

The Buhl Foundation



Annual Report by the President
July 1, 2014 to June 30, 2015



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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From the Desk of the President

Department store owner and philanthropist Henry Buhl, Jr. died June 11, 1927, and stated in his will was the creation of the first multipurpose foundation in Pittsburgh which, endowed with more than \$11 million at the time, made it then one of the ten largest such foundations in the country. Confident in his own charitable intent, Mr. Buhl created a Foundation that was free in vision and purpose, and structurally capable of adaptability and usefulness. Shortly thereafter, the President of the Carnegie Corporation referred to the Buhl Foundation as “a model for an endowment broadly conceived as to purpose, but with special reference to the needs of a given locality.”

Over the ensuing decades, the Buhl Foundation has been blessed with leadership that has taken that responsibility seriously while exercising the adaptability so important to continued community impact. As the fortunes of Pittsburgh have ebbed and flowed over the decades, so too has the Buhl Foundation attempted to meet the changing needs of its residents. One such example is Buhl’s focus on education which over time has evolved from funding research into the mysteries of the atom or the polio vaccine, to the post World War II endowing of college scholarships, to the funding of distance learning centers in the advent of the computer era, to most recently, a strong emphasis on K-12 education as urban schools face the challenge of educating an increasingly disadvantaged and minority population of students.

In a broader sense, the ability of the Foundation to maintain its philanthropic mission while adapting to changing times is most recently seen in the Foundation’s commitment to the Northside of Pittsburgh. Following in-depth planning for more than two years, ably led by Vice President Diana Bucco, this past fiscal year has witnessed a concentration of Northside-focused, community-led funding. Some 50 grants, totaling more than \$3,500,000 were awarded, ranging from \$1 million for expansion of the Carnegie Science Center and \$500,000 for mini grants encouraging neighborhood and citizen participation to \$250,000 for the Food Bank and its community-wide feeding program for students and \$175,000 to United Way for a coordinated system of Northside afterschool activities. A host of smaller grants have aided everything from playgrounds and summer camps to technology

improvements and activities for underserved youth. Regardless of the amount of the grant, each of our grants has been carefully considered in light of priorities established by community planning efforts. In short, our funding supports the present day interests of the very neighborhoods that meant so much to Henry Buhl, Jr.

As exciting as this first year of implementation for our new Northside strategy has been, we understand the reality that it is but year one of a commitment that will play out well into the next decade. Having said that, we are equally confident that the resourcefulness of the Northside communities and the spirit that its residents bring to this endeavor ensures that it will become a model for community revitalization. Our legacy continues as the face of Pittsburgh changes in new and exciting ways.

Frederick W. Thieman
President
June 30, 2015

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.onenorthsidepittsburgh.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 nearly 90 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, 2014 - June 30, 2015

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.*

Carnegie Science Center - \$1,000,000

To support the Campaign to expand this Northside institution and historic Buhl partner.

The Sprout Fund - \$500,000

To implement a grant program on the Northside to encourage neighborhood and citizen participation in a unified vision for community improvement.

Greater Pittsburgh Community Food Bank - \$250,000

For support of a Northside-wide feeding program to alleviate hunger in school-aged children.

United Way of Allegheny County - \$175,000

To support a coordinated system of school-based and afterschool activities on the Northside that enables young people to successfully transition into productive careers.

Pittsburgh Parks Conservancy - \$150,000

To restore Allegheny Commons fountain and surrounding landscape to its original design while incorporating best practices for modern-day use.

Riverlife - \$150,000

For three-year support to help build capacity in this important civic organization as it endeavors to enhance Pittsburgh's riverfronts as an asset for all.

GTECH Strategies / Carnegie Mellon University / Chatham University/ Pennsylvania State University - \$144,500

For support of an asset mapping project on the Northside in order to better connect neighborhoods through investigation of a coordinated trail system.

The Pittsburgh Foundation - \$125,000

For three-year support of the African American Cultural Center for preservation of the building and mission of the former August Wilson Center and support of African American arts and culture.

Pennsylvania Resources Council - \$108,500

To lead a community-based effort to develop a Northside-focused anti-litter and recycling campaign.

Children's Museum of Pittsburgh - \$100,000

To support economic development and informal learning opportunities for young people while building capacity for the creative industries on Pittsburgh's Northside.

