

The Buhl Foundation



Annual Report by the President
July 1, 2013 to June 30, 2014



HENRY BUHL, JR.
1848-1927



By his will Henry Buhl Jr. 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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ALLISON G. MOLLENKOF, *Administrative Assistant (until May 31, 2014)*

Centre City Tower, Suite 2300
650 Smithfield Street
Pittsburgh, Pennsylvania 15222
Phone: (412) 566-2711
Fax: (412) 566-2714
Email: buhl@buhlfoundation.org

¹ Appointed September 6, 2013

From the Desk of the President

Although change can sometimes be difficult, this past year of transition at Buhl has been full of excitement, challenge and accomplishment.

At the Board level, Peter Mathieson, our new Chair, has led us with clarity and vision while our immediate past Chair, Jean Robinson, has remained on the Board to grace us with her quiet demeanor and determination. New Board member Lara Washington, President of AHRCO, has greatly enhanced the direction of the Foundation with her experience and judgment.

At the staff level, our new Vice President, Diana Bucco, completed her first full year of service, leading a neighborhood consensus building strategy that guided the Buhl Board to a new place-based granting commitment on Pittsburgh's Northside. That commitment envisions a ten to twenty-year strategy over which time Buhl expects to spend between \$40 and \$80 million in partnership with the community. Diana's leadership of this effort has been both dynamic and pragmatic; her interactions with all aspects of the Northside ecosystem has been inspiring while her attention to detail has built a solid foundation of community participation and support.

And finally, the creativity and dedication of our Northside partners has been widespread and invigorating. The richness of assets within the Northside is well-known; from its many cultural venues and major sports attractions to its neighborhoods and recreational amenities, the Northside has the history, the charm and the potential to rival any community. But its people are truly the secret sauce in this eclectic recipe of rejuvenation on which the Northside is embarking. From the hundreds who participated in strategy sessions to the thousands who have responded to surveys, Northsiders have driven a visioning effort and implementation plan with solid bones, strong muscle and intellectual horsepower. Here at Buhl, we can't help but be excited about this unified effort focused on what's necessary to live a dignified life in a vibrant community, fueled by quality education and dependent upon economic opportunity for all.

Over the coming years, as the Northside neighborhoods convert this consensus to action, we can't help but think that Mr. Buhl is smiling, knowing that his resources are being put to good use in the very place that he loved so much.

Frederick W. Thieman
President
June 30, 2014

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 Northside of Pittsburgh, and knowing his love for Pittsburgh and its people, the Buhl Foundation has historically focused on 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

More recently, the Foundation has embarked on a revisioning effort to determine how these historic themes might be integrated into a more geographically focused effort on the Northside of Pittsburgh. In furtherance of that effort, Buhl has been engaged in an extensive planning effort with the Northside community to find consensus around key needs and the strategies to address them. The results of that undertaking will significantly impact Buhl’s granting priorities over the next decade or longer. Until that process is complete, grantees and prospective grantees are encouraged to learn more about this undertaking by visiting www.northsideconversation.org or by contacting Buhl staff.

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, 2013 - June 30, 2014

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.*

The Pittsburgh Promise - \$1,500,000

For five-year support of a scholarship program for Pittsburgh Public School students designed to transform lives, energize regional economic development and fuel educational reform efforts.

Point Park University - \$250,000

For creation of a new downtown instructional theater venue to enliven the urban core as part of the University's Academic Village Initiative.

GTECH - \$125,000

To support collaboration with multiple partners on Pittsburgh's Northside to energize community revitalization through education and vacant lot reclamation.

The Design Center of Pittsburgh - \$100,000

To support the Center's efforts on the Northside to encourage effective and attractive design and development.

Pittsburgh Cultural Trust - \$100,000

For support of upgrades and renovations at the Harris Theater to contribute to a thriving downtown core.

WQED - \$100,000

To support a new documentary in Rick Sebak's *Pittsburgh History Series* entitled *A HISTORY OF PITTSBURGH IN 17 OBJECTS*.

La Roche College - \$75,000

To advance STEM education for area students as well as to increase service opportunities for students on Pittsburgh's Northside.

Allegheny Conference on Community Development - \$60,000

To support the Agenda Development Fund for improved economic vitality for the Western Pennsylvania region.

The Pittsburgh Foundation - \$50,000

For two-year support of Buhl's participation in a pooled fund supporting the partnership between Allegheny County Health Department and the foundation community for addressing public health needs in Allegheny County.

Three Rivers Workforce Investment Board - \$50,000

For compilation of a comprehensive overview of workforce assets and challenges on the Northside of Pittsburgh.

United Way of Allegheny County - \$50,000

To continue United Way's outreach to at-risk communities through advocacy, violence prevention and motivating young people to succeed.

