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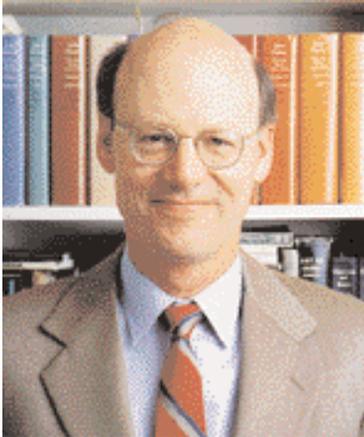
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Design: H Plus Incorporated  
Printing: Finlay Printing  
Printed on recycled paper

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## A Message from the Chair



STEVEN C. ROCKEFELLER

In 2001 the Rockefeller Brothers Fund welcomed a new president, continued the review and reorganization of its programs, and grappled with the impact of an economic recession and how best to respond to 9/11 locally and globally. Stephen Heintz assumed the presidency of the Fund on February 1 and guided the Fund very effectively through an especially challenging year.

In response to 9/11, the trustees established a special \$1 million emergency fund and adopted a strategy of providing support for relief and recovery initiatives in New York City and for longer term efforts to promote mutual understanding, global security, and peace. The relief efforts focused on ensuring that vulnerable low-income individuals and families, including immigrants, receive the assistance they need and on improving the flow of information about where and how to get assistance. The Fund's New York City

recovery strategy has focused on (1) developing a bold, integrated vision for the rebuilding of lower Manhattan, (2) supporting innovative models of civil engagement in the reconstruction process, and (3) promoting the collaboration of philanthropic organizations and the partnership of the nonprofit, private, and public sectors. In addition, given the Fund's commitment to the arts in New York City, some grantmaking from the 9/11 emergency fund has gone to artists and cultural organizations that have suffered from the terrorist attacks. Support for human rights in Afghanistan has also been provided. Grants from the 9/11 fund in 2001 totaled \$515,000.

The RBF carefully reviewed and redesigned its Arts and Culture program in the course of the year. Given the Fund's commitment to New York City and the pivotal role of the City in the world of the arts and the Fund's grantmaking capacity in this field, it was decided to focus the Arts and Culture program on New York City. Two goals for the program were adopted: (1) to foster an environment in which artists can flourish, and (2) to help sustain and advance small and mid-size cultural organizations, particularly those that are community-based and/or culturally specific. Reflecting the strong commitment to this field of the Culpeper Foundation, with which the Fund merged in 1999, the new program has been designated the Charles E. Culpeper Arts and Culture Program. The focusing of this program and the new Education program on New York City involves a strengthening of the Fund's broad commitment to community building efforts in the City and also a geographical consolidation of a portion of its grantmaking. Assessments of the RBF's Health, Nonprofit Sector, and Sustainable Resource Use programs will be undertaken in 2002, completing the review process.

Recognizing the dangerous consequences that continued instability in the Balkans may have for the larger region and the world, and building on the RBF's extensive grantmaking experience in Central and Eastern Europe, the Fund experimented with a new "Special Concerns" program in the Balkans. The initiative involved a budget of \$500,000 and an initial focus on the Federal Republic of Yugoslavia. Grantmaking has centered on building democratic capacity, addressing issues of national identity and ethnic relations, and promoting sustainable communities. At year's end the trustees were satisfied that the Fund's efforts were making a significant positive difference and authorized continuation of the program for three years.

Following recent trustee and staff visits to South Africa and recognizing the way in which the AIDS crisis is affecting every aspect of life in that region, the trustees also expanded the Fund's basic education program in South Africa to include grantmaking that addresses the care and education of AIDS orphans and the need for HIV/AIDS related teacher training.

Even though the Fund undertook a number of new initiatives in 2001, a decline of 10.5 percent in the value of its endowment forced a \$5 million reduction in the Fund's total grantmaking budget for the year. Actual grant payments for 2001 totaled \$25.6 million. Much of the budget reduction was accomplished by not spending \$3.2 million in the budget contingency fund and by moving more slowly in launching newly designed programs.

