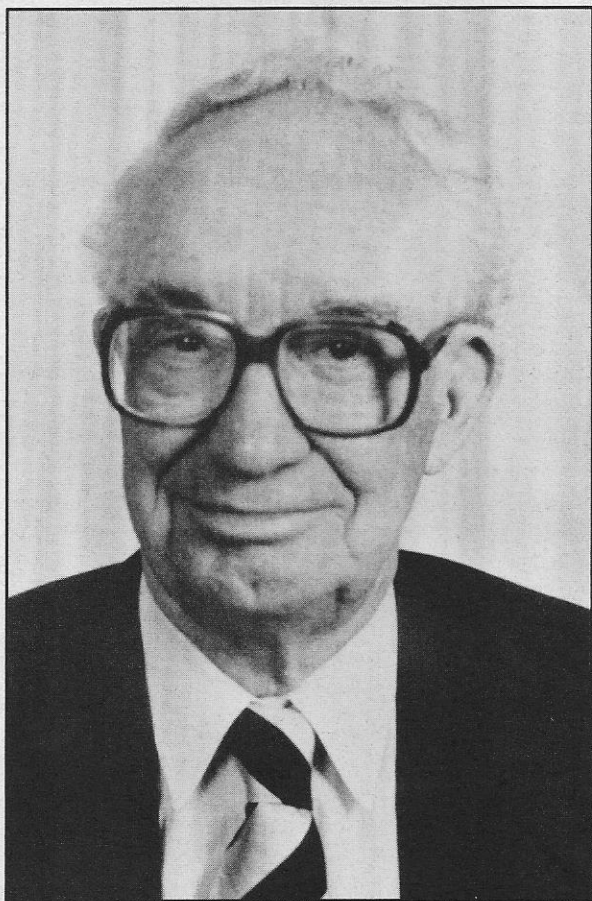


THE ALLEN FOUNDATION INC.

POST OFFICE BOX 1606
MIDLAND, MICHIGAN 48641-1606



2001 ANNUAL REPORT

LETTER FROM THE CHAIR

The Allen Foundation's support of nutritional therapy work in the South-central African nation of the Republic of Malawi over the last two years has resulted in improved measures of nutritional well-being for the county's children, including findings that refute the common belief that feeding HIV infected children is futile. The findings, made possible by a grant by the Allen Foundation, have recently been highlighted in newspapers, magazines and television reports.

The Allen Foundation Research Endowment Fund at Saginaw Valley State University will provide a base of financial support for faculty members in the College of Science, Engineering, and Technology, and in the College of Nursing and Allied Health. The endowment will be funded by a grant of \$1 million, consisting of an initial grant of \$500,000.00 and two additional grants scheduled for 2002 and 2003 of \$500,000.00. The fund will support research enabling the exploration of human nutrition issues and will facilitate further nutritional research by leveraging outside grants.

The foundation would like to be in a financial position to assist all grant requests, but its resources are unfortunately limited and in many cases have already been committed. Consequently, applications should never view possible declinations to fund proposals by the foundation as judgements on the actual merits of their proposals.

Roberta R. Allen, Chair

INCOME STATEMENT

Twelve Months Ended
December 31, 2001

REVENUES AND ASSETS - 2001

Assets of December 31, 2001

Cash	\$272,893
Securities at Market	\$11,984,503
<i>Total Assets</i>	\$12,257,396

REVENUES AND EXPENDITURES - 2001

Receipts

Interest	\$273,171
Dividends	\$184,168
<i>Total Receipts</i>	\$457,339

Expenditures

Grants	\$916,370
Taxes	\$772
Office Expenses & Miscellaneous	\$16,383
Money Management	\$30,682
Legal	\$3,260

Total Expenditures

	\$967,467
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Excess Expenditures of Revenue \$510,128

