

# The Buhl Foundation



Annual Report by the President

July 1, 2007 to June 30, 2008



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

In September 2007, I began service as the sixth President of the Buhl Foundation in its 80 year history. Since its inception in 1929, the Buhl Foundation has been ably guided by dedicated leaders with a deep commitment to improving the quality of life in the Pittsburgh region. As a lifelong resident, and as one with a deep love of Pittsburgh, I consider it both a challenge and an honor to continue that proud Buhl legacy.

As with any change in leadership, our organization has taken advantage of the opportunity to renew and refresh itself, to analyze how best to respond to the ever-changing tide of community needs. To that end, over the past twenty months, we have:

- Met with hundreds of Western Pennsylvanians to better understand this community and how we might impact it;
- Undergone a strategic planning process to ensure that we are in harmony with the vision of Henry Buhl, Jr., a vision centered on “the well-being of the citizens of the City of Pittsburgh, and the County of Allegheny”;
- Evaluated and refined our granting priorities to further the Buhl mission;
- Reconsidered, organized and documented our internal and external operating procedures to maximize efficiencies;
- Rebuilt our website in order to better articulate our mission, our objectives, our values and our granting practices and procedures.

These undertakings have been time consuming and have generated lively discussion but we will look back on this process with a better idea of who we are and how we can better address the challenges of the future.

As Pittsburgh’s oldest multi-purpose foundation, we are excited about this new opportunity to be fresh yet grounded in our past. We also seek to ensure transparency and responsiveness in order that the public knows what we do and why we do it. To that end, as part of our reorganization, we will begin providing access to our annual report as a regular feature on our website instead of our historic practice of distributing it by mail. We believe this web publication improves accessibility and accountability while, importantly, saving trees and costs. Moving forward, we intend to publish our annual report on the website each Fall, beginning this Fall of 2009, after the close out of our June 30 ending fiscal year and the completion of our regular annual audit.

As always, this annual report shares the partnerships we have entered into with the community and provides financial accounting of how we have carried out our fiduciary responsibilities to Mr. Buhl, our family of funds, and the community.

The Board and staff of the Buhl Foundation look forward with hope and backward with gratitude to this region and to all those who have worked with us for the well-being of our neighbors – regardless of position or standing – in fulfillment of Mr. Buhl’s vision for a better Pittsburgh.

Frederick W. Thieman  
President

## 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.

## GRANTS

July 1, 2007 - June 30, 2008

### 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.*

**Episcopal Diocese of Pittsburgh - \$500,000**

In honor of Dr. Doreen Boyce's 25 years of service, support of Celebrate 250 and the renovation of Trinity Cathedral in downtown Pittsburgh, contributing to the revitalization of our urban core, and support of a new outreach to an at-risk population: the homeless.

**Pittsburgh Public Schools - \$227,422**

For seed funding for designing and implementing the Pittsburgh Science and Technology Academy, an important development in the effort of Pittsburgh Public Schools to improve academic achievement and curriculum development in science, math and engineering.

**WQED Multimedia - \$187,000**

For Rick Sebak's production of *Engineered, Invented and Pioneered in Pittsburgh* and in recognition of the ten-year partnership that has provided a revenue source for an important nonprofit while contributing to the favorable image and economic development of Greater Pittsburgh.

**Andrew Carnegie Free Library - \$150,000**

Toward restoration of the entryway and lobby of the Music Hall and in recognition of its historic significance, its contribution to neighborhood revitalization efforts and the youth education efforts of its library.

**North Side Christian Health Center - \$103,510**

To support the move into its new building in the heart of the North Side, in the first LEED certified medical clinic in the United States, and in recognition of its efforts to provide healthcare services to at-risk populations on the North Side.

**Holy Family Institute - \$100,000**

To support a pilot program for behaviorally troubled boys, primarily from at-risk neighborhoods and in support of an important community partnership led by the United Way.

**Hosanna House - \$100,000**

For a program-related investment to provide working capital for Hosanna House in support of its mission to provide a wide array of services to an at-risk population.

**Three Rivers Youth - \$100,000**

For a challenge grant for technological upgrades in this North Side-based organization with an impressive 125 year history of supporting youth in at-risk situations.

**The Mattress Factory - \$95,000**

To update and resurface the Mattress Factory parking lot in order to improve aesthetics, enhance safety, and increase earned revenues while recognizing this organization's important contributions to the stabilization and vibrancy of the North Side.