In July 2001, four Rockefeller Brothers Fund trustees and program staff spent a week on the spectacular mountainous coast of British Columbia where the Fund has played a leadership role over the past eight years in protecting the temperate rain forests and great salmon rivers of this remote but threatened region. The Fund's grantmaking has involved building a partnership of First Nations, environmental groups, logging corporations, Canadian government officials, and funders. Major progress has been made, marked by the signing of a formal agreement to permanently protect over 1.5 million acres in the Great Bear Rainforest and to promote ecosystem-based management for all development throughout the region. The Rockefeller Brothers Fund trip concluded with a productive meeting with the newly elected premier of British Columbia that has generated a new level of cooperation among foundations and government agencies. It was a memorable trip that reminded us of what can be accomplished by relatively small amounts of money when it is administered by a board with clear, long-term goals and a dedicated, talented staff able to inspire the collaboration of funders, grantees, and other stakeholders.

I thank all my colleagues on the board for their steadfast commitment to the Fund's goals. I am especially grateful for the guidance provided this past year by the Finance and Strategic Review Committees. On behalf of all the trustees, I extend heartfelt thanks to Stephen Heintz and the Fund's staff for their exceptional work during difficult times.

In conclusion, as humanity enters an era of increasing global interdependence and rapid change and the threats of environmental degradation and violent conflict mount, the need for private foundations like the RBF to participate actively in the international effort to build just and sustainable societies and a global culture of peace has never been greater.

*Steven C. Rockefeller*  
*Chair*

# A Message from the President



STEPHEN B. HEINTZ ON A SITE VISIT TO A SOUTH AFRICAN AIDS ORPHANAGE.

The first year of my presidency of the Rockefeller Brothers Fund has been extraordinary in every respect—for me personally, as I made the transition from grantseeker to grantmaker, and for this philanthropic institution dedicated to building a more peaceful, just, and sustainable world, as events revealed horrific new threats to those enduring aspirations. It has been a year of inquiry, of new directions—listening, exploring ideas, learning—and of responding to unforeseen needs and challenges.

In this essay and in annual reports to follow, I will offer some brief reflections on the work of the RBF during the previous year, comment on a topic of current concern, and look to future directions. It is my hope that these annual essays will be both informative and, perhaps, a bit provocative. I also hope that readers will respond by offering their own reactions and suggestions for how the Fund can more effectively pursue its mission and better serve the grantee community.

## 2001: EARLY INITIATIVES, UNIMAGINABLE EXIGENCIES

I arrived at the RBF in February 2001, after fifteen years of government service in the State of Connecticut and ten years in the nonprofit sector, including seven years living and working in post-communist Central and Eastern Europe and, back in the United States, several years devoted to the co-founding and launch of Dēmos, a new public policy research and advocacy organization. My professional involvement in the fields of social welfare, economic development and the environment, democratic reforms, and international security closely mirrored the priorities of the RBF, and I was deeply honored to be asked to lead the Fund in these early years of the twenty-first century.

Thanks to the deft responsiveness of the RBF's trustees, I was able immediately to build on the overlap between my own experience and the Fund's substantive priorities by establishing a modest grantmaking program to promote civic engagement, ethnic harmony, sustainable communities, and other democracy-enhancing initiatives in Serbia and Montenegro. When I visited Serbia in late March, I was confirmed in my expectation that lessons from the RBF's prior work in Central Europe would prove valuable to addressing the challenges ahead in the war-torn Balkans.

Because I have long believed that the only way effectively to manage far-flung programs is to get out into the field regularly, I also made an early trip to South Africa, where the RBF has been engaged since 1965. This visit starkly highlighted two of that country's most pressing current needs: to improve the quality and accessibility of basic education for children and adults, and to help the education sector cope with the devastating impact of the HIV/AIDS pandemic. The first of these needs has long been a focus of the Fund's grantmaking in South Africa; during 2001, the second need was incorporated into revised guidelines for the South Africa program.