GRANTS MADE BY THE FOUNDATION

<u>ORGANIZATION:</u>	<u>TOTAL:</u>	<u>In 2001:</u>
American Friends Service Committee	\$15,700	
Boy Scouts of America		
Lake Huron Area Council	7,000	
Cedar Crest College	1,795,180	250,000
Center for Science in the Public Interest	50,000	
Central Michigan University	117,466	
Delta College	11,267	
Detroit City Rescue	1,000	
Eagle Boys Village	21,840	
East Dallas Coop Parish	8,665	
Family Planning Center-Auburn, NY	10,000	
FSP/Vanuatu Country, South Pacific	15,000	
Girls Incorporated-St. Louis, MO	5,000	
Gleaners Community Food Bank-		
Detroit, MI	5,000	
Grace Methodist Church-Dallas, TX	5,000	
Holy Rosary School	4,090	4,090
Home Gardening Foundation-Jacksonville, OR	17,500	
Immaculata College	10,000	
Indiana State University	65,107	
Le Bonheur Medical Center-Memphis, TN	4,990	
LightHouse of Oakland County, MI	1,200	
Loma Linda University	48,379	
Lutheran Social Services-La Jolla, CA	300	
Mary's Center for Maternal & Child Care-		
Washington, DC	25,000	
Matrix, Midland, MI	8,000	
Memorial Presbyterian Church		
Midland, MI	200	
Memorial Sloan Kettering	25,000	
Michigan Council of Foundations	10,500	
Michigan 4-H Foundation	80,950	
Michigan Department of Agriculture		
Project F.R.E.S.H.	258,196	53,456
4-H	29,091	
Michigan State University	281,730	33,264
Michigan State University		
Extension Service	2,000	
Michigan State University		
Extension Service-Ontonagon	2,000	
Midland Board of Education	570	
Midland Camping Council	22,330	6,500
Midland County, Michigan	500	
Midland Foundation		
Washington Woods-Midland, MI	30,000	
Riverside Place-Midland, MI	300,000	
Midland Preschool Centers, Inc.	24,700	

MidMichigan Alliance-Clare, MI	8,900	
MidMichigan Regional Medical Center		176,404
MidMichigan Medical Center		
Midland, MI	24,450	
Montessori Children's House	15,000	15,000
Mother Waddles-Detroit, MI	2,000	
Northwestern University Medical School	100,000	
Northwood University	30,700	
Operation Frontline-Detroit, MI	10,000	
Power of Positive Eating-Manistique,MI		3,600
Progress Center-Longview, WA	12,000	
Project Concern International	199,314	38,060
Resources for Child Caring-St. Paul,MN		4,000
Richland School-Columbia, SC	30,000	
Saginaw Valley State University	619,311	500,000
Salvation Army		
Eastern Michigan	12,000	
Midland, MI	34,350	
San Diego, CA	25,000	
St. Mary's Medical Center-Saginaw, MI		52,860
Scripps Memorial Hospitals Foundation		5,000
Senior Alliance-Wayne County MI	7,000	
State University of New York at Buffalo		45,000
Still Creek Boys Ranch-Kurten, TX	16,950	
Syracuse University	474,907	
Texas A&M University	571,940	
Texas Agricultural Extension Service	36,800	
University of California at San Diego	99,121	
University of Cincinnati	52,380	
University of Cincinnati Foundation	40,000	
University of Minnesota	60,031	
University of Wisconsin, La Crosse	5,083	
University of Wisconsin. Stout	9,374	
U.S. Committee of UNICEF	34,500	
Vanderbilt University Medical Center	22,266	
Washington University St. Louis, MO	100,000	
Washington University School of Medicine	66,000	16,000
Wayne State University	43,720	
West Midland Family Center	23,828	
West Virginia Hospital Association	40,000	
WIC Public Health, CA	21,931	
Youth Living Centers-Inkster, MI	10,000	
YWCA of Lincoln	5,175	
TOTAL	\$6,471,345	\$916,370



BOARD OF TRUSTEES, 2001-2002

Roberta R. Allen, Chairman of the Board	La Jolla, California
William J. Allen, President	La Jolla, California
W. Brock Neely, Treasurer	Midland, Michigan
William Lauderbach, Financial Vice President	Midland, Michigan
Dale Baum, Secretary	College Station, Texas
Laurie Bouwman, Assistant Secretary	Interlochen, Michigan
Gail Lanphear, Trustee	Harrison, Michigan
Ann Jay, Trustee	Pinconning, Michigan
Mark Ostahowski, M.D., Trustee	Midland, Michigan
Lucille Dougherty, Staff Assistant	Midland, Michigan

GRANT APPLICATION PROCEDURE

The Allen Foundation Inc. operates under the laws of the State of Michigan, with offices in Midland. In order to be considered for an Allen Foundation grant, you must be a non-profit organization, and be able to provide us with a copy of your federal Internal Revenue Service certification of 501(c)(3) tax-exempt status. Academic research under an Allen Foundation grant should be conducted under the leadership of a principal investigator who is a full-time regular faculty member with tenure or on tenure tract. The foundation does not directly administer the programs which it funds. Recipients are asked to submit yearly progress reports and a financial accounting concerning the expenditures of the foundation grant.

Grants are limited under the terms of the charter to projects that primarily benefit programs for human nutrition in the areas of health, education, training, and research. Application forms are available on request and must accompany all grant proposals. They may be obtained along with a more detailed statement of the policies and priorities of the Allen Foundation by contacting:

ALLEN FOUNDATION INC.

Post Office Box 1606
Midland, Michigan 48641-1606

Telephone: (989) 832-5678

FAX: (989) 832-8842

<http://www.tamu.edu/baum/allen.html>