**New Hazlett Center for the Performing Arts - \$75,000**

For two-year support for programming and capital improvements at this institutional treasure that has contributed to economic development and quality of life enhancements on the North Side.

**Pittsburgh Parks Conservancy - \$75,000**

To assist in the completion of the Chapel Shelter in Riverview Park, an important recreational asset on the North Side.

**Western Pennsylvania Conservancy - \$74,500**

For a study regarding the feasibility of conducting a comprehensive capital campaign and in recognition of this organization's long history with Buhl and its track record in improving quality of life and community beautification efforts in Western Pennsylvania.

**Allegheny Conference on Community Development - \$60,000**

For support of the 2007 Agenda Development Fund as part of an effort to improve economic development and quality of life in Greater Pittsburgh.

**Allegheny Conference on Community Development - \$50,000**

For support of the 2008 Agenda Development Fund as part of an effort to improve economic development and quality of life in Greater Pittsburgh.

**Focus on Renewal - \$50,000**

For arts and culture education funds to provide transition programming as a bridge from community-based activities into a new performing arts center in support of this organization's efforts to provide a wide array of services to a disadvantaged population.

**Pittsburgh Leadership Foundation - \$50,000**

For seed funding to *STOREHOUSE for Teachers* and its innovative efforts to provide free resources for teachers in an effort to better serve at-risk populations.

**Robert Morris University, Bayer Center for Nonprofit Management - \$50,000**

To support the Technology Initiative that provides assistance to nonprofits as part of a mission to improve support services for regional entities and their constituents.

**Smart Futures - \$50,000**

To support regional expansion of the PA eMentoring program in an effort to better connect middle and secondary students to mentors providing educational and career advice.

**The Forbes Funds - \$35,000**

To create a web-based diagnostic tool to assist nonprofit organizations in pursuing best practices in organizational development thereby strengthening support services available to our community.

**Point Park University - \$35,000**

To support the development of an Education Resource Center for professional development of K-12 teachers while adding to the vibrancy of Downtown Pittsburgh.

**Pittsburgh Filmmakers - \$32,000**

To support production costs of a documentary on the Allegheny Observatory, a scientific landmark on the North Side, while also developing useful resources to encourage interest in the sciences in area schools.

**Braddock Redux - \$30,000**

To support a pilot program demonstrating the creative re-use of existing buildings and urban gardening to support youth transitioning out of foster care while assisting economic development in a struggling community.

**Allegheny Historic Preservation Society, Inc. - \$25,000**

For support of historic restoration efforts at Calvary Methodist Church, in recognition of its community outreach and its status as one of the North Side's greatest architectural treasures.

**Community Design Center of Pittsburgh - \$25,000**

To support design and planning efforts in North Side neighborhoods to encourage effective and attractive design and development thereby increasing real estate values and community pride.

**Community Empowerment Association - \$25,000**

To support mentoring and leadership development efforts for at-risk African American youth as part of this organization's efforts to build community.

**Good Grief Center for Bereavement Support- \$25,000**

To update and expand technology in the organization's new office in support of this region's first and only comprehensive bereavement resource center.

**Junior Achievement of Western Pennsylvania - \$25,000**

To support the purchase of computer hardware to enable Junior Achievement of Western Pennsylvania better fulfill its mission to bring financial literacy support to Western Pennsylvania students and in recognition of its efforts to reach out to at-risk populations.

**New Hazlett Center for the Performing Arts - \$25,000**

To underwrite a leadership development program to encourage a cohort of non-traditional leaders in Western Pennsylvania in cooperation with a North Side institution historically supported by Buhl.

**Pittsburgh Filmmakers - \$25,000**

To support planning, architectural drawings and a funding model for restoration of the Regent Square Theater, one of the few remaining single screen theaters in the urban area.



**Social Innovation Accelerator - \$25,000**

To provide seed funding for a Micro Loan Fund to encourage entrepreneurial activities in traditionally underserved neighborhoods by providing small loans and mentoring support to minority businesses.

**Urban Youth Action, Incorporated - \$25,000**

To support a pilot program for increasing the interest of at-risk youth in science, engineering and technology careers in partnership with local colleges, universities and businesses.

**Yoga in Schools - \$25,000**

To support and expand a pilot program in yoga instruction at Faison Elementary School, to encourage character and educational development in Pittsburgh Public Schools.

**Young Preservationists Association of Pittsburgh - \$25,000**

To support capacity building efforts for this group that encourages the next generation of youth to take a leadership role in preserving their communities.

