$52,160
Cleveland State University Foundation, Inc.
Cleveland, OH; Countryside Program.

\$90,000 (over 2 years)
Cuyahoga Valley Countryside Conservancy
Peninsula, OH; Operating support.

\$62,500 (over 15 months)
Cuyahoga Valley Countryside Conservancy
Peninsula, OH; Farmland preservation programs.

\$27,000
Detroit Shoreway Community Development Organization
Cleveland, OH; Cleveland EcoVillage projects.

\$60,000
EcoCity Cleveland
Cleveland, OH; Operating support.

\$1,053
EcoCity Cleveland
Cleveland, OH; Reinventing Older Communities Conference.

\$8,000
Funders Network for Smart Growth and Livable Communities
Coral Gables, FL; States Initiative.

\$7,500
Funders Network for Smart Growth and Livable Communities
Coral Gables, FL; Ohio philanthropic leadership services scan.

\$40,000 (over 2 years)
Ohio & Erie Canal Corridor Coalition, Inc.
Akron, OH; Operating support.

\$16,995
The Ohio State University Research Foundation
Columbus, OH; Cleveland garden preservation project.

\$435,208
Subtotal (11 grants)

\$4,316,007
Total (67 grants)

SPECIAL
COMMITMENTS

The Foundation maintained its commitment to fund research on the causes, nature and prevention of inherited retinal degenerative diseases. We also continued support for a wide range of organizations working to strengthen the nonprofit and philanthropic fields. Special commitments grantmaking totaled \$2,681,490.

PHILANTHROPIC SERVICES

\$150,000 (over 2 years)
Alliance for Justice, Inc.
Washington, DC; Foundation Advocacy Initiative and Nonprofit Advocacy Program.
\$35,000
Business Volunteers Unlimited
Cleveland, OH; Technical assistance to nonprofit organizations.
\$70,000 (over 2 years)
Center for Lobbying in the Public Interest
Washington, DC; Operating support.
\$2,000
Community Partners
Los Angeles, CA; Sustainable Agriculture and Food Systems Funders.
\$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.
\$15,000
Funders Concerned About AIDS, Inc.
New York, NY; Public policy program.
\$2,500
Funders Network on Population Reproductive Health & Rights
Rockville, MD; Operating support.
\$3,000
Grantmakers in the Arts
Seattle, WA; Operating support.
\$5,000
Grantmakers for Children, Youth & Families, Inc.
Silver Spring, MD; Operating support.
\$5,000
Grantmakers in Health
Washington, DC; Operating support.
\$50,000
The Greater Cleveland Community Shares
Cleveland, OH; Operating support and executive director transition.

\$12,500
Independent Sector
Washington, DC; Operating support.
\$100,000
Minnesota Council of Nonprofits, Inc.
St. Paul, MN; Nonprofit Voter Engagement Network.
\$10,000
National Committee for Responsive Philanthropy
Washington, DC; Operating support.
\$7,500
Neighborhood Funders Group, Inc.
Washington, DC; Program-Related Investment Makers Network.
\$3,000
Neighborhood Funders Group, Inc.
Washington, DC; Operating support.
\$5,000
Ohio Association of Nonprofit Organizations
Columbus, OH; Operating support.
\$100,000 (over 2 years)
Ohio Grantmakers Forum
Columbus, OH; Operating support.
\$10,000
Ohio Grantmakers Forum
Columbus, OH; Operating support.
\$10,000
Ohio Grantmakers Forum
Columbus, OH; Annual meeting.
\$1,390
Rockefeller Family Fund, Inc.
New York, NY; Environmental Grantmakers Association operating support.
\$681,490
Subtotal (23 grants)
RETINAL DEGENERATIVE DISEASE RESEARCH
\$2,000,000
The Foundation Fighting Blindness
Owings Mills, MD; Retinal degenerative disease research.
\$2,000,000
Subtotal (1 grant)
\$2,681,490
Total (24 grants)

GRANT PROGRAM GUIDELINES

The history of The George Gund Foundation reflects a deep commitment to place, to the Greater Cleveland community that was the home of its founder and that remains the Foundation's home. The Foundation's philanthropic stewardship of this region derives not just from our history, but also from our belief that Cleveland can continue to develop original responses to urban issues 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 a belief that thriving cities are one of the nation's best hopes for addressing our essential problems. This focus is especially vital in an era of diminished government involvement in urban issues, intensifying globalization and heightened awareness of the central role of regions.