Urban League of Pittsburgh - \$50,000

To continue support of the Black Male Leadership Development Institute (BMLDI) as it seeks to develop young African American leaders in Western Pennsylvania.

KaBOOM! - \$40,000

To build a playground at Bethany House, United Methodist Church Union in the Northview Heights neighborhood of Pittsburgh's Northside.

Vibrant Pittsburgh - \$35,000

To continue Buhl's support of a broad-based community collaborative to increase diversity in Western Pennsylvania.

The Pittsburgh Foundation - \$30,000

To continue Buhl's participation in a pooled fund supporting the partnership between Allegheny County Department of Human Services and the foundation community for addressing human service needs in Allegheny County.

Allegheny County Department of Human Services / Providence Connections - \$25,000

To improve access to this Northside family resource center through participation in a county-wide transportation initiative.

Allegheny County Library Association and Carnegie Library of Pittsburgh - \$25,000

To support a process for increasing the efficiency and effectiveness of the county-wide library system.

Allegheny Youth Development - \$25,000

To assist this Northside organization in providing school-based outreach to students in at-risk situations in grades 6 through 8.

CLASS - \$25,000

To support consolidation of this organization's facilities into a single building to more efficiently and effectively serve the disability community.

Goodwill Industries of Pittsburgh - \$25,000

To support the Northside Common Ministries Food Pantry in its outreach to at-risk populations.

Greater Pittsburgh Literacy Council - \$25,000

To increase the capacity of its GED preparation program to reach out to underserved populations.

Manchester Citizens Corporation - \$25,000

To support the predevelopment work required to acquire an 86 unit Manchester Hope VI portfolio preserving affordable housing on the Northside.

Neighborhood Learning Alliance - \$25,000

For support of an afterschool program where Northside high school students mentor struggling elementary school students.

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

To support this cultural institution in conducting outreach to the Northside neighborhood in which it is located.

Pittsburgh Downtown Partnership - \$25,000

To support a pedestrian and vehicular Wayfinding System that encompasses the Northside, Oakland and Downtown neighborhoods.

Pittsburgh Urban Leadership Service Experience (PULSE) - \$25,000

To support a Northside-based expansion project to build capacity in not-for-profits through leadership and volunteerism.

University of Pittsburgh, Graduate School of Public Health - \$25,000

To support the Violence Prevention Initiative to reduce youth and neighborhood violence in underserved communities.

University of Pittsburgh, Office of Child Development - \$25,000

To support school readiness activities for Northside kindergarten students.

Urban Impact Foundation - \$25,000

To support outreach to Perry High School students on the Northside as they transition to college or career opportunities.

Light of Life Ministries - \$21,000

To build capacity for this organization's outreach to at-risk populations in its new Northside-based facility.

Friends of the Riverfront - \$20,000

For strategic planning to increase access to and use of Pittsburgh's riverfront trail network.

Pittsburgh Downtown Partnership - \$20,000

To further the development of the "State of Downtown Pittsburgh" report regarding the vitality of the Downtown core.

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

To support the Institute of Politics' work to improve regional planning efforts while addressing complex problems.

YouthPlaces - \$20,000

To support a summer violence prevention program in Allegheny County's most at-risk neighborhoods.

Coro Center for Civic Leadership - \$15,000

To support Coro Fellows in their efforts to encourage greater efficiencies in local government while expanding citizen voice.

Family Tyes, Inc. - \$15,000

To support a collaborative approach for providing youth development outreach activities on Pittsburgh's Northside.

Junior Achievement of Western Pennsylvania - \$15,000

To support financial literacy programs targeted to students and youth in at-risk situations on Pittsburgh's Northside.

Three Rivers Rowing Association - \$15,000

To support efforts to increase the number of minority girls participating in its high school rowing programs.

YouthPlaces - \$15,000

To support a commercial kitchen designed to create needed job experiences for teens and employment for young adults in the hospitality and catering industry.

Pittsburgh Cultural Trust - \$12,500

To support Festival activities undertaken by the Cultural Trust to make Pittsburgh a more vibrant and family-friendly community.

Carnegie Library of Pittsburgh - \$10,000

To support the *Frank J. Lucchino KIDS Fund* and its efforts to help prepare the neediest young children for school and life success.

Braddock Redux - \$10,000

For a challenge grant to support construction of a bread oven to serve as a community gathering and training opportunity.

City of Pittsburgh - \$10,000

To partner with other foundations to enhance neighborhood development, reduce racial disparities, increase affordable housing and coordinate supportive services for residents in at-risk neighborhoods.