Traveling on the coast of British Columbia, I became familiar with the Fund's preeminent efforts to preserve coastal temperate rainforests and promote creation of a "conservation economy" in the region, in which native and majority populations can prosper while biodiversity is restored and protected.

Closer to home, I visited grantees in many neighborhoods of New York City and was deeply impressed by their efforts to improve public education and promote youth development, enhance public spaces, and foster community leadership, all of which are foci of our New York City program.

Immediately upon my arrival at the Fund, I also began to participate in the work of the board's Strategic Review Committee, which was established in July 1999. During 2001, the committee completed successful reviews of our Education and Arts and Culture programs. Pursuant to the committee's recommendations, the Education program re-launched the RBF Fellowships for Students of Color Entering the Teaching Profession and adopted new guidelines for grantmaking in support of efforts to promote universal, high-quality education and care for pre-kindergarten children. In December, on the advice of the Strategic Review Committee, the board adopted a new Charles E. Culpeper Arts and Culture program, named to honor the legacy of the Culpeper Foundation, which merged with the RBF in 1999. This program, which is focused on New York City, is designed to foster an environment in which artists can flourish and to help sustain and advance small and midsize cultural organizations, particularly those that are community-based or culturally specific.

Another development that took shape during 2001 was the creation of a new Staff Grantmaking Fund, designed to give all RBF employees an opportunity to participate directly in our core business of grantmaking. This fund is managed entirely by a volunteer committee of RBF employees who work in administrative, financial, and information systems functions in our New York headquarters and at our Pocantico Conference Center.

Then, eight months into my tenure at the RBF, terrorists crashed hijacked airplanes into the World Trade Center towers, visible from our office windows, and the Pentagon. A fourth hijacked plane crashed into a Pennsylvania field as heroic passengers acted to prevent the terrorists from hitting another important target. In a few brief but horrific moments on a perfect September morning, the world entered a dark and anxious new age. Every institution in American society has been affected. As private individuals and as citizens, in the workplace and in our personal lives, all of us are searching for appropriate and effective responses to this tragedy, and to the long-term alterations in security conditions around the world and here at home that it signaled. Like philanthropies across the globe, the RBF responded quickly to assist relief efforts, to support recovery and rebuilding in New York City, and to seek strategic responses to the new realities of global security. One month after the attacks, the board authorized a special supplemental appropriation for these purposes. In addition, the Staff Grantmaking Fund Committee immediately determined that during the fund's first year of operation (2002), grantmaking would be focused on supporting organizations in the New York City metropolitan area that are involved in relief and recovery efforts on behalf of victims of September 11th.

The attacks and their aftermath have exposed profound global challenges, both new and long-festering. The events also underscore, I believe, an urgent need to revitalize democracy and strengthen the bonds of community—including those bonds that bridge differences and foster trust and openness—here in the United States and elsewhere in the world. In the balance of this essay, I will offer some reflections about contemporary challenges to community and democracy—themes that are not only of interest to me personally, but that also implicitly inform many of the programmatic aims of the RBF. In addition, I will suggest some ways that foundations can help citizens, leaders, and institutions meet these new challenges.

### **REBUILDING COMMUNAL BONDS IN AN “AGE OF ANXIETY”\***

I moved to Prague in 1990 because I was inspired by the peaceful revolutions that brought freedom to Poland, Czechoslovakia, and Hungary and, frankly, because I was feeling a bit jaded about American democracy, which seemed increasingly dominated by narrow special interests and paralyzed by political gridlock. I returned from Central and Eastern Europe with a deeper appreciation for democracy's unique strengths but also with a fuller awareness of the threats democracy faces. My experiences in government service in the United States, and my work with citizens and leaders engaged in building new civil societies in Eastern Europe and the former Soviet Union, have also persuaded me that democracy and community are inextricably linked.