The Foundation's guidelines reflect our long-standing interests in the arts, economic development and community revitalization, education, environment and human services because these areas embrace most of the major issues that any community must address. While we continue to organize much of our work within these program areas, there is increasing awareness that many issues and, therefore, many grant proposals do not fit neatly into one program category. Indeed, the work of a growing number of nonprofit organizations brings together aspects of several of our core interests, and, as a result, we are becoming ever more interdisciplinary in our approach.

This is particularly evident with initiatives that aim to make Cleveland, and urban areas generally, more globally competitive, livable, sustainable and just. It is in this domain that the greatest need and maximum opportunity converge with the Foundation's primary interests, expertise and ongoing stewardship. We especially seek to support innovative ideas being pursued by creative and entrepreneurial organizations.

Our primarily urban focus motivates us to devote attention and resources to the illumination of policies that shape the issues we care about. National, state and local policymaking affects all of the Foundation's work and the work of the organizations we fund. Consequently, we feel a special obligation to support the nonpartisan voice of nonprofit advocacy in policy deliberations that directly relate to our program interests.

Global climate change is an urgent issue that cuts across all of the Foundation's program areas. Every organization and individual can help to address this problem. The Foundation takes seriously our own responsibility, and we want to hear from grant applicants what they are doing or considering to reduce or to eliminate their organizational impact on climate change. Our website includes links to helpful resources, and Foundation staff will assist grant seekers—both new and those of long standing—in all of our program areas with questions they may have.

HUMAN SERVICES

Heightened focus on developing a more globally competitive city and region demands recognition that people are at the heart of this effort and that all segments of society can make constructive contributions. To maximize those contributions, direct attention must be paid to the needs of those most at risk of being left out of social and economic transformation. Building human capital begins at birth, and the Foundation pays special attention to the needs of Greater Cleveland's disadvantaged children through grants to support early childhood care and education, abuse prevention and improved foster care and adoption systems. 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, the legal system, community support following release from prison and safe and affordable reproductive health services.

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 is a priority, with a focus on curriculum-related partnerships between arts organizations and the Cleveland Municipal School District.

EDUCATION

Education is fundamental to success, and if Cleveland is to produce, attract and retain talent and be the thriving center of a robust regional economy, expectations about education must rise exponentially. Consequently, our Foundation's focus is on the transformation of public education in Cleveland in order to equip children from early childhood onward with the skills they ultimately will need to meet the demands of college, the 21st century workplace and international standards. Our primary area of interest is the creation and support of new, innovative, excellent schools in Cleveland. Related to that strategy is the recognition that high quality teachers supported by excellent principals make an enormous difference in student success. Therefore, we seek to support efforts to guarantee quality teachers and principals in every classroom and school. We maintain a desire to support disadvantaged students through key transitions, especially to higher education. We also have an interest in the efforts of public and private universities in Greater Cleveland to forge innovative ventures that enhance the region.

ECONOMIC DEVELOPMENT & 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. As a result, the highest priority is given to initiatives that bolster the impact of Foundation-supported intermediary organizations working to improve the competitiveness of Cleveland's neighborhoods and its metropolitan region. Examples of such initiatives include quality urban planning and design, improvements to urban parks and other public spaces, promotion of equal opportunity and diversity in housing and the workplace and proposals to redevelop Cleveland's downtown, neighborhoods and first-ring suburbs.