**South Hills Interfaith Ministries - \$20,000**

For an early childhood program for refugee children from Prospect Park within the Baldwin-Whitehall School District that seeks to build confidence, develop speech and language skills, stimulate healthy development and encourage positive social interaction.

**University of Pittsburgh, School of Education - \$20,000**

To support the Educational Leadership Initiative's professional development process as it helps school districts to improve academic achievement through creation of school culture focused on student learning and built upon a foundation of shared leadership.

**Heartwood Institute - \$15,000**

To support the design of an online evaluation tool for use by schools implementing the Ethics and Character Education for Middle Grades curriculum that seeks to build the character education field concerning attributes such as Courage, Loyalty, Justice, Respect, Hope, Honesty and Love.

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

To support University of Pittsburgh-based regional planning efforts that seek to enhance the quality of life and economic stability of Greater Pittsburgh.

**Mars Home for Youth - \$14,900**

To allow at-risk students in counties to the north of Allegheny County to gain access to interactive technology as a bridge to improving their education and becoming productive citizens.

**Neighbors in the Strip - \$12,500**

To support preliminary plans and design in order to leverage federal funds to enliven the entry portals to the Strip District and to support downtown development and revitalization efforts.

**Community Human Services - \$10,000**

To help purchase a state-of-the-art telephone and communication system to build capacity for this Oakland-based organization that provides a wide array of services to at-risk populations.

**The EdVenture Group - \$10,000**

To support professional development and coaching for teachers in Ringgold and California Area School Districts and Western Area Career and Technical Center.

**Friends of the Riverfront - \$10,000**

For the creation of electronic mapping information to increase access to and use of Pittsburgh's riverfront trail network, a key resource to enhance Pittsburgh's quality of life.

**Hill House Association - \$10,000**

To support young people who will create murals in eight locations in Allegheny County as part of Pittsburgh 250. As part of the process, young people from diverse backgrounds will be recruited to bridge social and economic differences and build pride and understanding.

**Pittsburgh Foundation - \$10,000**

For three-year support of the Pittsburgh Public Service Fund in support of the City's economic development efforts to establish solid financial footing.

**Carnegie Institute - \$7,500**

To support the Family Festival of the Three Rivers Arts Festival and its commitment to educational programming that provides underserved populations a way to enjoy Pittsburgh's rich cultural resources.

**Mercer County Community Education Council - \$5,700**

To support the purchase of skills tutoring software for disadvantaged citizens in counties to the north of Allegheny County seeking employment opportunities.

**American Heart Association - \$5,000**

To support the Learn and Live Special Appeal Campaign in recognitions of Maxwell King's efforts in the community.

**Center for Coalfield Justice - \$5,000**

To construct a web-based tool for monitoring the effects of fossil fuel extraction practices for use by secondary school teachers of environmental education and community groups.

**Riverside Center for Innovation - \$5,000**

To cover artist fees, a series of workshops, materials, tenting and tables to create giant puppets as part of the 5<sup>th</sup> Annual *North Side Celebration in the Park* and its focus on famous women of the North Side.

**Young Preservationists Association of Pittsburgh - \$5,000**

To establish an interim headquarters in Homestead for this group that encourages the next generation of youth to take a leadership role in preserving their communities.

**University of Pittsburgh, Office of Child Development - \$2,500**

To support the 2008 Family Support Conference for training to enhance partnerships between families, schools, services and communities so that children can be successful.

**The Children's Institute of Pittsburgh - \$1,000**

To support a camp program for children with special needs that helps develop self-esteem, activity, mobility and peer integration through use of specially adapted bikes.

**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.

**Carnegie Institute - \$50,000**

To support the SciTech Initiative at Carnegie Science Center and its diverse programming in science for some 20,000 students, teachers and families while reaching out to girls, minorities and underserved youth.

**Pittsburgh Public Schools - \$50,000**

For seed funding for designing and implementing the Pittsburgh Science and Technology Learning Community, an important development in the effort of City Schools to improve academic achievement and curriculum development in science, math and engineering.

**The Mentoring Partnership of Southwestern Pennsylvania – \$40,000**

For two-year support to develop structured mentoring initiatives in public schools in order to increase student achievement and career awareness.

**Human Services Center Corporation - \$20,000**

For two-year support of educational field trips for children in the Youth Life Program and Emerging Leaders Program coming from 37 economically distressed neighborhoods and 12 school districts.

