

The Buhl Foundation



Annual Report by the President

July 1, 2009 to June 30, 2010



HENRY BUHL, JR.

1848-1927



By his will he created The Buhl Foundation
and dedicated it to “charitable, educational,
and public uses and purposes,” as a memorial
to his beloved wife, Louise C. Buhl.

Pittsburgh, Pennsylvania

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INTRODUCTION

When Henry Buhl Jr. created the Buhl Foundation in 1927 as a memorial to his wife Louise, he noted that the foundation should focus on Pittsburgh and Allegheny County where “I have formed friendships and associations which I cherish most dearly.” Some 83 years later, the Foundation remains committed to this community and to the resiliency of its people.

As evidence of our commitment to the Pittsburgh community, the Buhl Foundation recently reached an important milestone when its gifts to the community Mr. Buhl loved so much exceeded 100 million dollars. And the resiliency of this community was demonstrated to the world when President Obama hosted the leaders of the world’s most important nations at the G-20 conference held here in the fall of 2009. President Obama presented Pittsburgh as a model for recovery, awash in a remarkable resurgence following the 1980’s collapse of the steel industry. Other examples of Pittsburgh’s resiliency were also evident as Riverlife celebrated its 10th anniversary of riverfronts revitalization and Pittsburgh Public Schools received a \$40 million grant from the Bill and Melinda Gates Foundation to continue its impressive reinvention efforts.

The Buhl Foundation is proud of the opportunities it has had to partner with so many individuals and organizations that have made Pittsburgh the special place that it is. Importantly, the foundation celebrated the 100th anniversary of its Frick Fund, founded by Henry Clay Frick in 1909, with a special appropriation to Pittsburgh Public Schools to empower and enhance teachers’ abilities to create innovations in teaching and learning. The Buhl Foundation’s continuing commitment to education was also evident in its grants to institutions such as Point Park University and Community College of Allegheny County as well as to organizations that provide science or arts education in the public schools such as ASSET, August Wilson Center for African American Culture, Quantum Theater and Opera Theater of Pittsburgh. The quality of life for Pittsburgh residents, so important to Mr. Buhl, was supported with a series of grants, including those to Riverlife, Pittsburgh Parks Conservancy and the Allegheny Trail Alliance, to support parks and recreational amenities for area residents. And, while Pittsburgh glowed in the limelight of the G-20 conference, the Buhl Foundation also remained true to its commitment to underserved communities. Resurgence and resiliency of a community are flawed unless all of its citizens have an equal opportunity to participate. Grants to organizations such as the Urban League, East End Cooperative Ministries, Focus on Renewal, NEED, the YMCA and the Homewood Children’s Village Project sought to advance the interests of those most at risk. Overall, our broad appropriations agenda included those areas most important to Buhl; education, youth development, human services and economic and community development.

While Pittsburgh has fared better than most communities in the face of the continuing recession, the recovery has been painfully slow. And, the surging national debt, coupled with severe fiscal restraints at state and local levels, evidence that the non-profit community, in particular, still faces multiple challenges in providing safety nets for those most at risk. Now, in our 84th year, Buhl’s roots still run deep and we are excited by the potential in this community that Mr. Buhl cherished, and that so many honor with their hard work.

MISSION

It is the mission of the Buhl Foundation *to create community legacies by leveraging its resources to encourage people and organizations to dream, to innovate and to take action.*

OBJECTIVES

Henry Buhl, Jr. built his fortune in the retail industry and created the Buhl Foundation, the first multi-purpose foundation in Pittsburgh, as a memorial to his beloved wife, Louise C. Buhl. Mr. Buhl directed the Foundation to be especially concerned with the “well-being of the citizens of the City of Pittsburgh, and the County of Allegheny.” Remembering that Henry Buhl, Jr. lived and worked on the North Side of Pittsburgh, and knowing his love for Pittsburgh and its people, the Buhl Foundation is particularly sensitive to four major areas:

- **Education** - Initiatives that foster learning environments critical to building a knowledgeable and talented population
- **Youth Development** - Projects that provide opportunities for our young people to thrive, to be safe and to live in a nurturing environment
- **Human Services** - Strategies where our resources make a difference in addressing persistent community challenges or unmet needs of at-risk neighborhoods
- **Economic and Community Development** - Efforts that encourage innovation and entrepreneurial solutions to improve quality of life

GUIDING PRINCIPLES

The Buhl Foundation’s current aspirations are integrated into our long-standing mission, making it relevant to contemporary times.

Dream

- Because today’s dreams become the realities of tomorrow, Mr. Buhl hoped the Foundation would be curious, accessible, unencumbered in vision and purpose, and structurally capable of adaptability and usefulness. We welcome discussion of wide ranging ideas and opportunities to make a difference.
- To advance its mission, the Foundation must do more than simply make grants. Acknowledging the finiteness of our resources, we seek to be informed by the community in order to best leverage our efforts and to be an active participant in finding solutions. We appreciate the need to give of our time and energy to help make dreams happen.

Innovate

- With a history of funding creative endeavors for more than 80 years, the Foundation recognizes that any success is dependent on the vision and dedication of the many organizations that it is privileged to assist.
- The foundation has been fortunate that great ideas and the leaders to implement them have emerged. We seek to partner with such leaders to stimulate and strengthen our community's ability to survive, adapt and thrive in a fast changing world. Our resources are focused on inventive and entrepreneurial solutions to expand tomorrow's possibilities.

Act

- The Foundation is often the first funder of a new idea, willing to venture when the possible benefits outweigh the attendant risks. We look for opportunities where a small amount of money wisely invested can lead to strategic action and improvements.
- In carrying out its mission the Foundation tries to find the balance between visibility and self-effacement; leadership and enablement.

APPROPRIATIONS

July 1, 2009 - June 30, 2010

BUHL FOUNDATION GRANTS

It is the mission of the Buhl Foundation *to create community legacies by leveraging its resources to encourage people and organizations to dream, to innovate and to take action.*

Point Park University - \$250,000

Support of the University's Academic Village Initiative which seeks to improve the education experience while transforming downtown Pittsburgh

Community College of Allegheny County Educational Foundation - \$200,000

To support a pilot program to encourage unemployed young adults, aged 17-25, to pursue training and certificate programs as they seek gainful employment

East End Cooperative Ministry - \$150,000

To support EECM's expansion to a new centralized location in East Liberty and to assist EECM in creating spaces that benefit traditionally underserved youth populations

Riverlife - \$125,000

To support Riverlife's capital campaign to refurbish Point State Park by providing funding for a new website which will encourage community-wide support and disseminate information on our riverfronts.

