

ALLEGHENY FOUNDATION
One Oxford Centre
301 Grant Street, Suite 3900
Pittsburgh, Pennsylvania 15219-6401
Telephone (412) 392-2900

2003 ANNUAL REPORT

The Allegheny Foundation concentrates its giving in the Western Pennsylvania area and confines most of its grant awards to programs for historic preservation, civic development and education. The Foundation does not make grants to individuals. Proposals for the following are usually declined: event sponsorships, endowments, capital campaigns, renovations or government agencies.

Initial inquiries to the Foundation should be in letter form signed by the organization's President, or authorized representative, and have the approval of the Board of Directors. The letter should include a concise description of the specific program for which funds are requested. Additional information must include a budget for the program and for the organization, the latest audited financial statement and annual report. A copy of the organization's current ruling letter evidencing tax exemption under Section 501(c)(3) of the Internal Revenue Service Code is required. Additional information may be requested if needed for further evaluation.

The Foundation normally considers grants at an Annual Meeting held in November. However, requests may be submitted at any time and will be acted upon as expeditiously as possible.

Grant application letters should be addressed to:

Mr. Matthew A. Groll
Executive Director
Allegheny Foundation
One Oxford Centre
301 Grant Street, Suite 3900
Pittsburgh, Pennsylvania 15219-6401

ALLEGHENY FOUNDATION - GRANTS PAID 2003

Allegheny Institute for Public Policy	\$ 25,000
American Legislative Exchange Council	15,000
Animal Rescue League of Western Pennsylvania, Inc., The	10,000
Brownsville Area Revitalization Corporation	21,800
Carnegie Library of Homestead	12,000
Center for the Study of Popular Culture	50,000
Children Requiring a Caring Kommunity	25,000
Cornerstone Church of Muskegon	1,000
Crime Prevention Offices of Western Pennsylvania	5,000
Former Agents of the FBI Foundation	25,000
Frick Art and Historical Center, Inc., The	40,000
Garden Club of McKeesport, The	1,000
Goodwill Industries of Pittsburgh	50,000
Greater Pittsburgh Community Food Bank	25,000
Institute for Functional Medicine	25,000
Intercollegiate Studies Institute, Inc.	50,000
Johnstown Flood Museum Association	10,000
Kiskiminetas Springs School	50,000
Light of Life Rescue Mission, Inc.	10,000
Loyalhanna Watershed and Environmental Association, Inc.	2,500
Maldon Institute, The	20,000
Manchester Craftsmen's Guild	50,000
Mount Vernon Ladies' Association of the Union, The	100,000
National Academy of Social Insurance	20,000
Northeastern Educational Television of Ohio, Inc.	5,000
Pennsylvania Trolley Museum, Inc.	400,000
Pittsburgh History and Landmarks Foundation	27,000

ALLEGHENY FOUNDATION - GRANTS PAID 2003 - PAGE TWO

Pittsburgh Parks Conservancy, The	\$ 75,000
Point Park University	100,000
Soldiers' and Sailors' Memorial Hall and Museum Trust, Inc.	25,000
Tutwiler Community Education Center, Inc.	10,000
UCLA Foundation	50,000
Western Pennsylvania Model Railroad Museum	5,000
Westmoreland County Food Bank	<u>20,000</u>
	<u>\$ 1,360,300</u>

ALLEGHENY FOUNDATION

OFFICERS:

Richard M. Scaife	Chairman
Matthew A. Groll	Executive Director

ADDRESS:

One Oxford Centre
301 Grant Street, Suite 3900
Pittsburgh, PA 15219-6401

STATEMENT OF INVESTMENTS - DECEMBER 31, 2003:

	<u>Cost</u>	<u>Market Value</u>
Money Market	\$ 205,994	\$ 205,994
Common Stocks	<u>11,400,266</u>	<u>38,569,208</u>
	<u>\$11,606,260</u>	<u>\$38,775,202</u>