City of Asylum - \$100,000

To support outreach activities for the new Literary Center on Pittsburgh's Northside which will serve as a community revitalization anchor.

Pittsburgh Parks Conservancy - \$100,000

To develop a watershed plan for Allegheny Commons to guide future investment and green infrastructure projects.

Carnegie Science Center - \$75,000

To help celebrate the 75th Anniversary of the Buhl Planetarium.

Allegheny Conference on Community Development - \$60,000

To support the Agenda Development Fund designed to advance the economic prosperity of Western Pennsylvania

The Fred Rogers Company - \$50,000

To support a partnership with the Carnegie Science Center to develop an age-appropriate curriculum for summer learning.

Urban Innovation21 - \$50,000

To prepare two studies in support of a Northside accelerator, one that benchmarks innovation strategies in other cities, and a second that inventories real estate availability on the Northside.

KaBOOM! - \$40,000

For support of a playground at Morrow Pittsburgh Public Elementary School in Brighton Heights on the Northside.

The Design Center of Pittsburgh - \$38,500

To develop a scenario planning tool that assists and improves community participation in neighborhood planning efforts.

Community College of Allegheny County - \$38,300

To support a study to determine the feasibility of implementing on-site housing as a strategy to improve student outreach and outcomes.

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.

Venture Outdoors - \$30,000

For two-year continued support of innovative recreational activities and leadership development targeting at-risk populations on the Northside.

Carnegie Mellon University - \$25,000

To pilot an interactive database of rental properties on the Northside as a strategy to advance improved housing conditions.

Children's Home of Pittsburgh - \$25,000

To support outreach and services for medically fragile children and their families.

The Forbes Funds and Greater Pittsburgh Nonprofit Partnership - \$25,000

To provide support for advocacy on issues impacting the nonprofit community.

Hill House Association - \$25,000

To support a strategic planning effort as this historic organization seeks to expand its impact on at-risk populations.

National Aviary Pittsburgh - \$25,000

To build capacity along with the opportunity to raise new revenue in this Northside-based regional amenity.

Neighborhood Allies - \$25,000

To assist struggling individuals and families with the launch and support of a Financial Opportunity Center on the Northside.

Pittsburgh Gateways Corporation / YouthPlaces - \$25,000

To assist in a pilot program connecting at-risk youth from the Northside to career pathway opportunities.

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

To support year two of a Northside-based expansion to build capacity in not-for-profits through service leadership and volunteerism.

Project Destiny - \$25,000

To acquire, improve and increase the capacity of a neighborhood-based preschool Learning Center in an underserved Northside neighborhood.

Providence Connections - \$25,000

To build capacity in providing services to youth in at-risk situations on the Northside.

The Pittsburgh Project - \$25,000

To help build capacity in outreach to underserved youth on the Northside.

Urban Redevelopment Authority - \$25,000

To repair and reinstall the Garden Theater sign as a tribute to neighborhood revitalization efforts on the Northside.

Urban Impact Foundation - \$25,000

To support outreach to Northside students as they transition to college or career opportunities.

George Junior Republic - \$20,000

To support expansion of educational facilities to increase competence in the skilled trades of youth in at-risk situations.

Gwen's Girls - \$20,000

To support a collaborative outreach and mentoring program for at-risk middle school girls on Pittsburgh's Northside.

Pittsburgh Social Venture Partners - \$20,000

To support PSVP in building the capacity of nonprofit leaders on the Northside.

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.

Northside Leadership Conference - \$18,085

To support planning efforts to make pedestrian and bike friendly connections into Northside neighborhoods.

Pittsburgh Theological Seminary, Metro Urban Institute - \$15,584

To support One Northside outreach to houses of worship on Pittsburgh's Northside.

Adonai Center for Black Males - \$15,000

To support continued development of a mentoring program for African American males on Pittsburgh's Northside.

Neu Kirche Contemporary Art Center - \$15,000

To support capacity building in this new Northside-based arts and culture program as it seeks to build youth-related and community programming.

Leadership Pittsburgh - \$14,000

To support leadership development in young Pittsburghers while attracting attention to an underappreciated Northside neighborhood.

Pittsburgh Cultural Trust - \$12,500

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

Zelienople Historical Society - \$12,500

To support renovation of the original Buhl homestead.