August Wilson Center for African American Culture - \$100,000

For continued support of educational outreach programs for Pittsburgh young people that celebrate our rich African American heritage and culture (\$25,000 from the Frick Fund and \$75,000 from the Buhl Fund)

NEED - \$100,000

To support programmatic activities to ensure its continued viability as a leader in helping African Americans and other underserved populations pursue post-secondary opportunities

Pittsburgh Parks Conservancy - \$100,000

To support a complete renovation and restoration of Mellon Square to its original grandeur as a downtown park that richly contributes to Pittsburgh's quality of life

YMCA of Greater Pittsburgh - \$90,000

To support high school students in at-risk environments through the "Check and Connect" program to be piloted by the Homewood Children's Village

Pittsburgh Partnership for Neighborhood Development - \$82,500

To support neighborhood capacity building on Pittsburgh's North Side through partnership with the CD Collaborative and the Northside Leadership Conference

YMCA of Greater Pittsburgh - \$80,000

To support the purchase of high-tech exercise equipment in the YMCA's North Side facility to encourage physical fitness among young people

Allegheny Conference on Community Development - \$50,000

To support the agenda Development Fund as part of an effort to improve economic development and the quality of life in Greater Pittsburgh

Allegheny Trail Alliance - \$50,000

To assist with completion of the Great Allegheny Passage, an excellent stimulator of outdoor activity and economic development, that adds to the quality of life of Western Pennsylvania

ASSET - \$50,000

To support research-based science teacher training in "cognitive coaching" and the development of ASSET's capacity to improve teaching and learning in math (\$25,000 from Frick Fund and \$25,000 from Buhl Fund)

Northside Leadership Conference - \$50,000

Support for Phase II of the revitalization of Allegheny Commons, Pittsburgh's oldest park and a central component of North Side development

United Way of Allegheny County - \$50,000

To support efforts to reduce youth violence and improve educational outcomes for young people, especially those in at-risk situations, in partnership with the Youth Futures Commission

Center of Life - \$35,000

For support of a pilot program to assist parents and caregivers in working through homework projects with their children (\$15,000) and for improvement of its facilities (\$20,000) in the underserved Hazelwood neighborhood

Family Resources - \$30,800

To pilot a program with Riverbends that uses genealogy and family history to encourage development of academic skills for youth in housing communities

3 Rivers Connect - \$30,000

For support of the Regional Indicators program and its new initiative to better inform decision-making in Western Pennsylvania through enhanced journalism

Hosanna House - \$30,000

To retain a respected consultant to assist in locating state and federal funds to meet infrastructure needs for this organization serving at-risk neighborhoods in Wilkinsburg

Leadership Pittsburgh - \$30,000

To support its new three-year strategic vision for development of young leaders in Pittsburgh and to increase diversity and impact

Pittsburgh Foundation - \$30,000

To fund the Allegheny County Jail Collaborative and its three-year pilot program to support children of incarcerated parents while reducing recidivism

Reading is Fundamental Pittsburgh - \$30,000

To build out an enhanced website to support RIF's new strategic plan to reach more underserved children

Urban League of Pittsburgh - \$30,000

To expand the Black Male Leadership Development Institute into a pilot project to develop young leaders in underserved neighborhoods

Boy and Girls Clubs of Western Pennsylvania - \$28,000

To support an evaluation of Boys and Girls Clubs programs to ascertain and demonstrate effectiveness at reaching populations of underserved youth

Academy Charter School - \$25,000

To provide teacher development resources to better instruct students in at-risk situations arising from involvement in the criminal justice system

Community Design Center of Pittsburgh - \$25,000

To support efforts on the North side of Pittsburgh to encourage effective and attractive design and development

DePaul School for Hearing & Speech - \$25,000

To support a public education campaign to raise awareness among parents/caregivers regarding hearing loss in children under age five

Entrepreneurship Youth - \$25,000

To support a year-long mastery training in entrepreneurship for teachers and to build mentoring partnerships for teachers in the business community

G-TECH - \$25,000

To support a pilot project of SPARC and its partner organizations to utilize green infrastructure investments as a community/neighborhood revitalization strategy

Grow Pittsburgh - \$25,000

To develop a pilot program to encourage vegetable gardens as a community development strategy in neighborhoods

Hopital Albert Schweitzer Haiti - \$25,000

To provide emergency relief to Haiti in response to the earthquake disaster

Manchester Youth Development Center - \$25,000

To support expansion of afterschool activities to include a Saturday morning program for children in an historically underserved neighborhood

Minority & Women Educational Labor Agency (MWELA) - \$25,000

To support capacity building in this agency as they seek to increase female and minority participation in the construction fields

Pennsylvania State University, New Kensington Campus - \$25,000

To support a fun and interesting STEM outreach project for at-risk students in local schools within PSU/NK's footprint and to encourage exploration of STEM careers

Pittsburgh Center for the Arts - \$25,000

To pilot an arts and afterschool program in an underserved East Hills neighborhood that addresses both in-school and out-of-school time

Pittsburgh OASIS - \$25,000

To support this OASIS program that joins retired citizen volunteer tutors with local elementary school students in Pittsburgh and Wilkinsburg

Schenley Heights Community Development Program - \$25,000

To support this community-based afterschool program as it undertakes a new STEM project for Hill District students

Student Conservation Association - \$25,000

For a planning grant to investigate the creation of a new process to meet the needs of at-risk youth who participate in SCA activities

Sustainable Pittsburgh - \$25,000

To support Pittsburgh's hosting of the United Nations' World Environment Day and in support of the concurrent strategy to address our water as a critical regional asset

Young Life Pittsburgh - \$25,000

To expand a pilot program that reaches out to at-risk teen moms with parenting and career development assistance

Sarah Heinz House - \$23,200

To expand computer activities for underserved youth on Pittsburgh's North Side by team participation in the National FIRST competition

Achieva - \$23,000

For expansion of a webinar project that broadcasts informational programs on health and wellness topics to families dealing with disability-related issues

Big Brothers Big Sisters of Greater Pittsburgh- \$20,000

To purchase fundraising software to build this organization's capacity for fundraising and information management to better serve young people in need of a mentor

First Tee of Pittsburgh - \$20,000

To support capacity building, with software and technology development, for this organization that uses golf as a teaching vehicle for youth development, particularly in at-risk populations

Focus on Renewal - \$20,000

To complete arts and culture transition programming as a bridge from community-based activities into the new Father Ryan Performing Arts Center as additional support for this key institution in an underserved neighborhood

Lutheran Service Society - \$20,000

To fund a joint purchase, with Bethlehem Haven, of outcomes management software entitled “software solutions” to better track impact on women in need

University of Pittsburgh, Institute of Politics - \$20,000

Two-year support for the Power of 32 visioning effort to develop a shared vision for the greater Pittsburgh region

Allegheny County Court Appointed Special Advocate Program (CASA) - \$17,500

To support staff and board development to increase the quality of the organization’s advocacy in support of young people in at-risk situations

Coro Center for Civic Leadership - \$17,500

To train individuals interested in public office in leadership and ethics principles as a strategy to diversity and enhance leadership in Western Pennsylvania

One Vision One Life - \$16,000

Support for violence reduction efforts among young people by assisting with one-time costs for moving to more efficient and cost-effective space

Saturday Light Brigade - \$15,000

To create audio storybooks for use in North Side cultural institutions and North Side classrooms while encouraging youth development activities

University of Pittsburgh, Institute of Politics-\$15,000

To help support University of Pittsburgh-based regional planning efforts to enhance quality of life in Western Pennsylvania

University of Pittsburgh Press - \$15,000

To help underwrite the cost of a new book on the history of Chatham Village, a Buhl funded neighborhood built in 1932

Three Rivers Community Foundation - \$12,000

To support the purchase and installation of a new interactive, comprehensive website for the Foundation that seeks to bridge persistent divisions in society around issues of race, economic status, gender, sexual identity and disability