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation
 Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

2003

For calendar year 2003, or tax year beginning , 2003, and ending

Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

72289 *****AUTO**5-DIGIT 15219
 ALLEGHENY FOUNDATION
 301 GRANT ST STE 3900 P 9 I
 PITTSBURGH PA 15219-6402 B 13 S

Room/suite

A Employer identification number
25-6012303

B Telephone number (see page 10 of the instructions)
(412) 392-2900

C If exemption application is pending, check here

D 1. Foreign organizations, check here
 2. Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **38,862,681.**

J Accounting method: Cash Accrual
 Other (specify) _____
 (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses
 (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule). Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
2 Distributions from split-interest trusts				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	1,189,501.	1,189,501.	NONE	STMT 1
5 a Gross rents				
b (Net rental income or (loss))				
6 a Net gain or (loss) from sale of assets not on line 10	-625,304.			
b Gross sales price for all assets on line 6a	1,305,434.			
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	564,197.	1,189,501.	NONE	
13 Compensation of officers, directors, trustees, etc.	46,292.	6,130.	NONE	40,162.
14 Other employee salaries and wages	56,667.		NONE	56,667.
15 Pension plans, employee benefits	43,323.	2,579.	NONE	40,744.
16 a Legal fees (attach schedule) STMT 2	1,419.	NONE	NONE	1,419.
b Accounting fees (attach schedule) STMT 3	31,045.	15,523.	NONE	15,522.
c Other professional fees (attach schedule) STMT 4	33,160.	33,160.	NONE	NONE
17 Interest				
18 Taxes (attach schedule) (see page 13 of the instructions)	** 18,986.	460.	NONE	7,275.
19 Depreciation (attach schedule) and depletion	21,810.	NONE	NONE	
20 Occupancy	55,973.	3,332.	NONE	52,641.
21 Travel, conferences, and meetings	5,445.	NONE	NONE	5,445.
22 Printing and publications				
23 Other expenses (attach schedule) STMT 6	34,583.	1,875.	NONE	32,708.
24 Total operating and administrative expenses. Add lines 13 through 23	348,703.	63,059.	NONE	252,583.
25 Contributions, gifts, grants paid STMT 7	1,482,300.			1,360,300.
26 Total expenses and disbursements. Add lines 24 and 25	1,831,003.	63,059.	NONE	1,612,883.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-1,266,806.			
b Net investment income (if negative, enter -0-)		1,126,442.		
c Adjusted net income (if negative, enter -0-)			NONE	

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

	Beginning of year		End of year	
	(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets				
1 Cash - non-interest-bearing	7,409.	10,489.	10,489.	
2 Savings and temporary cash investments	237,663.	205,994.	205,994.	
3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶				
4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶				
5 Grants receivable				
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶				
8 Inventories for sale or use				
9 Prepaid expenses and deferred charges STMT 8	34,094.	23,901.	23,901.	
10 a Investments - U.S. and state government obligations (attach schedule)				
b Investments - corporate stock (attach schedule) . STMT 9	12,500,938.	11,400,266.	38,569,208.	
c Investments - corporate bonds (attach schedule)				
11 Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)				
14 Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶	189,478. 136,389.			
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)	12,838,545.	11,693,739.	38,862,681.	
Liabilities				
17 Accounts payable and accrued expenses				
18 Grants payable	475,000.	597,000.		
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable (attach schedule)				
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	475,000.	597,000.		
Net Assets or Fund Balances				
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
24 Unrestricted	12,363,545.	11,096,739.		
25 Temporarily restricted				
26 Permanently restricted				
Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg., and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see page 17 of the instructions)	12,363,545.	11,096,739.		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	12,838,545.	11,693,739.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	12,363,545.
2 Enter amount from Part I, line 27a	2	-1,266,806.
3 Other increases not included in line 2 (itemize) ▶	3	
Add lines 1, 2, and 3	4	11,096,739.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	11,096,739.