\* See “The Age of Anxiety,” by W. H. Auden, 1947

Close examination of the “Third Wave” of democracy that swept the globe over the last three decades of the twentieth century helps us understand that democracy is much more than free elections, representative government, and freedom of expression. More than a system, a process, or a set of institutions, democracy is a culture, a way of thinking and behaving in society; a way of solving problems and resolving conflict.

And at its root, the culture of democracy is sustained by the experience of community: the values shared by a citizenry, people’s sense of connection to one another and their instinctive embrace of mutual responsibility. Throughout history, we have seen that without such bonds of community, the quality and effectiveness of democratic governance declines, eventually leading to economic opportunism, corruption, social disarray, and environmental degradation. By the same token, community is nearly impossible to sustain if citizens lack either the right or the opportunity to influence the decisions that materially affect their lives and livelihoods.

At the end of the twentieth century, democracy appeared triumphant, as the bloodiest century in human history ended with the bloodless revolutions that brought down the Soviet regime and liberated more than 300 million people—a clear demonstration of the need we humans have for genuine community (not “communism”) and freedom. But as we have seen in Eastern Europe and the now independent former Soviet states, it is far easier to put the structures and processes of democracy in place than it is to nurture community and the culture of democracy. And in America, where the 1990s produced unprecedented prosperity, we have seen the emergence of both a “prosperity gap” and a “democracy deficit” that have combined to undermine community and the democratic culture that thrives on it.

American society is now more economically divided than at any time in the nation’s history. By 1998, 38 percent of national wealth was in the hands of 1 percent of the population, an increase in economic disparity of more than 70 percent over the previous two decades. This growing prosperity gap places terrible strains on the bonds of American community. At the same time, a troubling democracy deficit has become evident in the dramatic decline of public trust in government, among other indicators. In the mid-1960s, 76 percent of Americans said they trusted government to “do the right thing most of the time.” By June 2000, less than half as many Americans expressed the same level of trust in government. The U.S. now ranks 139th among the world’s 163 electoral democracies in voter participation. Other forms of civic engagement are also apparently in decline. Robert Putnam’s well-known research on social capital documents a 25 percent drop in American participation in civic activities between the mid-1970s and the mid-1990s, and a similar drop in membership in clubs, voluntary associations, labor unions, PTAs, and even bowling leagues.\*

Of course, despite these disturbing trends, millions of Americans, individually and through community-based organizations, continue to engage in social and civic life in myriad meaningful ways. Throughout these last decades, we remained a generous, open, and caring society. But the weakening of our bonds of community has been hard to ignore.

So where are we today?

Clearly, our world is profoundly different than it was before September 11th. We are at a moment of bewilderment and opportunity. While the dreadful events of that day have shattered our illusions in so many ways, they also seem to have re-ignited Americans’ communal instincts, our communal impulse. In the days and months following the terrorist attacks, Americans reached instinctively for communities of family, faith, friendship, and service. At a time of staggering loss, we have been reminded that the concentric circles of community to which we belong are what offer us love, solace, empathy, and the strength to heal. We again realized how we as humans crave the sense of connection that can only be developed in congregation with others—from the intimacy of family groupings to the more extended communities formed by local organizations and public institutions. It is much the same impulse that brought the East Germans, the Czechs, the Poles and, ultimately, the Russians to the Berlin Wall, to Wenceslas Square, and to the barricades outside the Russian White House.

\*Robert Putnam, “Bowling Together,” *The American Prospect*, February 11, 2002.

In fact, in the aftermath of 9/11, volunteering, trust in government, trust in people of other races, and interest in public affairs all increased. But is enough being done to sustain this new sense of community in the United States? As globalization continues to advance and America prosecutes a war on global terrorism, are Americans and American institutions—public, private, and nonprofit—doing enough to understand the role of the U.S. in, and our impact on, global community?