Allegheny Conference on Community Development - \$10,000

To support Pittsburgh’s efforts to host the G-20 Summit in September in partnership with the White House and President Barack Obama as a specific economic development strategy

Allegheny Conference on Community Development - \$10,000

To utilize a partnership with the Pittsburgh Penguins as a strategy to retain talented college grads in the Pittsburgh area

Dress for Success Pittsburgh - \$10,000

To assist efforts in support of employing disadvantaged women and advancing their independence and self-sufficiency

Friends of the Riverfront - \$10,000

To continue the evolution of creative electronic mapping information to increase access to and use of Pittsburgh's riverfront trail network, an important amenity in the region's quality of life

Grantmakers for Effective Organizations - \$10,000

To support GEO's 2010 National Conference which will be held in Pittsburgh in recognition of the leadership of several local foundation heads

Mentoring Partnership of Southwestern Pennsylvania - \$10,000

To develop structured mentoring initiatives in public schools

Pennsylvania Institute for Conservation Education - \$10,000

To support development of a new field school in Southwestern Pennsylvania

Pittsburgh Downtown Partnerships - \$10,000

To support Pittsburgh's efforts to host the G-20 Summit in September in partnership with the White House and President Barack Obama as a specific economic development strategy

St. Paul Lutheran Church - \$10,000

A challenge grant to help repair the boiler in this historic Zelienople church originally founded by Christian Buhl and supported by Henry Buhl, Jr.

United Way of Allegheny County - \$10,000

To utilize "Fred Rogers Day" as an opportunity to build volunteerism in the greater Pittsburgh community

Dress for Success Pittsburgh - \$9,550

For the purchase of computer software to enhance outreach efforts for women in disadvantaged situations to reenter the workforce

New Hazlett Center for the Performing Arts - \$9,000

For second year support of a leadership development effort to encourage the involvement of a young and diverse cohort of future leaders

Shepherd's Heart - \$5,700

To provide interim support for the van ministry to the homeless

Moving the Lives of Kids Arts Center - \$5,000

To support "Art for the Generations," where youth and retirees from the North Side research, design and create murals at the Center for Fair Housing

North Side Cultural Collaborative - \$5,000

To cover a series of workshops, staff expenses, marketing materials and programmatic fees for activities impacting young people during the 7th Annual North Side Celebration in the Park

Pittsburgh Association for the Education of Young Children - \$5,000

To support professional development of early childhood teachers, parents and community leaders attending a conference entitled “Creativity: Where the Future Begins” in partnership with Allegheny County Family Support Centers and Pennsylvania Council on the Arts (\$2,500 from the Frick Fund and \$2,500 from the Buhl Fund)

Pittsburgh Cultural Trust - \$5,000

To support and enhance the creative technology platform for mobile interactivity during the Three Rivers Arts Festival

Pittsburgh Psychoanalytic Center - \$5,000

In conjunction with Manchester Bidwell Corporation, to help support a Pittsburgh-based conference “Reducing Youth Violence” as a strategy to address community-wide problems

Foundation Center - \$4,000

To support the Foundation Center’s efforts to improve the efficiency and effectiveness of grantmaking which impacts organizations locally and nationally

Anchorpoint Counseling Ministry - \$3,522

To cover the costs of new equipment for the Youth Development Program of this outreach that impacts North Side families

Pittsburgh Cultural Trust - \$3,000

To support and enhance a technology platform for mobile interactivity during the First Night celebration

Pittsburgh Public Schools/Pittsburgh Foundation - \$2,500

To help Pittsburgh Public Schools hire and retain effective educational leaders

Pittsburgh Theological Seminary, Metro-Urban Institute - \$2,500

For the Urban Intensive Weekend Conference on “Environmental Justice and the City” and the Institute’s support of grassroots organizations and religious congregations in lower income communities

University of Pittsburgh, School of Social Work - \$2,500

To support the “Race in America” National Conference to be held in Pittsburgh as a strategy to stress the importance of diversity in healthy communities

Community Empowerment Association - \$1,000

To support the 7th Annual Black Family Reunion and Cultural Arts Weekend

HENRY C. FRICK EDUCATIONAL FUND

The fund was established in 1909 by Henry C. Frick for the support of “sound education and useful training...in connection with the public schools and for the improvement of work done therein.” It includes the Frick Teachers Alumnae Fund which seeks to improve the teaching profession as well as the effectiveness of teachers. Today, the Frick Fund continues to provide funding for programs serving public schools from kindergarten to high school, especially with regard to schools serving disadvantaged and at-risk populations in Southwestern Pennsylvania.

Pittsburgh Public Schools - \$100,000

In celebration of the 100th anniversary of the Henry C. Frick Educational Fund, two-year support for a mini-grant program that will empower and enhance Pittsburgh Public Schools teachers’ ability to create innovations in teaching and learning

The Consortium for Public Education - \$50,000

To expand three leadership initiatives, Middle-High Forum, The Future is Mine and Leadership Design Team, which are provided in 42 school districts in seven counties (\$25,000 from Frick Fund and \$25,000 from Buhl Fund)

Smart Futures - \$50,000

To support regional expansion of PA eMentoring, a teaching tool to help students build college and career plans with the online assistance of working adult mentors (\$25,000 from the Frick Fund, \$25,000 from the Buhl Fund)

A+ Schools - \$25,000

To implement *Schools Work*, an action research and engagement model that will identify systemic factors that enable excellent teaching and overall school improvement in the Pittsburgh Public Schools

Carnegie Institute/Carnegie Science Center - \$25,000

To support the SciTech Initiative’s SciTech Days and the Regional Science and Engineering Fair to further enhance STEM education in the Pittsburgh region

Chatham University - \$25,000

Continued support of the Pittsburgh Teachers Institute which provides professional development for Pittsburgh Public School teachers wishing in-depth graduate level content knowledge for curriculum enhancements in their classrooms

Pittsburgh Symphony Society - \$20,000

To support costs of teacher materials for the *Schooltime* and *TinyTots* programs for school year 2009-1010 and 2010-2011

Pittsburgh Civic Light Opera - \$17,400

To support 29 performances of *Pioneers of Flight* for all Pittsburgh Public School students in grades 6 through 8 and development of teaching materials

Leadership Pittsburgh - \$15,000

To support the TEDx Leadership Pittsburgh Prize for Teachers initiative and to foster creative ideas for effective classroom education

Opera Theater of Pittsburgh - \$15,000

For support of educational outreach and matinees for the production of Duke Ellington's *Beggar's Holiday* which will benefit Pittsburgh Public School students' appreciation of music of African American artists

Prime Stage - \$12,165

To support technology improvements in the theater adaptation of classic books that will help students build literacy skills and improve the theater experience

Associated Artists of Pittsburgh - \$10,000

For an education program called *Taking a Closer Look* that will reach out to middle school children of the Pittsburgh Public Schools who will learn about and appreciate the many artists in the region whose art work is displayed in their schools

Dance Alloy Theater - \$10,000

To support residencies, mentoring relationships and performances for students in five Pittsburgh Public Schools

Pittsburgh Irish and Classical Theater- \$10,000

To support education outreach to underserved public schools in the region with the goal of increasing students' connection to classical literature through theater

Pittsburgh Public Theater - \$10,000

To enable 200 underserved students in public high schools to attend the production of *Ella* and *A Midsummer Nights Dream*