Neighborhood Allies - \$12,400

To document Buhl's planning and outreach on the Northside as a learning model and possible tool for community development.

Brother's Brother Foundation - \$12,000

To assist this Northside-based humanitarian aid organization in building capacity and identifying development opportunities.

The Design Center of Pittsburgh - \$12,000

To support efforts to encourage citizen voice around the issue of affordable housing and vibrant communities on Pittsburgh's Northside.

Allegheny County Court Appointed Special Advocate (CASA) Program - \$10,000

For capacity building expenditures to further CASA's outreach to at-risk children and families.

Door Campaign - \$10,000

To support an innovative STEM-based curriculum to advance Aquaponics on the Northside of Pittsburgh.

National Math and Science Initiative - \$10,000

To support professional development for teachers at Perry High School on the Northside.

United Methodist Church Union - \$10,000

To support a summer feeding program for underserved youth in the Northview Heights section of the Northside.

Western Pennsylvania School for the Deaf - \$10,000

To expand a program that provides the latest STEM technology training to hearing-impaired students.

Riverlife - \$7,500

To support a national search for the new leader of this key organization in the revitalization of Pittsburgh, including the North Shore.

Spark of Hope - \$6,000

To assist in the purchase of a new van to support the distribution of food and furniture to needy families on Pittsburgh's Northside.

East Allegheny Community Council - \$5,000

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

The Forbes Funds and Greater Pittsburgh Nonprofit Partnership - \$5,000

To support the 2015 Nonprofit Summit which seeks to strengthen the nonprofit sector for a stronger region.

Kiva City Pittsburgh / New Sun Rising - \$5,000

To provide seed funds for a new micro-loan project in Pittsburgh to encourage entrepreneurial activity, especially among disadvantaged populations.

City of Asylum - \$2,500

To support outreach activities for the new Literary Center on Pittsburgh's Northside which will serve as a community revitalization anchor.

Urban Innovation21 – \$2,500

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

The Pittsburgh Foundation - \$2,000

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

University of Pittsburgh, University Center for Social and Urban Research - \$1,000

To support the 2015 National Neighborhood Indicators Partnership Meeting held in Pittsburgh.

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 Mellon University - \$81,708

To provide school students on the Northside with a voice in developing a community-wide vision and implementation plan.

Frick Art and Historical Center - \$50,000

To support an important Buhl historical partner as it seeks to expand educational capacity and outreach for the region.

Historical Society of Western Pennsylvania - \$50,000

For two-year support of educational programming that complements exhibits focusing on the history of Western Pennsylvania.

Children's Museum of Pittsburgh - \$40,000

To connect every first-grade student in public schools on the Northside with educational programs grounded in the Children's Museum to increase formal and informal learning opportunities.

National Aviary Pittsburgh - \$40,000

To connect each second-grade student in public schools on the Northside with educational programs grounded in the Aviary to increase formal and informal learning opportunities.

Attack Theatre - \$35,000

For a challenge grant to support an interactive and immersive Northside-based artistic process with school students as a catalyst for community youth connections.

Saturday Light Brigade - \$15,000

To continue the partnership with Northside schools to use radio and audio programs to develop communication skills in young people.

Higher Achievement Pittsburgh - \$10,000

To provide support for an innovative afterschool program with a proven track record of raising the academic proficiency of middle school students in underserved communities.

MGR Foundation - \$10,000

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

Pittsburgh Musical Theater - \$10,000

To support matinees for public schools serving economically disadvantaged students.

Society for Science & the Public - \$10,000

To support the Public Education Outreach Day to help enable thousands of local school children and teachers to attend the International Science and Engineering Fair (ISEF), the premier global pre-college science competition.

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

To support City Theatre's Young Playwright's Program in public schools in Western Pennsylvania.

Global Solutions Pittsburgh - \$5,000

To support the "Learn Locally-Think Globally" high school teacher training workshops and student outreach programs in Western Pennsylvania.

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

To support mural projects that build community spirit and skills in young people on Pittsburgh's Northside.

Silk Screen - \$5,000

To support educational programming that can be a model for cultural awareness and diversity sensitivity in area schools.

**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.

Allegheny Historic Preservation Society - \$2,000

To support a Northside-based, youth involved, musical outreach in the historic Calvary United Methodist Church.