My own answer to both questions is no, and this leads me to consider the role of philanthropy in nurturing community both here at home and across the globe. The primary role of foundations is to provide the venture capital for social innovation. Traditionally, we exercise leadership by extension, through our grantees, by helping to empower nonprofit organizations that share our values and are committed to bringing about positive social change. Our grantees, then, are the real community builders; our job is to serve them and to learn from what they, and the people they serve, have to say. Nonetheless, I believe that the conditions of the post-9/11 world require new forms of leadership from philanthropists and a more active role for foundations. I also believe that we in the philanthropic community must search for new ways to reinforce, inspire, and sustain America's renewed communal impulse to volunteer, engage, and give back.

For example, we can and should work to encourage meaningful cooperation among the public, private, and nonprofit sectors, as well as among our grantees. We can promote shared learning in a variety of ways, including by convening leaders from all sectors and walks of life for regularly scheduled conversations about how to strengthen community. As philanthropists, we can also exercise leadership more directly, by speaking out ourselves on key issues and challenges and by helping to amplify for national audiences the debates that are taking place in local contexts.

With respect to the foundation role in reinforcing global community in an age of globalization, philanthropists are well positioned to help cultivate deeper public and policymaker understanding and awareness of the ethos and practicalities of global interdependence. We should support conversations, both local and national, about difficult global issues like poverty, prejudice, ignorance, and cultural insensitivity—the root causes of the resentment and marginalization that surely bear some relationship to terrorism and the tolerance of terrorism. Asking questions about root causes is not very popular these days, but foundations have the kind of independence and long-term perspective that both enables and requires them to do so. Foundations should also move quickly to support cross-cultural dialogues; it is particularly important that we support a variety of fora to promote greater understanding between the Islamic and non-Islamic worlds.

As foundations work to build community in society, I think we must also do better at building community among foundations. We need to guard our institutional independence, of course, but surely we can find more ways to work together in support of common goals.

Finally, I suspect we also need to re-examine and recalibrate our “risk profile.” We must be prepared to fail, and to accept failure for the sake of what we learn from it. If the RBF and other foundations are not prepared to take risks in providing capital for social innovation, who will?

In this new age of anxiety, foundations can serve as a source of hope, not just funds. This is no easy task as the challenges are daunting, the needs many, and our resources inevitably finite. In these disquieting times, I find quiet encouragement in the following lines written by the Chilean poet Pablo Neruda:

IF EACH DAY FALLS  
INSIDE EACH NIGHT,  
THERE EXISTS A WELL  
WHERE CLARITY IS IMPRISONED.  
  
WE NEED TO SIT ON THE RIM  
OF THE WELL OF DARKNESS  
AND FISH FOR FALLEN LIGHT  
WITH PATIENCE.

## LOOKING AHEAD AT THE RBF

I have had the great pleasure, and responsibility, of succeeding Colin Campbell—now chairman and president of the Colonial Williamsburg Foundation — as president of the Rockefeller Brothers Fund. His 12 years of leadership here produced extraordinary accomplishments and lasting legacies. In the years ahead, as we adjust to profound new challenges and seek to meet enduring needs, the RBF will build on its past achievements and strive always to be a center of philanthropic excellence.

My first year as president of the RBF only enhanced my respect for the staff and work of this institution and for the leaders and organizations we support. But I have also learned that managing grantmaking wisely and well, with fairness and real impact, is a difficult task—the opportunities and needs are too numerous and varied, and the funds available are too limited. Ultimately, foundations find they must decline many more proposals than they can support. I learned that as an institution we must remain flexible and agile, constantly re-examining our priorities, our strategies, our operations, and our relationship with the grantee community. We must provide continuity of support while remaining open to unexpected ideas that might suggest fresh approaches to persistent problems. Managing the inherent tension between openness and consistency is a critically important task, especially at a time of shrinking endowments.

