

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

2009 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 2009

Allegheny Institute for Public Policy	\$ 125,000
American Chestnut Foundation	10,000
American Legislative Exchange Council	25,000
America's Survival, Inc.	100,000
Auberle	25,000
Bach Choir of Pittsburgh, Inc.	15,000
Baltimore & Ohio Railroad Museum	20,000
Beginning with Books	20,000
Boy Scouts of America, Greater Pittsburgh Council	25,000
Boy Scouts of America, Westmoreland-Fayette Council	50,000
Boys & Girls Clubs of Western Pennsylvania	25,000
Brandywine Conservancy, Inc.	100,000
Brownsville Area Revitalization Corporation	37,000
Carnegie Library of McKeesport	25,000
Center for Strategic and International Studies	100,000
Children Requiring a Caring Community	75,000
Cleveland Police Historical Society, Inc.	20,000
Commonwealth Education Organization	15,000
Counterterrorism and Security Education and Research Foundation	250,000
Extra Mile Education Foundation, Inc.	100,000
Family Guidance, Inc.	50,000
Fayette County Community Action Agency, Inc.	50,000
Frick Art and Historical Center, Inc.	25,000
Garden Club of McKeesport	10,000
Gilder Lehrman Institute of American History	10,000
Goodwill of Southwestern Pennsylvania	25,000
Greater Pittsburgh Community Food Bank	200,000

ALLEGHENY FOUNDATION - GRANTS PAID 2009 - PAGE TWO

Greensburg Community Development Corporation	\$ 10,000
David Horowitz Freedom Center	150,000
Imani Christian Academy	365,000
Light of Life Ministries, Inc.	50,000
Lincoln Institute of Public Opinion Research, Inc.	65,000
McKeesport, City of	150,000
McKeesport Heritage Center	5,000
Mon Yough Community Services, Inc.	25,000
Pennsylvania Trolley Museum, Inc.	60,000
Philanthropy Roundtable	15,000
Pittsburgh History & Landmarks Foundation	575,000
Pittsburgh Opera, Inc.	25,000
River City Brass Band	50,000
Saint Vincent College	25,000
Salvation Army	75,000
Society of St. Vincent de Paul	25,000
Westmoreland County Food Bank	60,000
Woodlawn Foundation	<u>10,000</u>
	<u>\$ 3,272,000</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, 2009:

	<u>Cost</u>	<u>Market Value</u>
Common Stocks	\$23,231,409	\$42,077,627
Cash and Cash Equivalents	3,685,543	3,685,543
Mutual Funds	205,927	207,720
Other Assets	<u>1,006,053</u>	<u>1,158,620</u>
	<u>\$28,128,932</u>	<u>\$47,129,510</u>

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No. 1545-0052

2009

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2009, or tax year beginning , 2009, and ending , 20

G Check all that apply: Initial return Amended return Initial return of a former public charity Address change Final return Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation ALLEGHENY FOUNDATION		A Employer identification number 25-6012303
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) (412) 392-2900
	301 GRANT STREET	3900	C If exemption application is pending, check here <input type="checkbox"/>
	City or town, state, and ZIP code PITTSBURGH, PA 15219-6402		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 47,138,307.		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

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 11 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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	4,198,438.	ATCH 1		
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B.				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	1,518,152.	1,535,864.	0.	ATCH 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,892,777.			
	b Gross sales price for all assets on line 6a 8,004,934.				
	7 Capital gain net income (from Part IV, line 2)		5,876,138.	ATCH 14	
	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)	-64,290.	-9,496.	0.	ATCH 3	
12 Total. Add lines 1 through 11	10,545,077.	7,402,506.	0.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	88,600.	12,635.	0.	75,965.
	14 Other employee salaries and wages	140,367.	5,038.	0.	135,329.
	15 Pension plans, employee benefits	72,617.	5,604.	0.	67,013.
	16 a Legal fees (attach schedule) ATCH 4	638.	0.	0.	638.
	b Accounting fees (attach schedule) ATCH 5	46,211.	23,105.	0.	23,106.
	c Other professional fees (attach schedule) *	42,079.	42,079.	0.	0.
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) **	92,987.	1,388.	0.	16,599.
	19 Depreciation (attach schedule) and depletion ***	454.	0.	0.	
	20 Occupancy	56,365.	4,350.	0.	52,015.
	21 Travel, conferences, and meetings	22,877.	0.	0.	22,877.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 8	38,845.	3,202.	0.	35,018.
	24 Total operating and administrative expenses. Add lines 13 through 23	602,040.	97,401.	0.	428,560.
	25 Contributions, gifts, grants paid	4,067,000.			3,272,000.
26 Total expenses and disbursements. Add lines 24 and 25	4,669,040.	97,401.	0.	3,700,560.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,876,037.				
b Net investment income (if negative, enter -0-)		7,305,105.			
c Adjusted net income (if negative, enter -0-)			-0-		

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	7,023.	5,941.	5,941.
2 Savings and temporary cash investments	46,507.	258,217.	258,217.
3 Accounts receivable ▶ 0.			
Less: allowance for doubtful accounts ▶	0.	0.	0.
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 18 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 ATCH 9	2,106.	2,556.	2,556.
10 a Investments - U.S. and state government obligations (attach schedule)			
b Investments - corporate stock (attach schedule) ATCH 10	20,918,631.	23,231,409.	42,077,627.
c Investments - corporate bonds (attach schedule)			
Investments - land, buildings, and equipment: basis			
Less: accumulated depreciation (attach schedule) ▶			
12 Investments - mortgage loans			
13 Investments - other (attach schedule) ATCH 11	399,398.	4,547,232.	4,793,666.
14 Land, buildings, and equipment: basis ▶ ATCH 7A 190,022.			
Less: accumulated depreciation (attach schedule) ▶ 189,722.	953.	300.	300.
15 Other assets (describe ▶)			
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	21,374,618.	28,045,655.	47,138,307.
Liabilities			
17 Accounts payable and accrued expenses			
18 Grants payable	260,000.	1,055,000.	
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)	260,000.	1,055,000.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted	21,114,618.	26,990,655.	
25 Temporarily restricted			
26 Permanently restricted			
Foundations 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)	21,114,618.	26,990,655.	
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	21,374,618.	28,045,655.	

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	21,114,618.
2 Enter amount from Part I, line 27a	2	5,876,037.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	26,990,655.
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	26,990,655.

Form 990-PF (2009)

Part XVII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Table with 3 columns: Question/Item, Yes, No. Rows include items 1a(1), 1a(2), 1b(1) through 1b(6), and 1c. 'Yes' and 'No' columns have 'X' marks.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Header row contains 'N/A'.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee: [Signature] Date: 5/11/10 Title: Ex. Dir.

Sign Here: Paid Preparer's Use Only. Preparer's signature, Date: 5/11/10, Check if self-employed [] Preparer's identifying number: P00532355. Firm's name: WTAS LLC, address: 335 COMMERCE DRIVE - SUITE 201, FORT WASHINGTON, PA 19034. EIN: 33-1197384. Phone no.: 215-654-1600