**Teacher Excellence Center - \$18,500**

To support a workshop to highlight effective practices for improving achievement and as professional development for teachers in K-12 education at schools in low-income areas.

**Pittsburgh Symphony - \$15,000**

To support the cost of teacher materials for the Schooltime and TinyTots programs for the 2008 program year in recognition of its outreach to more than 2,500 teachers and second graders in public schools.

**Pittsburgh Public Theater - \$11,350**

To provide support for underserved students in public high school science classes to attend the production of *A Number* while interacting with artists on a variety of themes including ethics, science and math.

**Autumn House Press - \$10,000**

To support the Poets-in-Person program and its outreach efforts to improve reading, writing, speaking and listening in school-age youth.

**Pittsburgh Irish & Classical Theatre - \$10,000**

To support a language arts program at Schenley High School that enhances teacher skills and engages students in authentic writing experiences through theatrical exposure.

**Pittsburgh Musical Theater - \$10,000**

To support student matinees and educational programming and in recognition of its outreach efforts to low-income neighborhoods.

**Pittsburgh Opera - \$10,000**

To support the Opera Academy for teacher and student matinees during the 2007-2008 season in an effort to improve academic standards by integrating arts into the curriculum.

**Quantum Theatre - \$10,000**

To support an educational program in four public schools that stimulates imagination in students while incorporating standard curriculum mandates in interactive workshops with Quantum artists.

**Saltworks Theatre Company - \$10,000**

To underwrite educational plays and materials for the Pittsburgh Public Schools in 2007-2008 that address risky situations in which students might find themselves and how to cope.

**Squonk Opera - \$10,000**

To support the *Astro-rama* outreach in regional schools to inspire interest in astronomy and physical science.

**University of Pittsburgh, Department of Theatre Arts - \$10,000**

To support the production of *Rachel Carson Saves the Day!* for public school children to increase awareness of science and environmental responsibility.

**Pittsburgh Ballet Theatre - \$8,000**

To support arts education curriculum materials for area teachers and students to encourage integration of the arts into professional development and learning.

**Carnegie Mellon University - \$7,000**

To support the Pittsburgh Supercomputing Center workshop for high school teachers that builds understanding of computational biology and bioinformatics and curriculum development in the areas of science and math.

**Prime Stage - \$6,000**

To enable teens from disadvantaged neighborhoods to participate in projects that will enhance their understanding of *The Outsiders* and encourage the development of artistic and creative skills.

**A+ Schools - \$5,000**

To support a Back to School Campaign for the 2007-2008 school year at the Pittsburgh Public Schools and in recognition of its outreach to ensure awareness in disadvantaged communities.

**Audubon Society of Western Pennsylvania - \$5,000**

To support the *Seasonings* newsletter for teachers in southwestern Pennsylvania designed to facilitate environmental education and teacher professional development.

**City Theatre Company, Inc. - \$5,000**

To support *City Theatre Young Playwrights* and *Teachers Institute* outreach programs that encourage local middle and high school students – including districts serving youth in at-risk situations – to develop writing skills.

**Dance Alloy Theatre - \$5,000**

To support residencies, mentoring relationships and performances for students in the Pittsburgh Public Schools that incorporate goals of fitness and creative movement into classroom instruction.

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

To support low-cost professional training and development for early childcare professionals on the importance of outdoors and healthy environment on overall well-being.

**Pittsburgh Chess Club - \$5,000**

To support the 2007-2008 Chess for Pittsburgh Youth Program and its impact on young people's skills in concentration, logical thinking and creativity.

**Riverside Center for Innovation - \$5,000**

To cover artist fees, a series of workshops, materials, tenting and tables to create giant puppets as part of the 6<sup>th</sup> Annual *North Side Celebration in the Park* and this year's focus on recycling.

**World Affairs Council of Pittsburgh - \$5,000**

For support of the 2008 Summer Institute for Teachers: Teaching Contemporary Global Issues and professional development efforts for teachers interested in international affairs.

**World Affairs Council of Pittsburgh - \$5,000**

For support of the Teach Africa Youth Forum and its outreach to nearly 1,900 students and teachers and development of cultural awareness.

**Westmoreland Symphony Orchestra - \$3,000**

For support of the Visiting Artists Program and its outreach to students in communities to the south and east of Allegheny County.

**Pittsburgh International Children's Theater - \$2,500**

To support development of teacher guidebooks for the 22<sup>nd</sup> International Children's Festival and to support attendance by students of disadvantaged schools.