Saltworks Theatre Company - \$10,000

To support educational plays and related materials for Pittsburgh Public Elementary School children to learn about drug and alcohol abuse prevention and to support a new play that enhances the Pittsburgh Public Schools Olweus Bullying Prevention Program

Squonk Opera - \$10,000

For education outreach that encourages creativity in public school students during the Squonk Opera artist residency at Kelly-Strayhorn Theater

Quantum Theatre - \$10,000

To support an educational theater program in four schools that will stimulate imagination in students

Pittsburgh Ballet Theatre - \$8,000

For arts education curriculum materials for area teachers and their students for 2009-2010

Carnegie Mellon University/Pittsburgh Supercomputing Center - \$7,480

For continued support to design and implement a multidisciplinary bioinformatics course for local high school teachers including curriculum and lessons aligned with PA standards

Three Rivers Earth Force - \$6,000

To engage students at Sto-Rox High in an environmental action project that includes producing a radio segment on the Allegheny Front radio show

California University of Pennsylvania - \$5,000

In partnership with university professors and student teachers, to support math and science education programs in four schools in Fayette and Washington counties to benefit at-risk students in third, fourth and fifth grades

Duquesne University, School of Education - \$5,000

To support the “Courageous Leaders Retreat” for 200 educators emphasizing methods to build supportive and effective learning environments in schools. Among the attendees will be Pittsburgh Public Schools personnel in the Principals Emerging Leaders Academy (PELA) and others from the regional public schools

Frick Art and Historical Center - \$5,000

To support teacher workshops providing new ways to integrate art, history and science into the K-12 curriculum

Pittsburgh Chess Club - \$5,000

For chess activities in the Pittsburgh Public Schools that engage students in analytical and strategy building skills

Pittsburgh Opera - \$5,000

To support the Student Matinee performance of Mozart’s *The Marriage of Figaro* which ties into the teacher’s participation in the Opera Academy, a rigorous year long workshop to help teachers to enhance their curriculum

World Affairs Council of Pittsburgh - \$5,000

To support the Summer Institute for teachers: Teaching Contemporary Global Issues

Carnegie Institute - \$3,000

To support efforts to align Carnegie Science Center materials and in-class experiences with PSSA standards used by secondary teachers in preparation for class visits

Westmoreland Symphony Orchestra - \$3,000

To support the Visiting Artists Program to enhance student appreciation of classical music

Bricolage Production Company - \$2,500

For high school students to see the play *Speech & Debate* and participate in the educational program “Walk the Talk” that involves forensic exercises to improve a student’s ability to formulate ideas and speak in public

United Jewish Federation of Pittsburgh - \$1,000

To support free screenings of films to public high schools with the goal of promoting dialogue and cultural understanding

**WILLIAM AND ELIZABETH RODGERS McCREERY
MEMORIAL FUND**

The McCreery Fund was established by Emilie McCreery in honor of her parents and joined the Buhl family of funds in 1955. Grants are available to nonprofits that focus on furthering musical education and music awareness for young people in the Pittsburgh region.

Calliope - \$8,000

To provide music lessons in African percussion and folk guitar to underserved children in partnership with the Boys and Girls Club in Lawrenceville

Chatham Baroque - \$7,500

To support the Peanut Butter & Jam musical concerts for preschool children and their parents

UMOJA African Arts Company - \$6,500

To support a music appreciation program of African music and dance for children at Vann Elementary School and to enhance performance offerings at the African Arts in the Park Festival at Allegheny Commons in August 2010

Oakland Service Ministries for the Oakland Girls Choir - \$3,000

To provide music training for children K-3 in Wilksburg to improve opportunities in this often underserved neighborhood

Pittsburgh Cultural Trust - \$2,500

To develop teacher guidebooks for the 24th International Children's Festival and support attendance of students from disadvantaged schools

Mendelssohn Choir of Pittsburgh - \$1,500

To provide musical outreach and educational activities related to the Mendelssohn Junior Choir

Pittsburgh Youth Chamber Orchestra - \$1,500

To provide partial support for the purchase of two timpani that will allow the Pittsburgh Youth Chamber Orchestra to expand its repertoire

CUMULATIVE SUMMARY OF APPROPRIATIONS
Eighty-three Year Period
to June 30, 2010

APPROPRIATIONS FROM 1927 TO JUNE 30, 2009

\$ 97,585,018

Appropriations from July 1, 2009 to June 30, 2010

Buhl Fund

Point Park University	\$250,000
CCAC Educational Foundation	200,000
East End Cooperative Ministry	150,000
Riverlife	125,000
NEED	100,000
Pittsburgh Parks Conservancy.....	100,000
YMCA of Greater Pittsburgh	90,000
Pittsburgh Partnership for Neighborhood Development	82,500
YMCA of Greater Pittsburgh	80,000
August Wilson Center for African American Culture	75,000
Allegheny Conference on Community Development.....	50,000
Allegheny Trail Alliance	50,000
Northside Leadership Conference	50,000
United Way of Allegheny County	50,000
Center of Life.....	35,000
Family Resources.....	30,800
3 Rivers Connect.....	30,000
Hosanna House.....	30,000
Leadership Pittsburgh	30,000
Pittsburgh Foundation.....	30,000
Reading is Fundamental Pittsburgh	30,000
Urban League of Pittsburgh.....	30,000
Boys and Girls Clubs of Western Pennsylvania	28,000
Academy Charter School	25,000
ASSET.....	25,000
Community Design Center of Pittsburgh	25,000
The Consortium for Public Education	25,000
DePaul School for Hearing and Speech.....	25,000
Entrepreneurship Youth	25,000
G-TECH	25,000
Grow Pittsburgh	25,000
Hopital Albert Schweitzer Haiti	25,000
Manchester Youth Development Center	25,000
Minority & Women Educational Labor Agency (MWELA)	25,000
Pennsylvania State University, New Kensington Campus	25,000
Pittsburgh Center for the Arts.....	25,000
Pittsburgh OASIS	25,000
Schenley Heights Community Development Program	25,000
Smart Futures	25,000
Student Conservation Association.....	25,000
Sustainable Pittsburgh.....	25,000
Young Life Pittsburgh	25,000
Sarah Heinz House.....	23,200
Achieva	23,000
Big Brothers Big Sisters of Greater Pittsburgh	20,000
First Tee of Pittsburgh.....	20,000