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 to these challenges by making grants to organizations that address environmental issues in Northeast Ohio. In addition, we support efforts to restore and preserve the Lake Erie ecosystem. Within the broad range of environmental issues, the Foundation focuses on promoting alternatives to urban sprawl, decreasing energy consumption and waste, conserving ecosystems and biodiversity, reducing environmental health hazards, increasing public awareness of environmental issues and building the skills of nonprofit environmental leaders.

The Foundation normally does not consider grants for endowments. Capital requests must meet the Foundation's program goals and also adhere to "green building" standards of environmental sustainability. Details on these requirements are available from the Foundation. Grants are not made for debt reduction or to fund benefit events.

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

The Foundation encourages inquiries about the application of our funding guidelines to specific ideas in advance of the submission of formal proposals. Foundation staff members welcome the opportunity to provide guidance, suggest alternatives and recommend partners.

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 15, March 15, June 15 and September 15. Proposals are due the next business day if a deadline falls on a weekend.

Either of two proposal formats may be used—the Ohio Common Grant Form or a proposal containing the elements listed below. Faxed or electronic proposals are not accepted. Please do not submit proposals in notebooks, binders or plastic folders.

The Ohio Common Grant Form is available at www.gundfoundation.org, or on the website of Ohio Grantmakers Forum, at www.ohiograntmakers.org.

Each proposal should include a one-page cover letter describing the project and the amount of funds being requested. The proposals 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 government unit or agency.

CLIMATE CHANGE STATEMENT (beginning with proposals submitted September 15, 2007)

Brief explanation of what your organization is doing or considering to reduce or to eliminate its impact on climate change. The Foundation's website includes resources to assist grantees with this task. This statement also should be included with the Ohio Common Grant Form, if that format is used.

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.

Grant seekers 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.

FINANCIAL statements

Statements of Financial Position

December 31	2006	2005
ASSETS		
Cash and cash equivalents	\$ 3,582,694	\$ 885,573
Marketable and U.S. Government securities	523,081,910	473,170,652
Interest and dividends receivable	537,774	475,735
Federal excise tax	189,416	207,947
Other assets	291,936	280,243
Total assets	<u>\$ 527,683,730</u>	<u>\$ 475,020,150</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 572,201	\$ 546,042
Grants payable	15,471,517	9,341,846
Deferred federal excise tax	2,923,711	1,978,424
Total liabilities	<u>18,967,429</u>	<u>11,866,312</u>
NET ASSETS		
Unrestricted	508,716,301	463,153,838
Total liabilities and net assets	<u>\$ 527,683,730</u>	<u>\$ 475,020,150</u>
The accompanying notes are an integral part of the financial statements.		

Statements of Activities

For the years ended December 31	2006	2005
REVENUES AND GAINS (LOSSES)		
Net realized investment gains	\$ 22,845,267	\$ 24,986,447
Net unrealized investment gains (losses)	47,253,101	(18,298,693)
Dividend income	5,058,633	4,940,761
Interest income	3,703,737	4,059,675
Other income	7,146	2,434
Total revenues and gains (losses)	<u>78,867,884</u>	<u>15,690,624</u>
EXPENSES		
Grants authorized	27,493,074	18,003,179
Administrative expenses	4,201,303	4,265,980
Total expenses	<u>31,694,377</u>	<u>22,269,159</u>
Increase (decrease) in net assets before federal excise tax provision	47,173,507	(6,578,535)
Federal excise tax provision	1,611,044	310,733
Net increase (decrease) in net assets	45,562,463	(6,889,268)
Net assets - beginning	463,153,838	470,043,106
Net assets - ending	<u>\$ 508,716,301</u>	<u>\$ 463,153,838</u>
The accompanying notes are an integral part of the financial statements.		