East Allegheny Community Council - \$1,000

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

CUMULATIVE SUMMARY OF APPROPRIATIONS
Eighty-eight Year Period
to June 30, 2015

APPROPRIATIONS FROM 1927 TO JUNE 30, 2014

\$ 113,068,891

Appropriations from July 1, 2014 to June 30, 2015

Buhl Fund

Carnegie Science Center (Expansion Campaign)	\$ 1,000,000
The Sprout Fund	500,000
Greater Pittsburgh Community Food Bank	250,000
United Way of Allegheny County	175,000
Pittsburgh Parks Conservancy (Allegheny Commons)	150,000
Riverlife (Capacity Building)	150,000
GTECH Strategies/CMU/Chatham/PSU	144,500
The Pittsburgh Foundation (African American Cultural Center) ..	125,000
Pennsylvania Resources Council	108,500
Children's Museum of Pittsburgh (Informal Learning)	100,000
City of Asylum (New Literary Center)	100,000
Pittsburgh Parks Conservancy (Watershed Plan).....	100,000
Carnegie Science Center (75 th Anniversary Buhl Planetarium)	75,000
Allegheny Conference on Community Development	60,000
The Fred Rogers Company	50,000
Urban Innovation21 (Benchmarking)	50,000
KaBOOM!	40,000
The Design Center of Pittsburgh (Planning Tool)	38,500
Community College of Allegheny County	38,300
Vibrant Pittsburgh	35,000
The Pittsburgh Foundation (Human Services Integration Fund) ...	30,000
Venture Outdoors	30,000
Carnegie Mellon University	25,000
Children's Home of Pittsburgh	25,000
The Forbes Funds and GPNP (Capacity Building)	25,000
Hill House Association	25,000
National Aviary Pittsburgh (Capacity Building).....	25,000
Neighborhood Allies (Financial Opportunity Center).....	25,000
Pittsburgh Gateways Corporation / YouthPlaces	25,000
Pittsburgh Urban Leadership Service Experience	25,000
Project Destiny	25,000
Providence Connections	25,000
The Pittsburgh Project	25,000
Urban Redevelopment Authority	25,000
Urban Impact Foundation	25,000
George Junior Republic	20,000
Gwen's Girls	20,000
Pittsburgh Social Venture Partners	20,000
University of Pittsburgh, Institute of Politics	20,000
YouthPlaces (Summer Employment Initiative)	20,000
Northside Leadership Conference	18,085
Pittsburgh Theological Seminary, Metro Urban Institute	15,584
Adonai Center for Black Males	15,000

Neu Kirche Contemporary Art Center	15,000	
Leadership Pittsburgh	14,000	
Pittsburgh Cultural Trust	12,500	
Zelienople Historical Society	12,500	
Neighborhood Allies (Planning and Outreach)	12,400	
Brother's Brother Foundation	12,000	
The Design Center of Pittsburgh (Citizen Voice)	12,000	
Allegheny County CASA	10,000	
Door Campaign	10,000	
National Math and Science Initiative	10,000	
United Methodist Church Union	10,000	
Western Pennsylvania School for the Deaf	10,000	
Riverlife (CEO Search)	7,500	
Spark of Hope	6,000	
East Allegheny Community Council	5,000	
The Forbes Funds and GPNP (Conference)	5,000	
Kiva City Pittsburgh / New Sun Rising	5,000	
City of Asylum (Programmatic Activities)	2,500	
Urban Innovation21 (One Young World)	2,500	
The Pittsburgh Foundation (Funders Coalition)	2,000	
University of Pittsburgh, UCSUR	1,000	
Total Buhl Fund Appropriations		\$ 4,000,369
Henry C. Frick Educational Fund		
Carnegie Mellon University (Northside Student Program)	\$ 81,708	
Frick Art and Historical Center	50,000	
Historical Society of Western Pennsylvania	50,000	
Children's Museum of Pittsburgh (First Grade Program)	40,000	
National Aviary Pittsburgh (Second Grade Program)	40,000	
Attack Theatre	35,000	
Saturday Light Brigade	15,000	
Higher Achievement Pittsburgh	10,000	
MGR Foundation	10,000	
Pittsburgh Musical Theater	10,000	
Society for Science & the Public	10,000	
City Theatre Company	5,000	
Global Solutions Pittsburgh	5,000	
Moving the Lives of Kids Arts Center	5,000	
Silk Screen	5,000	
Total Frick Appropriations		\$ 371,708
William and Elizabeth Rodgers McCreery Memorial Fund		
Allegheny Historic Preservation Society	\$ 2,000	
East Allegheny Community Council	1,000	
Total McCreery Appropriations		\$ 3,000
TOTAL FROM JULY 1, 2014 TO JUNE 30, 2015		\$ 4,375,077
Cancellations on Unrequired Commitment Balances		(37,650)
TOTAL APPROPRIATIONS OVER THE EIGHTY-EIGHT YEAR PERIOD		\$117,406,318