Focus on Renewal.....	20,000
Lutheran Service Society	20,000
University of Pittsburgh, Institute of Politics	20,000
Allegheny County Court Appointed Special Advocate Program (CASA)	17,500
Coro Center for Civic Leadership.....	17,500
One Vision One Life	16,000
Saturday Light Brigade	15,000
University of Pittsburgh, Institute of Politics	15,000
University of Pittsburgh Press	15,000
Three Rivers Community Foundation	12,000
Allegheny Conference on Community Development.....	10,000
Allegheny Conference on Community Development.....	10,000
Dress for Success Pittsburgh.....	10,000
Friends of the Riverfront.....	10,000
Grantmakers for Effective Organizations.....	10,000
Mentoring Partnership of Southwestern Pennsylvania.....	10,000
Pennsylvania Institute for Conservation Education.....	10,000
Pittsburgh Downtown Partnership.....	10,000
St. Paul Lutheran Church.....	10,000
United Way of Allegheny County.....	10,000
Dress for Success Pittsburgh.....	9,550
New Hazlett Center for the Performing Arts.....	9,000
Shepherd's Heart Fellowship.....	5,700
Moving the Lives of Kids Art Center.....	5,000
Northside Cultural Collaborative.....	5,000
Pittsburgh Cultural Trust.....	5,000
Pittsburgh Psychoanalytic Center.....	5,000
Foundation Center.....	4,000
Anchorpoint Counseling Ministry.....	3,522
Pittsburgh Cultural Trust.....	3,000
Pittsburgh Association for the Education of Young Children.....	2,500
Pittsburgh Public School/Pittsburgh Foundation.....	2,500
Pittsburgh Theological Seminary, Metro-Urban Institute.....	2,500
University of Pittsburgh, School of Social Work.....	2,500
Community Empowerment Association.....	1,000
Total Buhl Fund Appropriations	\$ 2,621,272

Henry C. Frick Educational Fund

Pittsburgh Public Schools.....	\$100,000
A+ Schools.....	25,000
ASSET	25,000
August Wilson Center for African American Culture	25,000
Carnegie Institute/Carnegie Science Center	25,000
Chatham University	25,000
The Consortium for Public Education.....	25,000
Smart Futures.....	25,000
Pittsburgh Symphony Society	20,000
Pittsburgh Civic Light Opera	17,400
Leadership Pittsburgh	15,000
Opera Theater of Pittsburgh	15,000
Prime Stage	12,165
Associated Artists of Pittsburgh.....	10,000
Dance Alloy Theatre	10,000

Pittsburgh Irish and Classical Theater	10,000	
Pittsburgh Public Theater.....	10,000	
Saltworks Theater Company	10,000	
Squonk Opera.....	10,000	
Quantum Theatre	10,000	
Pittsburgh Ballet Theatre.....	8,000	
Carnegie Mellon University/Pittsburgh Supercomputing Center...	7,480	
Three Rivers Earth Force	6,000	
California University of Pennsylvania	5,000	
Duquesne University, School of Education	5,000	
Frick Art and Historical Center.....	5,000	
Pittsburgh Chess Club	5,000	
Pittsburgh Opera	5,000	
World Affairs Council of Pittsburgh.....	5,000	
Carnegie Institute.....	3,000	
Westmoreland Symphony Orchestra	3,000	
Bricolage Production Company	2,500	
Pittsburgh Association for the Education of Young Children	2,500	
United Jewish Federation of Pittsburgh.....	1,000	
Total Frick Appropriations	\$	<u>488,045</u>
William and Elizabeth Rodgers McCreery Memorial Fund		
Calliope	\$8,000	
Chatham Baroque	7,500	
UMOJA African Arts Company	6,500	
Oakland Service Ministries for the Oakland Girls Choir	3,000	
Pittsburgh Cultural Trust	2,500	
Mendelssohn Choir of Pittsburgh.....	1,500	
Pittsburgh Youth Chamber Orchestra.....	<u>1,500</u>	
Total McCreery Appropriations	\$	<u>30,500</u>
TOTAL FROM JULY 1, 2009 TO JUNE 30, 2010		\$3,139,817
Cancellations on Unrequired Commitment Balances		<u>(24,058)</u>
TOTAL APPROPRIATIONS OVER THE EIGHTY-THREE YEAR PERIOD		<u>\$ 100,700,777</u>

AREAS OF GIVING

Buhl's giving is focused in Southwestern Pennsylvania with an emphasis on Allegheny County and, in particular, upon the City of Pittsburgh and its North Side. The Foundation looks to find opportunities that best leverage our dollars and contribute to the sustainability and vitality of the community. We carry out the mission, objectives and guiding principles of the Foundation by focusing on the following areas of giving:

- **Education** – Initiatives that foster learning environments critical to building a knowledgeable and talented population.

Education has always been a cornerstone of our giving. Over the course of the Foundation's existence, our educational giving has adapted to the changing needs of our community. Most recently, the Foundation's education giving has been directed primarily for the benefit of K-12 public schools with the goal that students graduate prepared to meet the challenges of the 21st century. Current areas of interest include initiatives that improve quality of instruction, advance the professional development of teachers, develop effective curriculum with a particular emphasis on science and math, integrate arts and culture into curriculum in partnership with community groups, support environments in which youth can learn, encourage community and higher education partnerships that further science, technology, engineering or math education (STEM), and intermediary organizations that improve school quality, governance, leadership and accountability.

In its earliest years, the Foundation invested heavily in academic research and, at various times in its history, has endowed professional chairs at Carnegie Mellon University, the University of Pittsburgh, Allegheny College and Carnegie Science Center. Later, during the period from 1930 to 1970, prior to widespread institutional or government funded scholarship programs, the Foundation provided more than one thousand scholarships to aspiring students. In the advent of the computer age, the Foundation invested heavily in library technology and university distance learning centers.

- **Youth Development** – Projects that provide opportunities for our young people to thrive, to be safe and to live in a nurturing environment.

The Pittsburgh region that Mr. Buhl loved will thrive when young people are able to learn and to assume the responsibilities of civic participation and leadership. The Buhl Foundation looks for initiatives, particularly in disadvantaged communities, that support young people in out-of-school time activities that develop leadership, enhance learning, encourage community service, provide recreational enjoyment or prevent violence.

- **Human Services** – Strategies where our resources make a difference in addressing persistent community challenges or unmet needs of at-risk neighborhoods.

The Foundation funds efforts that support a thriving and diverse community, encourage citizen volunteers or improve access to services. Support is also provided for special

projects that improve the effectiveness of such organizations to reach out and meet these human service needs.

- **Economic and Community Development** – Efforts that encourage innovation and entrepreneurial solutions to improve the quality of life.

Preference is given to undertakings that support Downtown and North Side revitalization, enhance neighborhood vitality, or encourage use of our parks and recreational opportunities.

Henry C. Frick Educational Fund

Grants are made from the Frick Fund with special concern for strengthening K-12 public school education. A sub fund of the Frick Fund, the Frick Teacher Alumnae Fund, supports efforts to improve the teaching profession and the effectiveness of teachers. These focus areas align well with the educational interests of the Buhl Foundation. Grant procedures for the Frick Fund are the same as the Buhl Foundation.

William and Elizabeth Rodger McCreery Memorial Fund

Grants are made from the McCreery Fund to nonprofits that focus on furthering musical education and music awareness for young people in the Pittsburgh region. Application procedures for the McCreery Fund are the same as the Buhl Foundation.

FUNDING CONSIDERATIONS

A proposal should demonstrate the intersection of all or many of the following considerations which are important to the Buhl Foundation:

- Leadership in education, economic and civic improvement, human services and youth development
- Unique, innovative, timely and creative solutions to meeting community needs
- Collaboration with community partners
- Outreach to diverse populations, especially those who are economically disadvantaged or at-risk
- Preventive solutions that are enduring

The greatest volume of Buhl grants, both in total dollars and in number of proposals funded, fall in the range of \$2,500 to \$25,000. Buhl's largest grants tend to focus on sustaining regional institutions that play a unique role in our community based on historic relationships with the Foundation and its mission.