The Education Partnership - \$10,000

To help build capacity as The Education Partnership expands its efforts to provide free resources for teachers and their students in at-risk neighborhoods.

The Pittsburgh Foundation - \$10,000

To continue participation in a funders coalition to study and improve neighborhood community development efforts.

Blind and Vision Rehabilitation Services - \$7,500

To assist with implementation of a business plan to improve the sustainability, efficiency and effectiveness of employment services for the blind and visually impaired.

MGR Foundation - \$6,000

To support Northside-based activities that increase healthy outcomes for youth in at-risk neighborhoods.

Focus on Renewal - \$5,000

To support outreach and programming that targets youth in at-risk situations in the Sto-Rox community.

Forbes Health Foundation / Forbes Hospice (in honor of Jean Robinson) - \$5,000

To support the Education Fund as it seeks to enhance the dignity of end of life services.

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

To support professional development of early childhood teachers and other professionals in partnership with the Allegheny County Family Support System.

Project for Public Spaces - \$5,000

For support of the 2014 Pro Walk/Pro Bike/Pro Place Conference held in Pittsburgh to create more vital, sustainable community places.

Reading is Fundamental Pittsburgh - \$5,000

For second year support of an innovative program to develop volunteers while increasing revenue opportunities.

The Pittsburgh Foundation - \$5,000

To support a Pittsburgh-wide initiative designed to bring objectivity, external perspectives and hiring best practices to the selection process for key public sector employees.

United Way of Allegheny County - \$5,000

For collaboration with the University of Pittsburgh Office of Child Development to address the importance of school attendance as a key to furthering school achievement.

Allegheny City Central Association - \$3,500

To sponsor a third year of summer concerts at the new Buhl Community Park on Pittsburgh's Northside.

Urban Innovation21 - \$3,000

To support the development of young local leaders by encouraging attendance as delegates to the One Young World Conference.

YWCA of Greater Pittsburgh - \$2,900

For support of a third educational production highlighting the history of the women's movement in Western Pennsylvania.

East Allegheny Community Council - \$2,500

To support neighborhood outreach activities on the Northside that are entertaining, family-friendly and foster economic and community development.

Foundation of HOPE (in honor of Reverend Donald Green) - \$2,500

To provide aftercare services for ex-offenders through mentoring and support programs, referral and reintegration services.

University of Pittsburgh, Graduate School of Public & International Affairs - \$1,500

To support the 2014 National Social Equity and Learning Conference held in Pittsburgh.

Fine Art Miracles, Inc. - \$1,000

To introduce robotic technology as a way to foster learning in underprivileged children, ages 6 and younger.

University of Pittsburgh, University Center for Social and Urban Research - \$717

To support Pittsburgh's participation in an annual gathering of thought leaders around civic technology.

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.

A+ Schools - \$50,000

For two-year support to continue School Works, an action-research-engagement model that seeks to identify and remedy issues within the Pittsburgh Public Schools.

Duquesne University, School of Education - \$25,000

To support STEM education for urban youth through an innovative life sciences laboratory program.

Pittsburgh Symphony Society - \$20,000

For two-year support for the education outreach of the *Schooltime* program for performance years 2013-2014 and 2014-2015.

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

Three-year funding for The Forum for Western Pennsylvania School Superintendents to improve educational support systems.

Pittsburgh Opera - \$16,000

For two-year support of the K-12 education program which includes a rigorous year-long workshop for teachers.

International Dyslexia Association, Pennsylvania Branch - \$1,500

To support a professional training conference for teachers and parents of children with dyslexia.

**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.

Children's Festival Chorus - \$6,000

Two-year support for expansion of this well-regarded choral program to a more diverse group of students.

Pittsburgh Youth Chamber Orchestra (PYCO) - \$3,000

Two-year funding for PYCO to expand its outreach to under-resourced youth.

Woodlands Foundation - \$2,000

To support this organization's musical outreach to children faced with disability and chronic illness.