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.onenorthsidepittsburgh.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, 2015 and 2014
with Independent Auditor's Report**

MaherDuessel
Certified Public Accountants

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THE BUHL FOUNDATION

YEARS ENDED JUNE 30, 2015 AND 2014

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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, 2015 and 2014, 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, 2015 and 2014, 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
January 26, 2016

THE BUHL FOUNDATION

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2015 AND 2014

	2015	2014
Assets		
Cash and cash equivalents	\$ 3,265,734	\$ 3,749,717
Receivables	11,467	7,875
Prepaid expenses	10,459	12,204
Investments	84,552,323	88,234,221
Office furniture and equipment, net of accumulated depreciation of \$110,503 and \$103,236, respectively	6,850	11,331
Total Assets	\$ 87,846,833	\$ 92,015,348
Liabilities and Unrestricted Net Assets		
Liabilities:		
Appropriation commitments:		
Payable by June 30 of subsequent year	\$ 2,497,087	\$ 1,810,025
Payable after June 30 of subsequent year	740,000	965,000
Total appropriation commitments	3,237,087	2,775,025
Accounts payable and accrued liabilities	33,924	44,202
Total Liabilities	3,271,011	2,819,227
Net Assets:		
Unrestricted	84,575,822	89,196,121
Total Liabilities and Unrestricted Net Assets	\$ 87,846,833	\$ 92,015,348

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Unrestricted Net Assets:		
Income:		
Interest	\$ 20,385	\$ 18,643
Dividends	1,011,557	1,185,872
Realized gain (loss) on sale of investments	5,298,121	5,902,946
Unrealized (loss) gain on investments	(5,093,931)	5,409,578
Partnership net (loss) gain, net of management fees	(225,424)	(340,366)
Other	45,624	82,811
Total income	1,056,332	12,259,484
Expenses:		
Program expenses:		
Appropriations authorized	4,391,884	3,446,083
Direct charitable expenses	303,478	297,236
Administrative expenses:		
Salaries and other employment costs	587,683	599,391
Investment management fees	215,879	214,856
General and administrative	85,864	90,377
Federal excise tax	56,215	140,755
Professional services	35,628	27,002
Total expenses	5,676,631	4,815,700
Change in Net Assets	(4,620,299)	7,443,784
Net Assets:		
Beginning of year	89,196,121	81,752,337
End of year	\$ 84,575,822	\$ 89,196,121

See accompanying notes to financial statements.

THE BUHL FOUNDATION

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash Flows From Operating Activities:		
Change in net assets	\$ (4,620,299)	\$ 7,443,784
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(5,298,121)	(5,902,946)
Net unrealized loss (gain) on investments	5,093,931	(5,409,578)
Partnership net loss (gains), net of management fees	225,424	340,366
Depreciation	7,267	7,980
Change in:		
Receivables	(3,592)	(4,776)
Prepaid expenses	1,745	(7,883)
Appropriation commitments	462,062	1,510,975
Accounts payable and accrued liabilities	(10,278)	(44,548)
Net cash provided by (used in) operating activities	(4,141,861)	(2,066,626)
Cash Flows From Investing Activities:		
Proceeds from dispositions of investments	3,486,450	4,754,552
Purchases of investments	473,049	(704,571)
Investment in program-related investments	(306,000)	(14,000)
Proceeds from program-related investments	7,165	19,922
Purchases of office equipment	(2,786)	(1,350)
Net cash provided by (used in) investing activities	3,657,878	4,054,553
Net Increase (Decrease) in Cash and Cash Equivalents	(483,983)	1,987,927
Cash and Cash Equivalents:		
Beginning of year	3,749,717	1,761,790
End of year	\$ 3,265,734	\$ 3,749,717
Supplemental Information:		
Excise tax paid	\$ 54,915	\$ 197,616
Unrelated business income tax paid	\$ -	\$ 8,754