**Engineers' Society of Western Pennsylvania - \$2,000**

For support of the 2008 Future City Competition and its goal to promote technological literacy and engineering to area middle school teachers.

**United Jewish Federation of Pittsburgh - \$1,000**

To support the Pittsburgh Jewish-Israeli Film Festival outreach to public high schools and its goal to promote dialogue and cultural understanding.

**Clairton Middle School - \$450**

To provide bus transportation for students to attend Carnegie Science Center's Middle School SciTech Day in support of math and science education for disadvantaged communities.

**WILLIAM AND ELIZABETH RODGERS McCREERY  
MEMORIAL FUND**

The fund, established by Emilie McCreery in 1955 in honor of her parents, provides for small grants to be made for the purpose of "...furthering musical education and appreciation of music in young people of...Pittsburgh and vicinity."

**Pittsburgh Chamber Music Society - \$7,500**

To support *The Percussion Effect* and its free and open to the public outreach to serve gifted and musically interested students in the region.

**McKeesport Symphony Society - \$5,000**

To support the Youth Orchestra serving students in communities surrounding McKeesport and to the east and south of Allegheny County.

**Children's Festival Chorus - \$1,500**

To support the purchase of new sheet music for the 25<sup>th</sup> year celebration and in recognition of a commitment to outreach and to enrich the chorus experience by serving minority and disadvantaged students.

**CUMULATIVE SUMMARY OF APPROPRIATIONS**  
**Eighty-one Year Period**  
**to June 30, 2008**

**APPROPRIATIONS FROM 1927 TO JUNE 30, 2007**

\$ 91,058,791

**Appropriations from July 1, 2007 to June 30, 2008**

**Buhl Fund**

Episcopal Diocese of Pittsburgh .....	\$ 500,000
Pittsburgh Public Schools .....	227,422
WQED Multimedia .....	187,000
Andrew Carnegie Free Library .....	150,000
Allegheny Conference on Community Development .....	110,000
North Side Christian Health Center .....	103,510
Holy Family Institute .....	100,000
Hosanna House .....	100,000
Three Rivers Youth .....	100,000
The Mattress Factory .....	95,000
New Hazlett Center for the Performing Arts .....	75,000
Pittsburgh Parks Conservancy .....	75,000
Western Pennsylvania Conservancy .....	74,500
Focus on Renewal .....	50,000
Pittsburgh Leadership Foundation .....	50,000
Robert Morris University .....	50,000
Smart Futures .....	50,000
The Forbes Funds .....	35,000
Point Park University .....	35,000
Pittsburgh Filmmakers .....	32,000
Braddock Redux .....	30,000
Allegheny Historic Preservation Society .....	25,000
Community Design Center of Pittsburgh .....	25,000
Community Empowerment Association .....	25,000
Good Grief Center for Bereavement Support .....	25,000
Junior Achievement of Western Pennsylvania .....	25,000
New Hazlett Center for the Performing Arts .....	25,000
Pittsburgh Filmmakers .....	25,000
Social Innovation Accelerator .....	25,000
Urban Youth Action, Incorporated .....	25,000
Yoga in Schools .....	25,000
Young Preservationists Association of Pittsburgh .....	25,000
South Hills Interfaith Ministries .....	20,000
University of Pittsburgh, School of Education .....	20,000
Heartwood Institute .....	15,000
University of Pittsburgh, Institute of Politics .....	15,000
Mars Home for Youth .....	14,900
Neighbors in the Strip .....	12,500
Community Human Services .....	10,000
The EdVenture Group .....	10,000
Friends of the Riverfront .....	10,000
Hill House Association .....	10,000
Pittsburgh Foundation .....	10,000
Carnegie Institute .....	7,500
Mercer County Community Education Council .....	5,700

American Heart Association .....	5,000
Center for Coalfield Justice .....	5,000
Riverside Center for Innovation .....	5,000
Young Preservationists Association of Pittsburgh .....	5,000
University of Pittsburgh, Office of Child Development .....	2,500
The Children's Institute of Pittsburgh .....	1,000
<b>Total Buhl Fund Appropriations</b>	<b>\$ <u>2,688,532</u></b>