CUMULATIVE SUMMARY OF APPROPRIATIONS
Eighty-seven Year Period
to June 30, 2014

APPROPRIATIONS FROM 1927 TO JUNE 30, 2013

\$ 109,679,324

Appropriations from July 1, 2013 to June 30, 2014

Buhl Fund

The Pittsburgh Promise	\$ 1,500,000
Point Park University	250,000
GTECH	125,000
The Design Center of Pittsburgh	100,000
Pittsburgh Cultural Trust (Harris Theater project)	100,000
WQED	100,000
La Roche College	75,000
Allegheny Conference on Community Development	60,000
The Pittsburgh Foundation (Health Fund)	50,000
Three Rivers Workforce Investment Board	50,000
United Way of Allegheny County (Anti-Violence and Education)	50,000
Urban League of Pittsburgh	50,000
KaBOOM!	40,000
Vibrant Pittsburgh	35,000
The Pittsburgh Foundation (Human Services Fund)	30,000
Allegheny County Department of Human Services	25,000
Allegheny County Library Association/ Carnegie Library	25,000
Allegheny Youth Development	25,000
CLASS	25,000
Goodwill Industries of Pittsburgh	25,000
Greater Pittsburgh Literacy Council	25,000
Manchester Citizens Corporation	25,000
Neighborhood Learning Alliance	25,000
New Hazlett Center for the Performing Arts	25,000
Pittsburgh Downtown Partnership (Wayfinding)	25,000
Pittsburgh Urban Leadership Service Experience (PULSE)	25,000
University of Pittsburgh, Graduate School of Public Health (Violence Prevention)	25,000
University of Pittsburgh, Office of Child Development	25,000
Urban Impact Foundation	25,000
Light of Life Ministries	21,000
Friends of the Riverfront	20,000
Pittsburgh Downtown Partnership (State of Downtown)	20,000
University of Pittsburgh, Institute of Politics	20,000
YouthPlaces (Summer Initiative)	20,000
Coro Center for Civic Leadership	15,000
Family Tyes, Inc.	15,000
Junior Achievement of Western Pennsylvania	15,000
Three Rivers Rowing Association	15,000
YouthPlaces (Culinary Initiative)	15,000
Pittsburgh Cultural Trust	12,500
Carnegie Library of Pittsburgh	10,000
Braddock Redux	10,000
City of Pittsburgh	10,000
The Education Partnership	10,000

The Pittsburgh Foundation (Neighborhood Development).....	10,000	
Blind and Vision Rehabilitation Services	7,500	
MGR Foundation	6,000	
Focus on Renewal	5,000	
Forbes Health Foundation / Forbes Hospice	5,000	
Pittsburgh Association for the Education of Young Children	5,000	
Project for Public Spaces	5,000	
Reading is Fundamental Pittsburgh	5,000	
The Pittsburgh Foundation (Hiring Best Practices)	5,000	
United Way of Allegheny County (School Attendance)	5,000	
Allegheny City Central Association	3,500	
Urban Innovation21	3,000	
YWCA of Greater Pittsburgh	2,900	
East Allegheny Community Council	2,500	
Foundation of HOPE	2,500	
University of Pittsburgh, GSPIA (Social Equity).....	1,500	
Fine Art Miracles	1,000	
University of Pittsburgh, UCSUR	717	
Total Buhl Fund Appropriations		\$ <u>3,269,617</u>
Henry C. Frick Educational Fund		
A+ Schools	\$ 50,000	
Duquesne University, School of Education	25,000	
Pittsburgh Symphony Society	20,000	
University of Pittsburgh, School of Education	20,000	
Pittsburgh Opera	16,000	
International Dyslexia Association, PA Branch	1,500	
Total Frick Appropriations		\$ <u>132,500</u>
William and Elizabeth Rodgers McCreery Memorial Fund		
Children's Festival Chorus	\$ 6,000	
Pittsburgh Youth Chamber Orchestra	3,000	
Woodlands Foundation	2,000	
Total McCreery Appropriations		\$ <u>11,000</u>
TOTAL FROM JULY 1, 2013 TO JUNE 30, 2014		\$ <u>3,413,117</u>
Cancellations on Unrequired Commitment Balances		<u>(23,550)</u>
TOTAL APPROPRIATIONS OVER THE EIGHTY-SEVEN YEAR PERIOD		<u>\$113,068,891</u>

AREAS OF GIVING

Buhl's giving has historically been focused in Southwestern Pennsylvania with an emphasis on Allegheny County and the City of Pittsburgh and most recently, a revisioned focus on the Northside. The Foundation looks to find opportunities that best leverage our dollars and contribute to the sustainability and vitality of the community. The mission, objectives and guiding principles of the Foundation have traditionally been focused 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. Areas of interest have included 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. As discussed further below, the Foundation is again revisiting its funding priorities with an eye toward the Northside.

- **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. These priorities are currently being evaluated with specific focus on the Northside of Pittsburgh.

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

The Foundation has funded efforts that support a thriving and diverse community, encourage citizen volunteers or improve access to services. Support has also been 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.

The Northside

Commencing in 2013, the Foundation embarked on a revisioning effort to determine how these historic themes might be integrated into a more geographically focused effort on the Northside of Pittsburgh. In furtherance of that effort, Buhl has been engaged in an extensive planning effort with the Northside community to find consensus around key needs and the strategies to address them. The results of that undertaking will significantly impact Buhl's granting priorities over the next decade or longer. Until that process is completed, grantees, and prospective grantees are encouraged to learn more about this undertaking by visiting www.northsideconversation.org or by contacting Buhl staff.