See accompanying notes to financial statements.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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, 2015 and 2014, 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, 2015 and 2014, 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, 2015 AND 2014

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, 2015 and 2014 was \$7,267 and \$7,980, respectively.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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 \$131,897 and \$93,203 in 2015 and 2014, 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.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

3. INVESTMENTS

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

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
Fixed income bond and bond funds	\$ 6,153,234	\$ 6,020,904	\$ 6,685,414	\$ 6,809,786
Equity and mutual funds:				
Multi-asset	35,110,251	35,316,857	33,786,097	36,651,810
Commodity related	2,604,880	2,280,538	2,184,912	2,478,020
Emerging markets	3,235,281	3,204,026	3,704,141	4,086,817
Value	2,387,403	2,534,528	2,462,506	2,855,358
International	6,341,909	6,929,278	5,512,723	7,246,402
Small capitalization	727,334	851,156	647,252	792,290
Growth and income	3,247,797	3,748,848	3,537,223	3,943,254
Real Estate	379,403	439,983	353,201	409,500
	<u>54,034,258</u>	<u>55,305,214</u>	<u>52,188,055</u>	<u>58,463,451</u>
Hedge funds	6,805,000	7,634,636	6,805,000	7,548,335
Private equity funds	10,709,001	14,694,187	10,906,879	14,814,102
Program-related investments	897,382	897,382	598,547	598,547
	<u>\$ 78,598,875</u>	<u>\$ 84,552,323</u>	<u>\$ 77,183,895</u>	<u>\$ 88,234,221</u>

Investments in the multi-asset fund accounts for approximately 41.8% and 41.5% of the fair value of the Foundation's investments at June 30, 2015 and 2014, 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 reporting purposes when the criteria for using this method are met. Fair value measurement standards also require the organization to classify these financial

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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, 2015:

	Level 1	Level 2	Level 3	Total
Fixed income bond and bond funds	\$ 6,020,904	\$ -	\$ -	\$ 6,020,904
Equity and mutual funds:				
Multi - asset	-	35,316,857	-	35,316,857
Commodity related	2,280,538	-	-	2,280,538
Emerging markets	3,204,026	-	-	3,204,026
Value	2,534,528	-	-	2,534,528
International	6,929,278	-	-	6,929,278
Small capitalization	851,156	-	-	851,156
Growth and income	3,748,848	-	-	3,748,848
Real Estate	439,983	-	-	439,983
Hedge funds	-	-	7,634,636	7,634,636
Private equity funds	-	-	14,694,187	14,694,187
Program-related investments	-	-	897,382	897,382
Total investments	<u>\$ 26,009,261</u>	<u>\$ 35,316,857</u>	<u>\$ 23,226,205</u>	<u>\$ 84,552,323</u>

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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>

At June 30, 2015 and 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, 2015 and 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, 2015.

The TIFF multi-asset fund discloses the levels of the underlying investments reported in their unaudited semi-annual report as of June 30, 2015 as follows:

	Level 1	Level 2	Level 3
TIFF Multi - Asset Fund	51%	31%	18%

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 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:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
TIFF Multi - Asset Fund	68%	23%	9%

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

At June 30, 2015 and 2014, 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, 2015 and 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

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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 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, 2015 and 2014. 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 BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

The following table summarizes the changes in fair values associated with Level 3 assets at June 30, 2015:

	Private Equity Funds	Hedge Funds	Program Related	Total Level 3 Assets
Balance as of June 30, 2014	\$ 14,814,102	\$ 7,548,335	\$ 598,547	\$ 22,960,984
Unrealized gains (losses)	77,962	86,301	(1,165)	163,098
Capital calls/purchases	2,981,817	-	300,000	3,281,817
Distributions/sales	(3,179,694)	-	-	(3,179,694)
Balance as of June 30, 2015	<u>\$ 14,694,187</u>	<u>\$ 7,634,636</u>	<u>\$ 897,382</u>	<u>\$ 23,226,205</u>