The Henry C. Frick Educational Fund supports K-12 public school initiatives and the McCreery Fund focuses on programs that encourage musically gifted and interested students. Grant requests to both follow the same mission, guidelines and procedures as the Buhl Foundation.

GRANT PROCEDURES

A written letter of inquiry, not to exceed three pages, should be sent to the President, to be followed by a formal proposal meeting Buhl guidelines, if invited. Electronic inquiries are not accepted.

Staff meets regularly to review letters of inquiry and either a phone call or a letter regarding the inquiry should be expected within 6 weeks, if not sooner. If taken under consideration, an inquiry may be acted upon immediately followed by a request for a proposal or it may be allowed to percolate over time so as to evaluate its potential impact in relation to other funding options in the face of limited resources. Staff will often meet with potential applicants to discuss feasibility and may work with prospective grantees to develop a proposal that appears to have potential for community impact consistent with Buhl's giving priorities. Expression of interest in a proposal, or work with an applicant to assure best possible presentation, should not be construed as an indication of forthcoming grant approval.

If a proposal is invited, staff will work with the applicant to establish a specific time frame for submission of the proposal and consideration by the Board.

Interviews or site visits may be carried out by arrangement with the staff.

The Board of Directors of the Foundation usually meets six or seven times a year to act on grant proposals.

When a grant has been awarded, the grantee and Foundation agree upon a schedule for grant payments. A report on program achievements, including accounting for dollars spent, is required at the conclusion of the program.

All letters of inquiry and proposals are reported to the Board of Directors.

PROPOSAL GUIDELINES

A formal proposal when invited should include all of the following:

- Cover Sheet from the Common Grant Application Format (www.gwpa.org)
- Mission of organization
- Short, concise information about the organization
- Purpose of grant request
 - Amount requested/total project need
 - Program description/need/schedule of implementation
 - Audience/population served
 - Impact
 - Evaluation
 - Collaborative partners
- Financials
 - Income/expenditure current year and forecast
 - Budget for project
 - Other funders
 - Most recent audited financials
- Leadership/Board of Directors
- IRS Determination Letter

Applicants may also use the Common Grant Application Form available from Grantmakers of Western Pennsylvania at www.gwpa.org.

Proposals are limited to 10 typewritten, double spaced pages. The cover sheet, director lists, evidence of tax status and financial documentation can be attachments and are not included in the ten page limitation.

The Buhl Foundation

Financial Statements and Additional Information

**Years Ended June 30, 2010 and 2009
with Independent Auditor's Report**

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

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THE BUHL FOUNDATION

YEARS ENDED JUNE 30, 2010 AND 2009

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Independent Auditor's Report

Board of Directors
The Buhl Foundation

We have audited the accompanying statements of financial position of The Buhl Foundation (Foundation) as of June 30, 2010 and 2009, 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 Foundation as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of appropriations authorized and administrative expenses by fund on page 14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
January 14, 2011

THE BUHL FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2010 AND 2009

	2010	2009
Assets		
Cash and cash equivalents	\$ 2,362,847	\$ 2,185,367
Receivables	2,052	4,058
Prepaid expenses	48,924	5,974
Investments	71,774,661	68,144,042
Office furniture and equipment, net of accumulated depreciation of \$116,205 and \$106,985, respectively	12,005	19,925
Total Assets	\$ 74,200,489	\$ 70,359,366
Liabilities and Unrestricted Net Assets		
Liabilities:		
Appropriation commitments:		
Payable by June 30 of subsequent year	\$ 2,121,702	\$ 2,019,474
Payable after June 30 of subsequent year	690,000	903,000
Total appropriation commitments	2,811,702	2,922,474
Accounts payable and accrued liabilities	65,866	172,306
Total Liabilities	2,877,568	3,094,780
Net Assets:		
Unrestricted	71,322,921	67,264,586
Total Liabilities and Unrestricted Net Assets	\$ 74,200,489	\$ 70,359,366

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Unrestricted Net Assets:		
Income, appropriations authorized, and administrative expenses:		
Income:		
Interest	\$ 688,879	\$ 893,373
Dividends	922,009	870,200
Realized gain (loss) on sale of investments	282,299	(911,398)
Unrealized (loss) gain on investments	6,520,598	(12,669,218)
Partnership net (loss) gain, net of management fees	(425,425)	(411,923)
Other	7,486	-
Total income	7,995,846	(12,228,966)
Appropriations authorized and administrative expenses:		
Appropriations authorized	3,160,340	3,524,072
Administrative expenses:		
Salaries and other employment costs	534,530	618,854
Investment management fees	100,000	126,189
General and administrative	85,248	84,264
Federal excise tax	13,220	23,368
Professional services	44,173	37,941
Total appropriations authorized and administrative expenses	3,937,511	4,414,688
Change in Net Assets	4,058,335	(16,643,654)
Net Assets:		
Beginning of year	67,264,586	83,908,240
End of year	\$ 71,322,921	\$ 67,264,586

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash Flows From Operating Activities:		
Change in net assets	\$ 4,058,335	\$ (16,643,654)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(282,299)	911,398
Net unrealized loss (gain) on investments	(6,520,598)	12,669,218
Partnership net (loss) gains, net of management fees	425,425	411,923
Amortization of premiums on bonds	14,068	13,907
Depreciation	9,221	8,948
Change in:		
Accounts receivable	2,006	18,325
Prepaid expenses	(42,950)	(4,627)
Appropriation commitments	(110,772)	1,613,014
Accounts payable and accrued liabilities	(106,440)	48,579
Net cash provided by (used in) operating activities	(2,554,004)	(952,969)
Cash Flows From Investing Activities:		
Proceeds from dispositions of investments	9,202,190	10,815,343
Purchases of investments	(6,469,992)	(10,747,526)
Change in program-related investments	18,587	100,000
Proceeds from program-related investments	(18,000)	-
Purchases of office equipment	(1,301)	(15,860)
Net cash provided by (used in) investing activities	2,731,484	151,957
Net Increase (Decrease) in Cash and Cash Equivalents	177,480	(801,012)
Cash and Cash Equivalents:		
Beginning of year	2,185,367	2,986,379
End of year	\$ 2,362,847	\$ 2,185,367
Supplemental Information:		
Excise tax paid	\$ 61,041	\$ 27,000

See accompanying notes to financial statements.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

1. ORGANIZATION

The Buhl Foundation (Foundation) was established in 1927 by the will of Henry Buhl, Jr. The Henry C. Frick Educational Fund and the William and Elizabeth Rodgers McCreery Memorial Fund are operated as separate funds within the Foundation. The Foundation is governed by a Board of Directors (Board) consisting of four voting members. Appropriations are authorized by the Board to tax-exempt, nonprofit institutions for charitable, educational, and public uses and purposes for specific programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. The Foundation's net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets whose use is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. At June 30, 2010 and 2009, the Foundation had no temporarily restricted net assets.

Permanently Restricted Net Assets - Net assets whose use is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by the actions of the Foundation. At June 30, 2010 and 2009, the Foundation had no permanently restricted net assets.

Investments and Related Income

Investments are reported at fair values in the statements of financial position and changes in the fair values of such investments are included in net unrealized gain on investments in the statements of activities, as further described in Note 3. Realized gains or losses on these investments, if any, are reported separately in the statements of activities. Purchases and sales of investments are recorded on their trade date. Interest and dividends from investment securities are recorded when received. This investment income would not have a significant effect on the financial statements if it were to be recorded on the accrual basis. Distributions from private equity funds are recognized as income to the extent of the Foundation's share of

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

undistributed income of such private equity funds. Management fees paid to private equity funds are included in partnership net gains/losses in the accompanying statements of activities.