FINANCIAL statements

Statements of Cash Flows

For the years ended December 31	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 45,562,463	\$ (6,889,268)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	51,498	55,171
Net realized gains on securities	(22,845,267)	(24,986,447)
Net unrealized losses (gains) on securities	(47,253,101)	18,298,693
Deferred federal excise tax	945,287	(373,183)
Changes in assets and liabilities:		
Receivables	(43,508)	343,045
Other assets	(1,041)	113
Accounts payable and accrued expenses	26,159	171,358
Grants payable	6,129,671	(3,239,864)
Net cash used in operating activities	(17,427,839)	(16,620,382)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of securities	89,077,179	175,270,728
Purchase of investments	(68,890,069)	(176,272,897)
Purchase of equipment and improvements	(62,150)	(49,019)
Net cash provided by (used in) investing activities	20,124,960	(1,051,188)
Net increase (decrease) in cash and cash equivalents	2,697,121	(17,671,570)
Cash and cash equivalents – beginning	885,573	18,557,143
Cash and cash equivalents – ending	3,582,694	885,573
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year:		
Income taxes, excise	\$ 575,000	\$ 500,000
Interest	\$ –	\$ –

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

Notes to Financial Statements

December 31, 2006 and 2005

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.

FINANCIAL statements

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.

The Foundation invests in certain alternative investments which include investments in limited partnerships. Market values represent the Foundation's pro rata interest in the net assets of each limited partnership as of December 31, 2006 and 2005, as provided by the fund managers. Market values as of December 31, 2006 and 2005 are not based on audited financial information supplied by the general partner or manager of the funds. Audited information is only available annually based on the partnerships' or funds' year end. Management reviews monthly valuations provided by the general partner or manager of the funds and assesses the reasonableness of the fair values

provided at the interim dates and included in the financial statements. As of December 31, 2006 and 2005, the Foundation had total unfunded capital commitments to alternative investments of \$6,053,946 and \$8,951,093, respectively. Because of the inherent uncertainty of the valuation of alternative investments, the market values reflected in the accompanying financial statements may differ significantly from realizable values.

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 \$51,498 and \$55,171 for the years ended December 31, 2006 and 2005, respectively.

NOTE 2 INVESTMENTS

Cost and market value of investments held at December 31, 2006 and 2005 were as follows:

	2006		2005	
	Market Value	Cost	Market Value	Cost
Fixed income securities	\$ 43,065,200	\$ 44,192,233	\$ 45,476,840	\$ 46,922,688
Common stocks and alternative investments	480,016,710	249,608,180	427,693,812	244,219,568
Total	<u>\$ 523,081,910</u>	<u>\$ 293,800,413</u>	<u>\$ 473,170,652</u>	<u>\$ 291,142,256</u>

Market values of investments are based on December 31, 2006 and 2005 published quotations, except that estimates are used when quotations are not available. Fixed income securities consist of U.S. government securities, U.S. government guaranteed securities and corporate securities. Common stocks and alternative investments consist principally of U.S. and international equity securities, investments

in equity mutual funds, program-related investments and investments in limited partnerships.

Published market quotations do not necessarily represent realizable values, particularly where sizable holdings of a company's stock exist, as in the case of the Foundation's holding of the Kellogg Company common stock.

NOTE 3 EMPLOYEE BENEFIT PLAN

The Foundation has an employee's tax-sheltered annuity plan for all eligible employees. Such a plan is intended to comply with the requirements of Section 403(b) of the Internal Revenue Code (IRC). Employer contributions are required at 9% of the participants' compensation up to the Social Security wage base for the year and 14.7% of the participant's compensation in excess of this wage base,

with a limit of \$220,000 of compensation for the year ended December 31, 2006 and \$210,000 for the year ended December 31, 2005. Employer contributions to the plan for the years ended December 31, 2006 and 2005 amounted to \$107,661 and \$99,175, respectively. Participants are also permitted to make salary reduction contributions to the plan.