In response to these challenges, the RBF board and staff will work during 2002 to complete the strategic review of our current programs and to sketch a new program architecture designed to provide greater focus, coherence, and impact for our grantmaking. This new architecture will maintain and strengthen the Fund's commitment to the environment, which is currently expressed through our Sustainable Resource Use program. It is likely that the Fund's implicit commitment to community and democracy will emerge as a more explicit program priority, with some emphasis on the threats to democracy that emanate from the processes of globalization. In our work on Global Security, we will focus more attention on supporting efforts to articulate and advance a new framework for U.S. global engagement that calls for effective and visionary multilateral action on behalf of a more just, sustainable, and peaceful world. We will also explore some consolidation of the Fund's geographic reach and examine opportunities for multidisciplinary grantmaking in a handful of "pivotal places," key spots in the world where processes of local transformation take on larger regional, or even global significance.\*

We face some difficult decisions, since embarking in new directions will necessitate scaling back or perhaps even withdrawing from other areas. We will consider these challenges and make the necessary tough decisions in a deliberate, transparent process that includes discussions with grantees, experts, and colleagues in philanthropy.

It has been a great pleasure to work with the exceedingly able, intellectually lively, and committed members of the RBF board of trustees. I have benefited greatly from the diversity of their experience, from their wisdom, and from their guidance. I am deeply appreciative of their creative responses to the broad range of issues that came before them during this year, particularly the urgent needs arising from the tragic events of 9/11. The extremely talented and hardworking staff of the RBF also demonstrated its ability to face challenges with unstinting dedication and to craft strategic grantmaking programs that are helping leaders and organizations across the globe to effect constructive systemic change.

It is a distinct privilege to serve the Rockefeller Brothers Fund.

*Stephen B. Heintz*  
*President*

\*Our notion of "pivotal places" draws extensively from the work of historian Paul Kennedy; see Robert Chase, Emily Hill and Paul Kennedy, editors, *The Pivotal States*, 1999.



Ezra Stoller © Esto

The Rockefeller brothers and sister in Seal Harbor, Maine, 1960. From left to right: John D. Rockefeller 3rd, Winthrop Rockefeller, Abby Rockefeller Mauzé, Laurance S. Rockefeller, David Rockefeller, Nelson A. Rockefeller.

*“Over the years in our efforts we have been inspired by the contribution which you and Grandfather made to the well-being of mankind.... This new gift to the Rockefeller Brothers Fund is in such substantial proportions that it is a challenge of the first order.... It opens up new vistas of opportunity and usefulness which we had not dreamed of before. At the same time it gives us a great sense of gratification to have this tangible evidence of your confidence.”*

— From a letter dated May 28, 1952, in which the Rockefeller brothers thank their father on the occasion of his gift endowing the RBF

# About the Rockefeller Brothers Fund

The Rockefeller Brothers Fund was established in 1940 as a vehicle through which the five sons and daughter of John D. Rockefeller, Jr., could share a source of philanthropic advice and coordinate their philanthropic efforts to better effect. Comparatively modest in its early years, the Fund's endowment—and consequently its program of grants—grew substantially in the early 1950s, when it was the recipient of a large gift from John D. Rockefeller, Jr. In 1960, the Fund received a major bequest from his estate. These gifts, which together constitute the Fund's basic endowment, enabled the RBF to increase the scope of its grantmaking. On July 1, 1999, the Charles E. Culpeper Foundation of Stamford, Connecticut, merged with the RBF. Today, the Fund's major objective is to promote the well-being of all people through support of efforts in the United States and abroad that contribute ideas, develop leaders, and encourage institutions in the transition to global interdependence. Its grantmaking aims to counter world trends of resource depletion, conflict, protectionism, and isolation, which now threaten to move humankind everywhere further away from cooperation, equitable trade and economic development, stability, and conservation.

This basic theme of interdependence presupposes a global outlook and, hence, internationally oriented activity. While attention is focused on locally based problems and grantees, this is in the context of global concerns and not simply national ones. The Fund does not have the capacity to pursue its program theme in all parts of the world simultaneously and, therefore, projects are concentrated from time to time in different geographic regions.