#### **Henry C. Frick Educational Fund**

Carnegie Institute .....	\$ 50,000
Pittsburgh Public Schools .....	50,000
The Mentoring Partnership of Southwestern Pennsylvania .....	40,000
Human Services Center Corporation .....	20,000
Teacher Excellence Center .....	18,500
Pittsburgh Symphony .....	15,000
Pittsburgh Public Theater .....	11,350
Autumn House Press .....	10,000
Pittsburgh Irish & Classical Theatre .....	10,000
Pittsburgh Musical Theater .....	10,000
Pittsburgh Opera .....	10,000
Quantum Theatre .....	10,000
Saltworks Theatre Company .....	10,000
Squonk Opera .....	10,000
University of Pittsburgh, Department of Theatre Arts.....	10,000
Pittsburgh Ballet Theatre .....	8,000
Carnegie Mellon University .....	7,000
Prime Stage .....	6,000
A+ Schools .....	5,000
Audubon Society of Western Pennsylvania .....	5,000
City Theatre Company, Inc. ....	5,000
Dance Alloy Theatre .....	5,000
Pittsburgh Association for the Education of Young Children .....	5,000
Pittsburgh Chess Club .....	5,000
Riverside Center for Innovation .....	5,000
World Affairs Council of Pittsburgh .....	5,000
World Affairs Council of Pittsburgh .....	5,000
Westmoreland Symphony Orchestra .....	3,000
Pittsburgh International Children's Theater .....	2,500
Engineers' Society of Western Pennsylvania .....	2,000
United Jewish Federation of Pittsburgh .....	1,000
Clairton Middle School .....	450
<b>Total Frick Appropriations</b>	<b>\$ <u>359,800</u></b>

#### **William and Elizabeth Rodgers McCreery Memorial Fund**

Pittsburgh Chamber Music Society .....	\$ 7,500
McKeesport Symphony Society .....	5,000
Children's Festival Chorus.....	1,500
<b>Total McCreery Appropriations</b>	<b>\$ <u>14,000</u></b>

**TOTAL FROM JULY 1, 2007 TO JUNE 30, 2008** **\$ 3,062,332**

**Cancellations on Unrequired Commitment Balances** **(125,370)**

**TOTAL APPROPRIATIONS OVER THE EIGHTY-ONE YEAR PERIOD** **\$ 93,995,753**



## 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 21<sup>st</sup> 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**

The McCreery Fund, established by Emilie McCreery in 1955, provides support for musically talented students residing in the Pittsburgh region to further their musical education or to enhance young people's appreciation of music. Application processes are the same as to 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](http://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](http://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

YEARS ENDED JUNE 30, 2008 AND 2007

WITH

INDEPENDENT AUDITOR'S REPORT

**MaherDuessel**

Certified Public Accountants || *Pursuing the Profession While Promoting the Public Good®*

# **THE BUHL FOUNDATION**

YEARS ENDED JUNE 30, 2008 AND 2007

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# MaherDuessel

Certified Public Accountants || *Pursuing the Profession While Promoting the Public Good®*

## Independent Auditor's Report

Board of Directors  
The Buhl Foundation

We have audited the accompanying statement of financial position of The Buhl Foundation (Foundation) as of June 30, 2008, and the related statements of activities and cash flows for the year 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 audit. The financial statements of the Foundation as of and for the year ended June 30, 2007 were audited by other auditors whose report, dated October 9, 2007, expressed an unqualified opinion on those statements.

We conducted our audit 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 audit provides 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, 2008 and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Maher Duessel*

Pittsburgh, Pennsylvania  
December 2, 2008



# THE BUHL FOUNDATION

## STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2008 AND 2007

	2008	2007
<b>Assets</b>		
Cash and cash equivalents	\$ 2,986,379	\$ 4,629,062
Receivables	22,383	330
Refundable federal excise tax	1,347	35,076
Investments	82,318,305	90,006,584
Office furniture and equipment, net of accumulated depreciation of \$98,037 and \$105,318, respectively	13,013	8,026
<b>Total Assets</b>	<b>\$ 85,341,427</b>	<b>\$ 94,679,078</b>
<b>Liabilities and Unrestricted Net Assets</b>		
<b>Liabilities:</b>		
Appropriation commitments:		
Payable by June 30 of subsequent year	\$ 1,265,294	\$ 1,864,353
Payable after June 30 of subsequent year	44,166	505,000
Total appropriation commitments	1,309,460	2,369,353
Payable to broker	-	250,000
Accounts payable and accrued liabilities	123,727	135,831
Total Liabilities	1,433,187	2,755,184
<b>Net Assets:</b>		
Unrestricted	83,908,240	91,923,894
<b>Total Liabilities and Unrestricted Net Assets</b>	<b>\$ 85,341,427</b>	<b>\$ 94,679,078</b>

See accompanying notes to financial statements.