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.

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 five to six 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 Supplementary Information

**Years Ended June 30, 2014 and 2013
with Independent Auditor's Report**

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

Pursuing the profession while promoting the public good*
www.md-cpas.com

THE BUHL FOUNDATION

YEARS ENDED JUNE 30, 2014 AND 2013

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Independent Auditor's Report

Board of Directors
The Buhl Foundation

We have audited the accompanying financial statements of The Buhl Foundation (Foundation), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2014 and 2013, 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of appropriations authorized and administrative expenses by fund on page 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
February 4, 2015

THE BUHL FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2014 AND 2013

	2014	2013
Assets		
Cash and cash equivalents	\$ 3,749,717	\$ 1,761,790
Receivables	7,875	3,099
Prepaid expenses	12,204	4,321
Investments	88,234,221	81,317,966
Office furniture and equipment, net of accumulated depreciation of \$103,236 and \$95,256, respectively	11,331	17,961
Total Assets	\$ 92,015,348	\$ 83,105,137
Liabilities and Unrestricted Net Assets		
Liabilities:		
Appropriation commitments:		
Payable by June 30 of subsequent year	\$ 1,810,025	\$ 974,050
Payable after June 30 of subsequent year	965,000	290,000
Total appropriation commitments	2,775,025	1,264,050
Accounts payable and accrued liabilities	44,202	88,750
Total Liabilities	2,819,227	1,352,800
Net Assets:		
Unrestricted	89,196,121	81,752,337
Total Liabilities and Unrestricted Net Assets	\$ 92,015,348	\$ 83,105,137

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Unrestricted Net Assets:		
Income:		
Interest	\$ 18,643	\$ 23,172
Dividends	1,185,872	1,076,979
Realized gain (loss) on sale of investments	5,902,946	10,526,593
Unrealized (loss) gain on investments	5,409,578	(3,930,482)
Partnership net (loss) gain, net of management fees	(340,366)	(400,076)
Other	82,811	125,753
Total income	12,259,484	7,421,939
Expenses:		
Appropriations authorized	3,446,083	2,650,477
Direct charitable expenses	297,236	92,877
Administrative expenses:		
Salaries and other employment costs	599,391	512,847
Investment management fees	214,856	351,272
General and administrative	90,377	80,853
Federal excise tax	140,755	108,264
Professional services	27,002	31,873
Total expenses	4,815,700	3,828,463
Change in Net Assets	7,443,784	3,593,476
Net Assets:		
Beginning of year	81,752,337	78,158,861
End of year	<u>\$ 89,196,121</u>	<u>\$ 81,752,337</u>

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities:		
Change in net assets	\$ 7,443,784	\$ 3,593,476
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(5,902,946)	(10,526,593)
Net unrealized loss (gain) on investments	(5,409,578)	3,930,482
Partnership net loss (gains), net of management fees	340,366	400,076
Depreciation	7,980	4,659
Change in:		
Accounts receivable	(4,776)	6,040
Prepaid expenses	(7,883)	15,631
Appropriation commitments	1,510,975	(988,295)
Accounts payable and accrued liabilities	(44,548)	35,473
Net cash provided by (used in) operating activities	(2,066,626)	(3,529,051)
Cash Flows From Investing Activities:		
Proceeds from dispositions of investments	4,754,552	50,737,012
Purchases of investments	(704,571)	(56,876,746)
Change in program-related investments	(14,000)	(39,000)
Proceeds from program-related investments	19,922	39,450
Purchases of office equipment	(1,350)	(19,362)
Net cash provided by (used in) investing activities	4,054,553	(6,158,646)
Net Increase (Decrease) in Cash and Cash Equivalents	1,987,927	(9,687,697)
Cash and Cash Equivalents:		
Beginning of year	1,761,790	11,449,487
End of year	\$ 3,749,717	\$ 1,761,790
Supplemental Information:		
Excise tax paid	\$ 197,616	\$ 29,270
Unrelated business income tax paid	\$ 8,754	\$ -

See accompanying notes to financial statements.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

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 five 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, 2014 and 2013, 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, 2014 and 2013, 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.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

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.

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, 2014 and 2013 was \$7,980 and \$4,659, respectively.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

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.

Direct Charitable Expense

The Foundation performed various direct charitable activities during the year. Such included expenses related to building the consensus and engaging in community education in order to address employment, education, youth development and afterschool, parks, recreation, vacant lots, human services and affordable housing concerns on the Northside of Pittsburgh.

Direct charitable expenses included on the statement of activities include allocated salary and other employment costs totaling \$93,203 and \$84,061 in 2014 and 2013, respectively.