Investments considered to be permanently impaired in value are written down to their fair value and the write-down is recorded as a realized loss on investments. Realized gains and losses on disposals of investments are determined by the specific identification method, except for mutual funds and certain equity investments for which the cost of shares sold is determined by the average cost method.

The Foundation's investments are exposed to various risks, including interest rate, currency, market, and credit. Due to these risks and the level of uncertainty related to changes in the value of individual investments, it is at least reasonably possible that significant changes can occur in fair value that may materially affect the amounts reported in the financial statements.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. The Foundation maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Foundation does not believe it is exposed to any significant credit risk related to cash and equivalents.

Office Furniture and Equipment

The Foundation carries office furniture and equipment at cost. Depreciation is provided over estimated useful lives on the straight-line method. Maintenance and repairs are expensed as incurred. Expenditures, which significantly increase asset values or extend useful lives, are capitalized. When an asset is sold or retired, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is recognized in income. Depreciation expense for the years ended June 30, 2010 and 2009 was \$9,221 and \$8,948, respectively.

Appropriations

The Foundation recognizes a liability and corresponding expense for unconditional appropriations in the amount expected to be paid when the Board approves appropriations. Such liabilities are not recorded at their present values using a discount rate commensurate with the risks included, because the present value is not materially less than the amounts expected to be paid. Conditional grants approved by the Board are recorded when the conditions are met.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 income and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. INVESTMENTS

Following is a summary of the cost and fair value of investments at June 30:

	2010		2009	
	Cost	Fair Value	Cost	Fair Value
Fixed income bonds	\$ 10,323,698	\$ 10,883,411	\$ 12,254,994	\$ 12,506,854
Inflation adjusted mutual funds	6,904,493	6,580,939	4,504,493	3,794,989
International stocks and mutual funds	3,409,610	3,439,832	3,968,043	3,592,245
Small capitalization stocks and mutual funds	3,730,223	4,173,289	3,731,052	3,544,522
Large capitalization mutual funds	22,992,964	20,204,583	25,202,408	19,732,339
Growth and income mutual funds	6,740,749	6,144,053	8,050,789	7,028,604
Hedge funds	8,675,693	9,827,876	8,675,693	8,935,108
Private equity funds	8,845,253	9,915,067	8,249,696	8,403,183
Program-related investments	605,611	605,611	606,198	606,198
	<u>\$ 72,228,294</u>	<u>\$ 71,774,661</u>	<u>\$ 75,243,366</u>	<u>\$ 68,144,042</u>

Investments in the Vanguard Institutional Index Fund Institutional Shares and the Osterweis Fund, large capitalization mutual funds, account for approximately 28.2% of the fair value of the Foundation's investments at June 30, 2010. Investments in the Vanguard Institutional Index Fund Institutional Shares and the Osterweis Fund, large capitalization mutual funds, and the Capital World Growth and Income Fund, a growth and income mutual fund, account for approximately 29.0% and 10.3% respectively, of the fair value of the Foundation's investments at June 30, 2009.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

The Foundation presents their investments in a fair value hierarchy based on the inputs used to measure fair value. Investments whose values are based on quoted market prices in active markets are classified within level 1. Investments determined by reference to quoted prices for similar investments in active markets are classified within level 2. Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all.

The following table summarizes investments by fair value measurement categories as of June 30, 2010:

	Level 1	Level 2	Level 3	Total
Fixed income bonds	\$ 10,883,411	\$ -	\$ -	\$ 10,883,411
Inflation adjusted mutual funds	6,580,939	-	-	6,580,939
International stocks and mutual funds	1,467,769	-	1,972,063	3,439,832
Small capitalization stocks and mutual funds	4,173,289	-	-	4,173,289
Large capitalization mutual funds	20,204,583	-	-	20,204,583
Growth and income mutual funds	6,144,053	-	-	6,144,053
Hedge funds	-	-	9,827,876	9,827,876
Private equity funds	-	-	9,915,067	9,915,067
Program-related investments	-	-	605,611	605,611
Total investments	<u>\$ 49,454,044</u>	<u>\$ -</u>	<u>\$ 22,320,617</u>	<u>\$ 71,774,661</u>

The following table summarizes investments by fair value measurement categories as of June 30, 2009:

	Level 1	Level 2	Level 3	Total
Fixed income bonds	\$ 12,506,854	\$ -	\$ -	\$ 12,506,854
Inflation adjusted mutual funds	3,794,989	-	-	3,794,989
International stocks and mutual funds	1,812,592	-	1,779,653	3,592,245
Small capitalization stocks and mutual funds	3,544,522	-	-	3,544,522
Large capitalization mutual funds	19,732,339	-	-	19,732,339
Growth and income mutual funds	7,028,604	-	-	7,028,604
Hedge funds	-	-	8,935,108	8,935,108
Private equity funds	-	-	8,403,183	8,403,183
Program-related investments	-	-	606,198	606,198
Total investments	<u>\$ 48,419,900</u>	<u>\$ -</u>	<u>\$ 19,724,142</u>	<u>\$ 68,144,042</u>

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

Level 3 investments held by the Foundation include international, hedge, and private equity funds and program-related investments.

The Foundation invests in hedge funds to further diversify its investment portfolio through the following funds: Aurora Fund operated by Harris Associates and Lighthouse Diversified Fund operated by Butterfield Fund Services. Investments in the hedge funds are speculative and involve risk. Risks arise from changes in the value of these funds and the potential inability to liquidate all or a portion of them in a timely manner. There are numerous factors that may significantly influence the market value of these funds, including interest rate volatility. These factors were considered by the Foundation prior to making this investment and it was determined the investment would be beneficial to leverage risk in other areas of the investment portfolio.

In addition, the Foundation invests in private equity funds that are also speculative and involve risks that would arise from changes in the value of these funds and the potential inability to liquidate all or a portion of them in a timely manner. Fair value of the private equity funds is determined by the fund manager, which generally represents the private equity fund's proportionate share of the net assets of the investee funds as reported. This amount is equal to the sum of capital accounts in the investment entries determined in accordance with accounting principles generally accepted in the United States of America or substantially similar accounting principles.

The fair values of hedge funds and private equity funds are determined in good faith by management due to the absence of market quoted fair values. Fair values are made by (a) considering general factors such as financial information relating to the investments and the industry and economic environment in which the investees operate and (b) using valuation techniques considered relevant to the particular investment, including methods based on cost, net cash invested, discounted cash flows, appraisals, or the Foundation's proportionate share of the overall value of the investee provided by the general partners. However, because of the inherent uncertainty of valuation, those fair values might differ significantly from the values that would have been used had a ready market for those investments existed. In addition, each partnership specifies the terms by which an investor may liquidate its holdings. Currently, the Foundation has no intentions on liquidating the investments in private equity or hedge funds held at June 30, 2010.