# THE BUHL FOUNDATION

## STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
<b>Unrestricted Net Assets:</b>		
Income, appropriations authorized, and administrative expenses:		
Income:		
Interest	\$ 1,038,200	\$ 1,050,470
Dividends	1,093,491	1,070,856
Realized gain on sale of investments	7,930,861	4,268,096
Unrealized (loss) gain on investments	(14,039,310)	7,347,176
Partnership net (loss) gain, net of management fees	(157,895)	334,928
Donations	61,742	-
Total income	(4,072,911)	14,071,526
Appropriations authorized and administrative expenses:		
Appropriations authorized	3,067,765	3,976,506
Administrative expenses:		
Salaries and other employment costs	576,406	574,122
Investment management fees	109,820	135,217
General and administrative	78,570	109,264
Federal excise tax	97,119	62,805
Professional services	13,063	24,479
Total appropriations authorized and administrative expenses	3,942,743	4,882,393
<b>Change in Net Assets</b>	<b>(8,015,654)</b>	<b>9,189,133</b>
<b>Net Assets:</b>		
Beginning of year	91,923,894	82,734,761
End of year	<u>\$ 83,908,240</u>	<u>\$ 91,923,894</u>

See accompanying notes to financial statements.

# THE BUHL FOUNDATION

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ (8,015,654)	\$ 9,189,133
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized gain on investments	(7,930,861)	(4,268,096)
Net unrealized loss (gain) on investments	14,039,310	(7,347,176)
Partnership net (loss) gains, net of management fees	157,895	(334,928)
Amortization of premiums on bonds	8,944	6,943
Depreciation	4,215	4,197
Change in:		
Accounts receivable	(22,053)	95
Refundable federal excise tax	33,729	(19,285)
Appropriation commitments	(1,059,893)	123,095
Payable to broker	(250,000)	250,000
Accounts payable and accrued liabilities	(12,104)	110,987
Net cash provided by (used in) operating activities	(3,046,472)	(2,285,035)
<b>Cash Flows From Investing Activities:</b>		
Proceeds from dispositions of investments	47,726,113	26,687,826
Purchases of investments	(46,413,492)	(22,815,887)
Disbursements for program-related investments	(43,371)	(99,000)
Proceeds from program-related investments	143,741	99,133
Purchases of office equipment	(9,202)	(7,134)
Net cash provided by (used in) investing activities	1,403,789	3,864,938
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(1,642,683)	1,579,903
<b>Cash and Cash Equivalents:</b>		
Beginning of year	4,629,062	3,049,159
End of year	\$ 2,986,379	\$ 4,629,062
<b>Supplemental Information:</b>		
Excise tax paid	\$ 97,119	\$ 62,805

See accompanying notes to financial statements.

# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

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### 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 Director consisting of four voting members. Appropriations are authorized by the Board of Directors (Board) of the Foundation to tax-exempt, nonprofit institutions for charitable, educational, and public uses and purposes for specific programs.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 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. 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 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.

The fair values of program-related investments approximate their cost. The fair values of common stocks, mutual funds, U.S. Treasury bonds, other U.S. government and agency obligations, and corporate and municipal bonds are based on their quoted market prices. The fair values of these investments are subject to changes in market conditions, and as such, future fair values may differ significantly from those reported on the financial statements. The fair values of hedge funds and private equity funds are estimated in good faith by management due to the absence of quoted fair values. These estimates of 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 estimated 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.

# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

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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.

Investments considered to be permanently impaired in value are written down to their estimated 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. Due to exceptional market volatility since June 30, 2008, as of October 31, 2008, the investment portfolio had fallen to approximately \$69,200,000. The Foundation remains committed to its investment strategy.

### 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, 2008 and 2007 was \$4,215 and \$4,197, 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

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# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

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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.

### Investments

Purchased investments are carried at the current fair value. Donated investments are recorded at fair value on the date of donation and carried at current fair value. Gains and investment income are recognized in the period earned and are classified as unrestricted, temporarily restricted, or permanently restricted with respect to the stipulations established by the donor at the date of donation or applicable state law.