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>

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, 2015 are estimated as follows:

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

	Amount Committed	Amount Drawn	Remaining Capital Commitment
Axiom Asia Private Capital Fund II, L.P.	\$ 1,000,000	\$ 785,942	\$ 214,058
Flag International Partners, L.P.	1,000,000	960,000	40,000
Flag Private Equity II, L.P.	2,000,000	1,940,000	60,000
Flag Private Equity III, L.P.	2,000,000	1,890,000	110,000
Flag Private Equity VI, L.P.	2,000,000	-	2,000,000
Flag Venture Partners, V, L.P.	2,000,000	2,000,000	-
Flag Venture Partners VI, L.P.	2,000,000	1,870,000	130,000
Flag Venture Partners IX, L.P.	2,000,000	-	2,000,000
LODH Private Equity - EuroChoice IV (Scotland), L.P.6 *	1,114,450	911,620	202,830
Park Street Capital Private Equity Fund IX, L.P.	1,000,000	920,000	80,000
Park Street Capital Private Equity Fund X, L.P.	1,000,000	600,000	400,000
RCP Fund VI, L.P.	1,000,000	929,411	70,589
RCP Fund VII, L.P.	500,000	356,604	143,396
RCP SOF Feeder, Ltd.	500,000	537,590	(37,590)
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	600,000	400,000
	<u>\$ 26,114,450</u>	<u>\$ 20,046,167</u>	<u>\$ 6,068,283</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 Strategic Investment Fund, Inc. I was fully liquidated during 2015 and all remaining program related funds are invested in the 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 \$497,382 and \$498,547 at June 30, 2015 and 2014, respectively.

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

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.

During the 2015 fiscal year, the Foundation contributed \$300,000 to the Historic Deutschtown Development Corporation to complete the renovations and re-use of two historic properties at 431-433 East Ohio Street in Pittsburgh's North Side region. The Foundation's balance in such program-related investment was \$300,000 at June 30, 2015.

The Foundation has also recorded program-related investment income in the amount of \$7,638 and \$10,042 through June 30, 2015 and 2014, 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 2015 and 2014, the Foundation had the following endowment-related activities:

THE BUHL FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Investment return on endowment assets:		
Interest and dividends	\$ 1,031,942	\$ 1,204,515
Partnership net (losses) gains	(225,424)	(340,366)
Realized (losses) gains	5,298,121	5,902,946
Unrealized gains (losses)	(5,093,931)	5,409,578
Investment fees	(215,879)	(214,856)
Total investment return on endowment assets	<u>794,829</u>	<u>11,961,817</u>
Transfers out of endowment	<u>(4,476,727)</u>	<u>(5,045,562)</u>
Total change in endowment funds	(3,681,898)	6,916,255
Endowment investment funds:		
Beginning of year	<u>88,234,221</u>	<u>81,317,966</u>
End of year	<u><u>\$ 84,552,323</u></u>	<u><u>\$ 88,234,221</u></u>

7. APPROPRIATION COMMITMENTS

Appropriation commitments at June 30, 2015 are due to be paid as follows:

Fiscal Year	Amount
2016	\$ 2,497,087
2017	390,000
2018	350,000
	<u><u>\$ 3,237,087</u></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

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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.

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 \$76,396 and \$72,537 for the years ended June 30, 2015 and 2014, respectively.

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

10. RELATED PARTY TRANSACTIONS

During 2015 and 2014, 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, 2015

	Buhl Fund	Frick Fund	McCreery Fund	Total
Program expenses:				
Appropriations authorized	\$ 4,332,884	\$ 57,500	\$ 1,500	\$ 4,391,884
Direct charitable expenses	303,478	-	-	303,478
Administrative expenses:				
Salaries and other employment costs	515,998	67,824	3,861	587,683
Investment management fees	189,546	24,915	1,418	215,879
General and administrative	75,390	9,910	564	85,864
Federal excise tax	49,358	6,488	369	56,215
Professional services	31,282	4,112	234	35,628
 Total appropriations authorized and administrative expenses	 <u>\$ 5,497,936</u>	 <u>\$ 170,749</u>	 <u>\$ 7,946</u>	 <u>\$ 5,676,631</u>