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.

Reclassification

Certain items for 2013 have been reclassified to conform to the 2014 presentation. The reclassification had no effect on the change in net assets.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

3. INVESTMENTS

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

	2014		2013	
	Cost	Fair Value	Cost	Fair Value
Fixed income bond and bond funds	\$ 6,685,414	\$ 6,809,786	\$ 8,512,061	\$ 8,103,595
Equity and mutual funds:				
Multi-asset	33,786,097	36,651,810	31,871,123	34,076,483
Commodity related	2,184,912	2,478,020	1,824,730	1,749,004
Emerging markets	3,704,141	4,086,817	3,632,563	3,508,728
Value	2,462,506	2,855,358	2,235,075	2,593,206
International	5,512,723	7,246,402	5,553,984	6,313,780
Small capitalization	647,252	792,290	523,826	655,604
Growth and income	3,537,223	3,943,254	3,327,607	3,361,253
Real Estate	353,201	409,500	-	-
	<u>52,188,055</u>	<u>58,463,451</u>	<u>48,968,908</u>	<u>52,258,058</u>
Hedge funds	6,805,000	7,548,335	6,805,000	7,216,741
Private equity funds	10,906,879	14,814,102	10,782,934	13,135,103
Program-related investments	<u>598,547</u>	<u>598,547</u>	<u>604,469</u>	<u>604,469</u>
	<u>\$ 77,183,895</u>	<u>\$ 88,234,221</u>	<u>\$ 75,673,372</u>	<u>\$ 81,317,966</u>

Investments in the multi-asset fund accounts for approximately 41.5% and 41.9% of the fair value of the Foundation's investments at June 30, 2014 and 2013, respectively.

Determination of Fair Value

The Foundation reports investments at fair value in accordance with fair value accounting standards. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These standards require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, the organization reports hedge and private equity funds using the net asset value per share as determined by investment managers under the so-called "practical expedient." The practical expedient allows net asset value per share to represent fair value for

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

reporting purposes when the criteria for using this method are met. Fair value measurement standards also require the organization to classify these financial instruments into a three-level hierarchy, based upon priority of inputs to the valuation technique or in accordance with the net asset value practical expedient rule, which allow for either Level 2 or Level 3 reporting depending upon lock-up and notice periods associated with the underlying funds.

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, 2014:

	Level 1	Level 2	Level 3	Total
Fixed income bond and bond funds	\$ 6,809,786	\$ -	\$ -	\$ 6,809,786
Equity and mutual funds:				
Multi - asset	-	36,651,810	-	36,651,810
Commodity related	2,478,020	-	-	2,478,020
Emerging Markets	4,086,817	-	-	4,086,817
Value	2,855,358	-	-	2,855,358
International	7,246,402	-	-	7,246,402
Small capitalization	792,290	-	-	792,290
Growth and income	3,943,254	-	-	3,943,254
Real Estate	409,500	-	-	409,500
Hedge funds	-	-	7,548,335	7,548,335
Private equity funds	-	-	14,814,102	14,814,102
Program-related investments	-	-	598,547	598,547
Total investments	<u>\$ 28,621,427</u>	<u>\$ 36,651,810</u>	<u>\$ 22,960,984</u>	<u>\$ 88,234,221</u>

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

The following table summarizes investments by fair value measurement categories as of June 30, 2013:

	Level 1	Level 2	Level 3	Total
Fixed income bond and bond funds	\$ 8,103,595	\$ -	\$ -	\$ 8,103,595
Equity and mutual funds:				
Multi - asset	-	34,076,483	-	34,076,483
Commodity related	1,749,004	-	-	1,749,004
Emerging markets	3,508,728	-	-	3,508,728
Value	2,593,206	-	-	2,593,206
International	6,313,780	-	-	6,313,780
Small capitalization	655,604	-	-	655,604
Growth and income	3,361,253	-	-	3,361,253
Hedge funds	-	-	7,216,741	7,216,741
Private equity funds	-	-	13,135,103	13,135,103
Program-related investments	-	-	604,469	604,469
Total investments	<u>\$ 26,285,170</u>	<u>\$ 34,076,483</u>	<u>\$ 20,956,313</u>	<u>\$ 81,317,966</u>

At June 30, 2014, Level 2 investments include the Foundation's funds held in The Investment Fund for Foundation (TIFF) multi-asset mutual fund.

The multi-asset mutual fund is reported at market value as of June 30, 2014 based upon a daily NAV as calculated by TIFF Investment Program, Inc. The NAV is calculated as assets of the fund less the fund's liabilities. The shares reported by the Foundation are proportionate to the Foundation's relative capital contribution. Shares are redeemable upon request and are available the next business day; however, TIFF reserves the right to hold payment up to seven days. Currently, the Foundation has no intention of liquidating the TIFF multi-asset mutual funds held at June 30, 2014.

