

THE ALLEN FOUNDATION INC.

**POST OFFICE BOX 1606
MIDLAND, MICHIGAN 48641-1606**



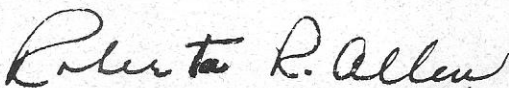
2002 ANNUAL REPORT

www.allenfoundation.org

LETTER FROM THE CHAIR

During the past year the Allen Foundation developed a website to allow electronic submissions of all unsolicited applications that it receives for consideration for possible funding. The new website (<http://www.allenfoundation.org/>) contains a host of valuable information, including an "eligibility quiz" to help potential applicants discover if they are eligible to receive funding, a statement of priorities and policies of the foundation, copies of the foundation's annual reports for the past six years, and a public posting board for grantees to submit their required "progress reports." The board of trustees would like to express its appreciation to Venkatraman ("Venky") Gurumurthi for building the new website. In addition to his regular job developing extremely well accepted or "killer" software programs at Siemens Corporate Research, Inc., in Princeton, New Jersey, Mr. Gurumurthi has volunteered his valuable time to continue serving as the webmaster for the Allen Foundation's new homepage.

The Allen Foundation reviews each year over one hundred proposals for consideration for possible funding. The foundation would like to be in a financial position to assist all of the excellent grant requests that it receives, but its resources are unfortunately limited and in many cases have already been committed. Consequently, applicants should never view possible declinations to fund proposals by the foundation as judgments on the actual merits of their proposals.



Roberta R. Allen, Chair

INCOME STATEMENT

Twelve Months Ended
December 31, 2002

REVENUES AND ASSETS - 2002

Assets of December 31, 2002

| | |
|----------------------------|---------------------|
| Cash | \$326,432 |
| Securities at Market | 10,029,624 |
| <i>Total Assets</i> | <i>\$10,356,056</i> |

REVENUES AND EXPENDITURES - 2002

Receipts

| | |
|-----------------------------|------------------|
| Interest | \$210,157 |
| Dividends | 172,798 |
| <i>Total Receipts</i> | <i>\$382,955</i> |

Expenditures

| | |
|---------------------------------------|-----------|
| Grants | \$604,894 |
| Taxes | 14,385 |
| Office Expenses & Miscellaneous | 9,528 |
| Money Management | 29,987 |
| Legal | 2,550 |

Total Expenditures

| |
|------------------|
| <i>\$661,344</i> |
|------------------|

Excess Expenditures of Revenue\$278,389

GRANTS MADE BY THE FOUNDATION

| <u>ORGANIZATION:</u> | <u>TOTAL:</u> | <u>In 2002:</u> |
|--|---------------|-----------------|
| American Friends Service Committee | \$15,700 | |
| Boy Scouts of America | | |
| Lake Huron Area Council | 7,000 | |
| Cedar Crest College | 2,135,180 | 250,000 |
| Center for Science in the Public Interest | 50,000 | |
| Central Michigan University | 150,466 | 33,000 |
| Community Partnership-Manistique, MI | 3,600 | |
| Delta College | 11,267 | |
| Detroit City Rescue | 1,000 | |
| Eagle Boys Village | 28,937 | |
| 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 | |
| Home Gardening Foundation-Jacksonville, OR | 17,500 | |
| Huntington's Disease Society of America, Inc | 5,000 | 5,000 |
| 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 Department of Agriculture | | |
| 4H Foundation | 80,950 | |
| Michigan State University | 281,730 | |
| Michigan State University | | |
| Extension - 4H Foundation | 33,091 | |
| Michigan State University | | |
| Extension -Project Fresh | 360,995 | 51,894 |
| Midland Board of Education | 570 | |
| Midland Camping Council | 22,330 | |
| Midland County, Michigan | 500 | |
| Midland Foundation | | |
| Riverside Place-Midland, MI | 300,000 | |
| Washington Woods-Midland MI | 30,000 | |
| Midland Preschool Centers, Inc. | 24,700 | |

| | | |
|--|--------------------|------------------|
| MidMichigan Alliance-Clare, MI | 8,900 | |
| MidMichigan Regional Medical Center | 200,854 | |
| Montessori Children's House | | |
| Traverse City-MI | 30,000 | 15,000 |
| Mother Waddles Mission-Detroit, MI | 2,000 | |
| Northwestern University Medical School | 100,000 | |
| Northwood University | 30,700 | |
| Progress Center-Longview, WA | 12,000 | |
| Project Concern International | 199,671 | |
| Resources for Child Caring-St. Paul, MN | 4,000 | |
| Richland School-Columbia, SC | 30,000 | |
| Saginaw Valley State University | 869,311 | 250,000 |
| Salvation Army | | |
| Eastern Michigan | 12,000 | |
| Midland, MI | 45,850 | |
| San Diego, CA | 15,000 | |
| St. Mary's Medical Center-Saginaw, MI | 52,800 | |
| Scripps Memorial Hospitals Foundation | 5,000 | |
| Share Our Stringth-Detroit, MI | 10,000 | |
| 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 | 618,200 | |
| Texas Agricultural Extension Service | 36,800 | |
| U.S. committee of UNICEF | 34,500 | |
| University of California at San Diego | 99,121 | |
| University of Cincinnati | 52,380 | |
| University of Minnesota | 60,031 | |
| University of Wisconsin, La Crosse | 5,083 | |
| University of Wisconsin, Stout | 9,374 | |
| Vanderbilt University Medical Center | 22,266 | |
| Washington University St. Louis, MO | 100,000 | |
| Washington University School of Medicine | 66,000 | |
| 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 | \$7,225,299 | \$604,894 |



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 | Cadillac, 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 strictly limited under the terms of the charter to projects that benefit programs for human nutrition in the areas of health, education, training, and research. The Allen Foundation now requires electronic submission of all unsolicited applications for consideration for possible funding. Please go to the foundation website and follow the instructions for filing a grant application online. The next "deadline" for submission of proposals is December 31, 2003. This deadline means that any proposal submitted electronically on or after January 1, 2004, will be considered for review in 2005. The decisions of the board of trustees will be announced in June of each year. Because of the number of proposals received and the limited resources of the foundation, applicants should never view possible declinations to fund their proposals or delays in reviewing their proposals as judgements on the actual merits of their proposals.

ALLEN FOUNDATION INC.

Post Office Box 1606
Midland, Michigan 48641-1606

Telephone: (517) 832-5678

FAX: (517) 832-8842

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