FINANCIAL statements

NOTE 4 CREDIT CONCENTRATION

Aside from its holdings in the Kellogg Company, the Foundation's portfolio of investments is highly diversified; however, at December 31, 2006 and 2005, 27% of the total market value of securities and 66% and 64%, respectively, of dividend income in each year are attributable

to ownership of Kellogg Company stock. The Foundation has a concentration of risk in its cash position as of December 31, 2006 in that the Foundation has approximately \$6,800,000 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 under Section 501(c)(3) of the IRC, but is subject to a 2% (1% if certain criteria are met) federal excise tax on net investment income, including net 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.

Current and deferred excise taxes were provided at 2% for 2006 and 2005. The current and deferred portions of the excise tax provisions were \$665,757 and \$945,287, respectively, netting to \$1,611,044 in 2006. The current and deferred portions of the excise tax provisions were \$683,916 and \$(373,183), respectively, netting to \$310,733 in 2005.

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:

	2006	2005
Cash	\$ 831,484	\$ 323,315
Receivables	727,190	683,682
Other assets	18,637	18,508
Due from (to) principal fund	(27,329)	(28,043)
Accounts payable	(572,201)	(546,042)
Grants payable	(15,471,517)	(9,341,846)
Deferred federal excise tax	\$ 2,769	\$ 2,994
	<u>(14,490,967)</u>	<u>(8,887,432)</u>
The following is a summary of the changes in total net assets:		
	2006	2005
Income fund	\$ (5,603,533)	\$ 2,491,660
Principal fund	51,165,996	(9,380,928)
Increase (decrease) in net assets	45,562,463	(6,889,268)
Net assets – beginning	463,153,838	470,043,106
Net assets – ending	<u>\$ 508,716,301</u>	<u>\$ 463,153,838</u>

The change in individual funds includes transfers by the Foundation of \$18,482,090 in 2006 and \$16,434,656 in 2005 from the principal fund to the income fund.

FINANCIAL statements

NOTE 7 LEASES

The Foundation occupies office space in the Landmark Office Towers under a lease that terminates on 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, 2006 and 2005 amounted to \$147,106 and \$141,866, respectively.

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

2007	\$	129,461
2008		129,461
2009		129,461
2010		10,789
	\$	399,172

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, 2006 and 2005, 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 audit 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, 2006 and 2005, 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.

Cleveland, Ohio
February 16, 2007

Walthall, Drake & Wallace LLP

Certified Public Accountants

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 \$483 million toward the advancement of human welfare.

By Geoffrey Gund
President

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 4. David Goodman, Trustee
 5. Catherine Gund, Trustee
 6. George Gund III, Trustee
 7. Zachary Gund, Trustee
 8. Cathy M. Lewis, Trustee
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ADMINISTRATIVE STAFF

David T. Abbott, Executive Director
Alice M. Cardillo, Office Manager
Emily Carrabine-Amato, Gund Fellow
Marcia Egbert, Senior Program Officer
Deena M. Epstein, Senior Program Officer
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Ann K. Mullin, Senior Program Officer
Jill M. Paulsen, Gund Fellow*
Lynn Ryan, Senior Secretary
Denise Stoudenmire, Receptionist

*Term ended May 2006

TEACHERS

Miles Park Elementary School: page 2 Stacy Shephard, page 4 Eula Floyd, page 10 Amy Cline, page 13 Mary Strongoli-Ley, page 16 Joyce Conway, page 18 Brian Burns, page 19 Naimah Gooden, page 21 Frank Paden, page 22 James Lewis, page 24 Kim Tomazin

John Marshall High School: page 1 Charles Vincent, page 9 Elizabeth Koger, page 11 Ya Koob Badat, page 12 Richard Fortney, page 15 Richard Parschen, page 17 Caldwell Washington,* page 20 Robert Fast, page 25 Allen Christian, page 26 Albert Coreno, page 27 Lisa Hirzel,* page 28 Gary Kuzecki

*Caldwell Washington, teacher/coach at Lincoln-West and Lisa Hirzel, teacher/band director at James Ford Rhodes High School both photographed at John Marshall High School's athletic field.