The TIFF multi-asset fund discloses the levels of the underlying investments reported in their unaudited semi-annual report as of June 30, 2014 as follows:

	Level 1	Level 2	Level 3
TIFF Multi - Asset Fund	68%	23%	9%

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

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

At June 30, 2014 and 2013, the Foundation invested in hedge funds to further diversify its investment portfolio through various Hirtle Callaghan hedge funds. 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 entities determined in accordance with accounting principles generally accepted in the United States of America or substantially similar accounting principles.

At June 30, 2014, offshore hedge funds include investments in multi-fund pools that are commonly referred to as "fund of funds." The underlying hedge fund manager invests in marketable securities that trade in well-established and highly-liquid markets (stocks, bonds, futures, options, etc.). The objective of these investments is to realize long-term total return by investing in a diversified group of pooled investment vehicles. The offshore hedge funds are valued at fair value, which are the amounts reported in the statements of financial position, based on the net asset value per share of the fund at June 30th. The valuation of each fund is based upon the compilation of the prices from each underlying hedge fund administrator. Upon completion of the fund valuation, the Foundation's monthly individual investor valuations are based upon their ownership share of each pool. Individual hedge funds typically have provisions in their partnership agreements that restrict investors from liquidating their investments for some period of time. After this "lock-up" period has been satisfied, these funds offer quarterly liquidity with advance notice (anywhere from 30 to 90 days). Liquidation is not expected in the near-term.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

The Foundation's investment in private equity funds is valued at fair value, which are the amounts reported in the statements of financial position, based on the net asset value per share of the fund at June 30, 2014 and 2013. The valuation of each fund is based upon the compilation of the prices from each underlying private equity investment. For the limited partnerships, fair value is based on the best information available and is determined by reference to information including, but not limited to, the following: projected sales, net earnings, earnings before interest, taxes, depreciation and amortization, balance sheets, public or private transactions, valuations for publicly-traded comparable companies, and/or other measures, and consideration of any other pertinent information including the types of securities held and restrictions on disposition. Upon completion of the fund valuation, the Foundation's quarterly individual investor valuations are based upon their ownership share of each pool. Per the terms of the limited partnership agreements, the Foundation cannot withdraw funds or sell funds until the limited partnership liquidates. Capital calls and distributions occur upon the private equity fund management's determination. Liquidation is not expected in the near-term.

For Level 3 items, the Foundation's valuation is determined in good faith by the General Partner of the limited partnerships and hedge fund administrators as provided by the custodian and information from the limited partnerships, as they have no significant observable inputs. Quantitative unobservable inputs of Level 3 items are not developed by the Foundation for measuring fair value.

The Foundation's interest in program-related investments is further described in Note 5. 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, 2014:

	Private Equity Funds	Hedge Funds	Program Related	Total Level 3 Assets
Balance as of June 30, 2013	\$ 13,135,103	\$ 7,216,741	\$ 604,469	\$ 20,956,313
Unrealized gains (losses)	1,555,054	331,594	(5,922)	1,880,726
Capital calls/purchases	3,392,216	-	-	3,392,216
Distributions/sales	(3,268,271)	-	-	(3,268,271)
Balance as of June 30, 2014	<u>\$ 14,814,102</u>	<u>\$ 7,548,335</u>	<u>\$ 598,547</u>	<u>\$ 22,960,984</u>

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

The following table summarizes the changes in fair values associated with Level 3 assets at June 30, 2013:

	Private Equity Funds	Hedge Funds	Program Related	Total Level 3 Assets
Balance as of June 30, 2012	\$ 13,200,108	\$ 8,877,923	\$ 604,919	\$ 22,682,950
Unrealized gains (losses)	(430,728)	(1,290,488)	(450)	(1,721,666)
Capital calls/purchases	3,046,145	6,805,000	-	9,851,145
Distributions/sales	(2,680,422)	(7,175,694)	-	(9,856,116)
Balance as of June 30, 2013	<u>\$ 13,135,103</u>	<u>\$ 7,216,741</u>	<u>\$ 604,469</u>	<u>\$ 20,956,313</u>

4. PRIVATE EQUITY CAPITAL COMMITMENTS

The Foundation has entered into agreements to commit capital into various private equity funds. The callable capital can be requested at any time by the fund. The remaining capital commitments as of June 30, 2014 are estimated as follows:

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

	Amount Committed	Amount Drawn	Remaining Capital Commitment
Axiom Asia Private Capital Fund II, L.P.	\$ 1,000,000	\$ 720,442	\$ 279,558
Flag International Partners, L.P.	1,000,000	940,000	60,000
Flag Private Equity II, L.P.	2,000,000	1,940,000	60,000
Flag Private Equity III, L.P.	2,000,000	1,850,000	150,000
Flag Venture Partners, V, L.P.	2,000,000	1,980,000	20,000
Flag Venture Partners VI, L.P.	2,000,000	1,830,000	170,000
LODH Private Equity - EuroChoice IV (Scotland), L.P.6 *	1,369,177	947,862	421,315
Park Street Capital Private Equity Fund IX, L.P.	1,000,000	865,000	135,000
Park Street Capital Private Equity Fund X, L.P.	1,000,000	390,000	610,000
RCP Fund VI, L.P.	1,000,000	784,886	215,114
RCP Fund VII, L.P.	500,000	258,215	241,785
RCP SOF Feeder, Ltd.	500,000	530,972	(30,972)
Tucker Anthony Private Equity Fund IV, L.P.	3,000,000	2,895,000	105,000
VCFA Private Equity Partners IV, L.P.	3,000,000	2,850,000	150,000
Venture Investment Associates VII, L.P.	1,000,000	390,000	610,000
	<u>\$ 22,369,177</u>	<u>\$ 19,172,377</u>	<u>\$ 3,196,800</u>

* - The Buhl Foundation has committed to € 1,000,000. For reporting purposes, investment is reported in U.S. dollars and will fluctuate according to the current quarter-end currency exchange rates.

5. PROGRAM-RELATED INVESTMENTS

Starting in 1996 through 2002, the Foundation disbursed \$500,000 for commitments to the Strategic Investment Fund Partners, a limited partnership between the Strategic Investment Fund, Inc. I, and the Allegheny Conference on Community Development. Thereafter, proceeds of the Strategic Investment Fund, Inc. I were reinvested in a subsequent Strategic Investment Fund, Inc. II. The purpose of the Funds 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 balance of the Funds' program-related investment was \$498,547 and \$504,469 at June 30, 2014 and 2013, respectively.

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 that remains outstanding. Such loan was renewed during June 2013, at which point the Foundation excused the interest amounts due from Hosanna House.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

The Foundation has also recorded program-related investment income in the amount of \$10,042 and \$10,972 through June 30, 2014 and 2013, respectively.

6. 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 2014 and 2013, the Foundation had the following endowment-related activities:

	2014	2013
Investment return on endowment assets:		
Interest and dividends	\$ 1,204,515	\$ 1,100,151
Partnership net (losses) gains	(340,366)	(400,076)
Unrealized gains (losses)	5,409,578	(3,930,482)
Realized (losses) gains	5,902,946	10,526,593
Investment fees	(214,856)	(351,272)
Total investment return on endowment assets	11,961,817	6,944,914
Transfers into endowment	-	9,627,992
Transfers out of endowment	(5,045,562)	(4,237,587)
Total change in endowment funds	6,916,255	12,335,319
Endowment investment funds:		
Beginning of year	81,317,966	68,982,647
End of year	\$ 88,234,221	\$ 81,317,966

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

7. APPROPRIATION COMMITMENTS

Appropriation commitments at June 30, 2014 are due to be paid as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2015	\$ 1,810,025
2016	365,000
2017	300,000
2018	300,000
	<u>\$ 2,775,025</u>

8. 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 basis 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. Further, the Foundation annually files a Form 990PF and a Form 990T. The forms filed are subject to examination by the IRS generally for three years after they are filed.

9. 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 \$72,537 and \$62,714 for the years ended June 30, 2014 and 2013, respectively.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

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.

10. RELATED PARTY TRANSACTIONS

During 2014 and 2013, 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.

Supplementary Information

THE BUHL FOUNDATION

STATEMENT OF APPROPRIATIONS AUTHORIZED AND ADMINISTRATIVE EXPENSES BY FUND

YEAR ENDED JUNE 30, 2014

	Buhl Fund	Frick Fund	McCreery Fund	Total
Appropriations authorized	\$ 3,302,583	\$ 132,500	\$ 11,000	\$ 3,446,083
Direct charitable expenses	297,236	-	-	297,236
Administrative expenses:				
Salaries and other employment costs	525,882	69,469	4,040	599,391
Investment management fees	188,506	24,902	1,448	214,856
General and administrative	79,293	10,475	609	90,377
Federal excise tax	123,492	16,314	949	140,755
Professional services	23,690	3,130	182	27,002
 Total appropriations authorized and administrative expenses	 <u>\$ 4,540,682</u>	 <u>\$ 256,790</u>	 <u>\$ 18,228</u>	 <u>\$ 4,815,700</u>