

THE ALLEN FOUNDATION INC.

POST OFFICE BOX 1606
MIDLAND, MICHIGAN 48641-1606



2003 ANNUAL REPORT

www.allenfoundation.org

LETTER FROM THE CHAIR

The year 2003 witnessed significant change and accomplishment for the Allen Foundation. In April our chairperson, Roberta ("Bobbe") R. Allen, announced her retirement from the board of trustees. On behalf of the Allen Foundation trustees I would like to take this opportunity to thank her for her twenty-eight years of outstanding service. Programs that have benefited from foundation grants over the past decades of her tenure owe her a tremendous debt of gratitude. Upon her retirement the board unanimously bestowed upon her "Trustee Emeritus" status.

In May the board members elected Dr. Mark Ostahowski president of the Allen Foundation Inc. His willingness to accept this leadership role is deeply appreciated. Three outstanding new proposals were funded by the foundation. Wake Forest University received funding for electronic decision support for preterm infant nutrition. Farm Share Inc. received a key equipment grant. Project Fresh, a program to provide fresh fruits and vegetables to disadvantaged families, received the third grant.

The first year of requiring on-line submission of all proposals to the foundation passed with thankful only a few minor cliches. Thanks to the foundation's webmaster, Venkatram Gurumurthi, trustees are now able to read and grade grant proposals online - an innovation that has saved time, postage, copying costs and all but eliminate the foundation's file cabinets.

This annual letter is my opportunity to express my sincere and deep appreciation to each of our dedicated trustees. Without their selfless commitment to the mission of the foundation, the work that was so dear to our founder William Allen could not be accomplished.

The Allen Foundation reviews each year over four 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.

Gail E. Lanphear

Gail E. Lanphear, Chair

INCOME STATEMENT

Twelve Months Ended
December 31, 2003

REVENUES AND ASSETS - 2003

Assets of December 31, 2003

Cash	\$ 152,090
Securities at Market	<u>11,490,869</u>
<i>Total Assets</i>	\$11,642,959

REVENUES AND EXPENDITURES - 2003

Receipts

Interest	\$191,646
Dividends	<u>174,185</u>
<i>Total Receipts</i>	\$365,831

Expenditures

Grants	\$652,055
Taxes	1,410
Office Expenses & Miscellaneous	13,189
Money Management	27,904
Legal	<u>3,200</u>
<i>Total Expenditures</i>	\$697,758

Excess Expenditures Over Revenue\$331,927

GRANTS MADE BY THE FOUNDATION

<u>ORGANIZATION:</u>	<u>TOTAL:</u>	<u>IN 2003:</u>
American Friends Service Committee	\$ 15,700	
Boy Scouts of America - Lake Huron #265	7,000	
Cedar Crest College	2,375,180	240,000
Center for Science in the Public Interest	50,000	
Central Michigan University	183,466	33,000
Childrens Hospital of Michigan	43,720	
Community Partnership - Manistique MI	3,600	
Delta College	11,267	
Detroit Rescue Mission	1,000	
Eagle Boy's Village	28,937	
East Dallas Co-op Parish	8,665	
Family Planning Center, Inc.	10,000	
Farm Share, Inc.	12,150	12,150
FSP/Vanuata Country	15,000	
Girls Incorporated of St. Louis	5,000	
Gleaner's Community Food Bank - Detroit	5,000	
Grace Methodist Church - Dallas	5,000	
Holy Rosary School	4,090	
Home Gardening Project - Oregon	17,500	
Huntington's Disease Society of America, Inc.	5,000	
Immaculata College	10,000	
Indiana State University	65,107	
Le Bonheur Medical Center - Memphis	4,990	
Lighthouse of Oakland County Inc.	1,200	
Loma Linda University	48,379	
Lutheran Social Services - California	300	
Mary's Center for Maternal & Child Care, Inc.	25,000	
Matrix:Midland Festival	8,000	
Memorial Sloan Kettering	25,000	
Michigan 4-H Foundation	80,950	
Michigan Council on Foundations	10,500	
Michigan State University	281,730	
MidMichigan Alliance - Clare	8,900	
MidMichigan Regional Medical Center	200,854	
Midland Board of Education	570	
Midland Camping Council	22,330	
Midland County, Michigan	500	
Midland Foundation - Riverside Place	300,000	
Midland Foundation - Washington Woods	30,000	
Midland Presbyterian Church	200	

Midland Preschool Center	24,700	
Montessori Children's House	45,000	15,000
Mother Waddles Mission	2,000	
MSU Extension - 4H	33,091	
MSU Extension - Project Fresh	440,900	79,905
Northwestern University Medical School	100,000	
Northwood University	30,700	
Progress Center	12,000	
Project Concern International	199,671	
Public Health Fnd. Enterprises Calif.	21,931	
Resources for Child Caring	4,000	
Richland School District, SC	30,000	
Saginaw Valley State University	1,119,311	250,000
Salvation Army - Eastern Michigan	12,000	
Salvation Army - Midland	45,850	
Salvation Army - San Diego	15,000	
Scripps Memorial Hospital	5,000	
Share Our Strength - Detroit	10,000	
St. Mary's Medical Center - Saginaw	52,800	
State University of New York at Buffalo	45,000	
Still Creek Boys Ranch	16,950	
Syracuse University	474,907	
Texas A&M University	618,200	
Texas Agricultural Extension Service	36,800	
U.S. Committee for UNICEF	34,500	
University of California - 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	
Wake Forest University Health Sciences	22,000	22,000
Washington University	100,000	
Washington University School of Medicine	66,000	
West Midland Family Center	23,828	
West Virginia Hospital Association	40,000	
Youth Living Centers - Inkster	10,000	
YWCA of Lincoln	5,175	
Total	\$7,877,354	\$652,055

BOARD OF TRUSTEES, 2002-2003

Roberta R. Allen, Trustee Emeritus	La Jolla, California
Gail E. Lanphear, Chairman of the Board	Cadillac, Michigan
Mark Ostahowski, M.D., President	Midland, Michigan
W. Brock Neely, Ph.D., Treasurer	Midland, Michigan
William Lauderbach, Financial Vice President	Midland, Michigan
Dale Baum, Ph.D., Secretary	College Station, Texas
Laurie Bouwman, Assitant Secretary	Interlochen, Michigan
Ann Jay, Trustee	Pinconning, Michigan
William J. Allen, Trustee	La Jolla, California
Patrick J. Oriel, Ph.D., Trustee	Midland, Michigan
Leslie A. Hildebrandt, Ph.D., Trustee	Shepherd, 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, 2004. This deadline means that any proposal submitted electronically on or after January 1, 2005, will be considered for review in 2006. 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.

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