As such, certain partnership investments may not be readily liquidated and are, thus, of a more long-term nature. In addition, redemption of the Foundation's investments in hedge funds and private equity funds may require liquidation of the underlying partnership investments.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

The Foundation also invests in international funds to diversify their investment portfolio. The fair market value of the Foundation's international investment trust funds, categorized with level 3 inputs, are calculated based on the net asset value price per unit time the percentage of the fund held by the Foundation.

The Foundation's interest in program-related investments is further described in Note 4. The fair market value of program related investments is determined based upon the funds granted, less any repayments or amounts forgiven.

The following table summarizes the changes in fair values associated with level 3 assets at June 30, 2010:

	Private Equity Funds	Hedge Funds	International Funds	Program Related	Total Level 3 Assets
Balance as of June 30, 2009	\$ 8,403,183	\$ 8,935,108	\$ 1,779,653	\$ 606,198	\$ 19,724,142
Unrealized gains (losses)	791,236	892,768	191,662	-	1,875,666
Purchases	1,932,930	-	-	18,000	1,950,930
Sales	(1,212,282)	-	748	(18,587)	(1,230,121)
Balance as of June 30, 2010	<u>\$ 9,915,067</u>	<u>\$ 9,827,876</u>	<u>\$ 1,972,063</u>	<u>\$ 605,611</u>	<u>\$ 22,320,617</u>

The following table summarizes the changes in fair values associated with level 3 assets at June 30, 2009:

	Private Equity Funds	Hedge Funds	International Funds	Program Related	Total Level 3 Assets
Balance as of June 30, 2008	\$ 7,921,927	\$ 10,197,267	\$ 2,369,106	\$ 506,198	\$ 20,994,498
Unrealized gains (losses)	(892,936)	(1,262,159)	(573,352)	-	(2,728,447)
Purchases	1,809,726	-	-	100,000	1,909,726
Sales	(435,534)	-	(16,101)	-	(451,635)
Balance as of June 30, 2009	<u>\$ 8,403,183</u>	<u>\$ 8,935,108</u>	<u>\$ 1,779,653</u>	<u>\$ 606,198</u>	<u>\$ 19,724,142</u>

4. PROGRAM-RELATED INVESTMENTS

During the fiscal year 1996, the Foundation made a \$250,000 commitment to the Strategic Investment Fund Partners (the Fund), a limited partnership between the Strategic Investment Fund, Inc. and the Allegheny Conference on Community Development. The purpose of the

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

Fund is to provide private sector financing for projects that promote economic development and the creation of employment in the City of Pittsburgh and its environs. The Foundation disbursed the \$250,000 in years prior to fiscal year 2005. During fiscal year 2002, the Foundation committed to an additional investment of \$250,000 to allow the Fund to continue operation toward its mission. During fiscal year 2008, \$100,370 was returned from the Fund, and \$43,370 was returned from the Fund and subsequently reinvested. No activity occurred with this investment during 2009. During fiscal year 2010, \$18,587 was returned from the Fund of which \$18,000 was subsequently reinvested.

In fiscal year 2009, the Foundation distributed \$100,000 in the form of a low-interest loan to Hosanna House as a program-related investment.

The Foundation has also recorded program-related investment income in the amount of \$10,181 and \$18,630 through June 30, 2010 and 2009, respectively. As of June 30, 2010 and 2009, \$605,611 and \$606,198, respectively, was invested in program-related investments by the Foundation.

5. ENDOWMENT ASSETS

The primary investment objective of the Foundation is to manage its investment portfolio so as to provide a permanent, reliable flow of funds to the grantmaking and operating budgets of the Foundation and to grow that flow of funds at least as rapidly as the rate of inflation in the cost of the goods and services used by the Foundation and its grantees. The Foundation's investment objective is achieved through a diversified asset allocation including growth/equity assets, hedging/yield assets, and operating assets. These assets include various bond, mutual, private equity, and off-shore hedge funds. The Foundation does not maintain a formal spending policy; however, they do approve on an annual basis the total budgeted grant expenses which are based in part on the total return of the endowment investments.

The endowment assets used by the Foundation to provide income for the maintenance and granting activities is comprised of the various investments held by the Foundation. During 2010 and 2009, the Foundation had the following endowment-related activities:

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Investment return on endowment assets:		
Interest and dividends	\$ 1,610,888	\$ 1,763,573
Partnership net (losses) gains	(425,425)	(411,923)
Unrealized gains (losses)	6,520,598	(12,669,218)
Realized (losses) gains	282,299	(911,398)
Investment fees	<u>(100,000)</u>	<u>(126,189)</u>
Total investment return on endowment assets	7,888,360	(12,355,155)
Transfers out of endowment	<u>(4,257,741)</u>	<u>(1,819,108)</u>
Total change in endowment funds	3,630,619	(14,174,263)
Endowment investment funds:		
Beginning of year	<u>68,144,042</u>	<u>82,318,305</u>
End of year	<u>\$ 71,774,661</u>	<u>\$ 68,144,042</u>

6. APPROPRIATION COMMITMENTS

Appropriation commitments at June 30, 2010 are due to be paid as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2011	\$ 2,121,702
2012	370,000
2013	<u>320,000</u>
	<u>\$ 2,811,702</u>

7. TAXES

The Foundation is qualified as a private, non-operating foundation under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. The Foundation is obligated to pay income taxes on its unrelated business income (as defined), if any. In addition to a federal excise tax on net investment income, private foundations are subject to tax on the amount by which their minimum investment return exceeds distributions.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2010 AND 2009

The Foundation has not provided deferred excise or unrelated business income taxes in these financial statements with respect to tax effects on differences between the bases of assets and liabilities for financial reporting and tax purposes, due to the insignificance of such deferred taxes relative to the financial statements as a whole.

8. RETIREMENT PLANS

The Foundation sponsors a defined contribution pension plan covering all eligible employees. Contributions are based on a percentage of each participant's compensation. Amounts charged to pension expense totaled \$52,942 and \$64,255 for the years ended June 30, 2010 and 2009, respectively.

The Foundation also sponsors a retirement plan under Section 403(b) of the Internal Revenue Code, which covers all eligible employees. The retirement plan is funded entirely with employee contributions.

9. RELATED PARTY TRANSACTIONS

During 2010 and 2009, there were certain grant applicants with which Directors of the Foundation were affiliated. Pursuant to the practices of the Foundation, the related Directors abstained from voting in matters concerning affiliated applicants.

Additional Information

THE BUHL FOUNDATION

STATEMENT OF APPROPRIATIONS AUTHORIZED AND ADMINISTRATIVE EXPENSES BY FUND

YEAR ENDED JUNE 30, 2010

	<u>Buhl Fund</u>	<u>Frick Fund</u>	<u>McCreery Fund</u>	<u>Total</u>
Appropriations authorized	\$ 2,660,672	\$ 469,168	\$ 30,500	\$ 3,160,340
Administrative expenses:				
Salaries and other employment costs	467,543	63,390	3,597	534,530
Investment management fees	87,468	11,859	673	100,000
General and administrative	74,564	10,110	574	85,248
Federal excise tax	11,563	1,568	89	13,220
Professional services	<u>38,638</u>	<u>5,238</u>	<u>297</u>	<u>44,173</u>
 Total appropriations authorized and administrative expenses	 <u>\$ 3,340,448</u>	 <u>\$ 561,333</u>	 <u>\$ 35,730</u>	 <u>\$ 3,937,511</u>