### 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.

### Recent Accounting Pronouncements

FASB Statement No. 157, "*Fair Value Measurements*," defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurement. FASB Statement No. 159, "*The Fair Value Option for Financial Assets and Financial Liabilities*," permits entities to measure many financial instruments and certain other items at fair value. Currently, these statements are effective for financial statements issued for fiscal years beginning after November 15, 2007 (this would be fiscal year July 1, 2008 to June 30, 2009 for the Foundation), with the effective dates of FASB Statement No. 157 being delayed until fiscal years beginning after November 15, 2008 for non-financial assets and liabilities, except for the items that are recognized or disclosed at fair value in the financial statements on a reoccurring basis (at least annually). Implementation guidance is still being formulated by FASB and the AICPA, but significant impact to the financial statements of the Foundation is not currently anticipated. The Foundation is assessing the impact of the adoption of the FASB Statements 157 and 159 on its financial statements.

On August 6, 2008, the FASB issued FASB Staff Position (FSP) No. FAS 117-1, "*Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act*, and

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# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

*Enhanced Disclosures for All Endowment Funds.*” This FSP provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This FSP also requires certain disclosures about the Foundation’s endowment funds (both donor-restricted endowment funds and board-designated endowment funds), whether or not the Foundation is subject to UPMIFA. The FSP is effective for fiscal years ending after December 15, 2008. The Foundation is currently assessing the impact of the adoption of FSP No. FAS 117-1 on its financial statements.

### 3. INVESTMENTS

#### Investments

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

	2008		2007	
	Cost	Fair Value	Cost	Fair Value
U.S. Treasury bonds and other				
U.S. government and agency obligations	\$ 5,026,984	\$ 5,009,596	\$ 8,680,256	\$ 8,640,218
Corporate and municipal bonds	9,350,237	9,512,285	6,414,882	6,569,144
Inflation adjusted mutual funds	4,504,493	4,340,125	3,023,647	2,962,652
International stocks and mutual funds	3,910,576	5,096,713	3,283,255	5,476,737
Small capitalization stocks and mutual funds	4,769,538	4,112,049	6,719,439	7,819,735
Mid capitalization mutual funds	-	-	4,341,903	8,011,167
Large capitalization mutual funds	25,065,440	25,648,341	16,616,016	23,008,852
Growth and income mutual funds	8,050,789	9,973,804	7,268,507	10,087,620
Hedge funds	8,675,693	10,197,267	8,225,571	10,807,465
Private equity funds	6,888,462	7,921,927	5,217,335	6,016,426
Program-related investments	506,198	506,198	606,568	606,568
	<u>\$ 76,748,410</u>	<u>\$ 82,318,305</u>	<u>\$ 70,397,379</u>	<u>\$ 90,006,584</u>

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 31.2% and 12.4%, respectively, of the fair value of the Foundation’s investments at June 30, 2008.

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

# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

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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.

The hedge funds are reported at market value at June 30, 2008. Market value is calculated as the net asset value of the funds, less the fund's liabilities, including accrued fees and expenses. The share reported by the Foundation is proportionate to the Foundation's relative capital contribution.

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 United States or substantially similar generally accepted accounting principles.

#### 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 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. These funds were disbursed in years prior to fiscal year 2007. During fiscal year 2008, \$100,370 was returned from the Fund. During fiscal years 2008 and 2007, \$43,370 and \$99,133, respectively, were returned from the Fund, of which the Foundation reinvested \$43,370 and \$99,000, respectively, in the Fund.

In fiscal year 1999, the Foundation approved a loan over ten years in the amount of \$100,000 to Carnegie Mellon University, which was disbursed in full in fiscal year 1999. The principal amount of the loan and any unpaid interest was repaid in its entirety to the



# THE BUHL FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2008 AND 2007

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Foundation during 2008. The purpose of the loan was to enhance math achievement through advanced cognitive tutor technology.

The Foundation has also recorded cumulative partnership income in the amount of \$54,773 and \$6,701 through June 30, 2008 and 2007, respectively. As of June 30, 2008 and 2007, \$506,198 and \$606,568, respectively, were invested in the Fund by the Foundation.

### 5. APPROPRIATION COMMITMENTS

Appropriation commitments at June 30, 2008 are due to be paid as follows:

2009	\$ 1,265,294
2010	40,833
2011	<u>3,333</u>
	<u>\$ 1,309,460</u>

### 6. 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 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.

### 7. 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 \$54,561 and \$51,897 for the years ended June 30, 2008 and 2007, respectively.

# **THE BUHL FOUNDATION**

## **NOTES TO FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2008 AND 2007**

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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.

### **8. RELATED PARTY TRANSACTIONS**

During 2008 and 2007, 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.