The Fund is currently reviewing its program structure and areas of concentration in an effort to ensure a cohesive grantmaking program. Please visit the RBF's website for updates on the Fund's mission statement and for news of changes in the Fund's program areas and guidelines.

## ASSETS AND PHILANTHROPIC EXPENDITURES

The Fund's assets at the end of 2001 were \$684,164,383 and its 518 grant payments for the year amounted to \$25,630,842. Since 1940, the Fund has disbursed a total of \$551,549,933 in grants.\* In addition, during 2001 the Fund expended approximately \$3.7 million in direct charitable activities—philanthropic activities carried out directly by the Fund itself. These included:

- conferences held at the Pocantico Conference Center of the Rockefeller Brothers Fund, which complement and extend the reach of the Fund's grantmaking;
- preservation and public visitation programs at the Pocantico Historic Area (site of the conference center), a section of the Rockefeller family estate that was donated to the National

Trust for Historic Preservation and is now leased by the Trust to the RBF, which maintains and administers the area as a public service;

- administration of the RBF Fellowship Program for Students of Color Entering the Teaching Profession and the related Program for Educational Leadership, which support a cohort of approximately 200 outstanding young men and women of color at various stages of their public school teaching careers; and
- staff service on boards and advisory committees of other charitable organizations.

Grant and program management expenditures amounted to approximately \$3.9 million. In sum, the Fund's philanthropic expenditures in 2001 were \$33,291,294, as displayed in the charts on the page 12.

\* Financial data are also provided in this report for the Fund-affiliated Asian Cultural Council (described on page 18–19).

## PHILANTHROPIC EXPENDITURES 2001

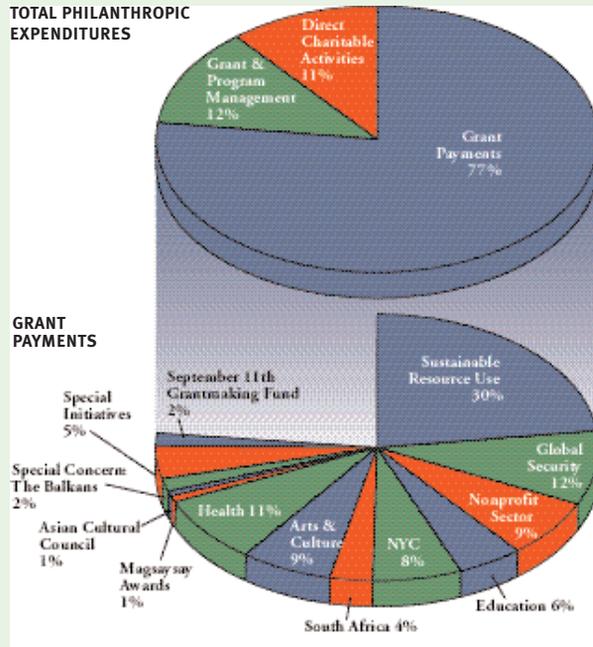
### GRANT PAYMENTS MADE IN 2001

Sustainable Resource Use	\$7,599,210
Global Security	3,144,000
Nonprofit Sector	2,383,300
Education	1,577,021
New York City	2,164,500
South Africa	1,051,500
Charles E. Culpeper Arts and Culture	2,230,910
Health	2,686,401
Special Concern: The Balkans	533,500
Asian Cultural Council	200,000
Ramon Magsaysay Awards	245,500
September 11 Grantmaking Fund	515,000
Special Initiatives*	1,300,000
<b>SUBTOTAL: GRANT PAYMENTS</b>	<b>\$25,630,842</b>

Payments Matching Employee Contributions	\$27,064
Grant & Program Management	\$3,937,240
Direct Charitable Activities**	\$3,696,148

**TOTAL PHILANTHROPIC EXPENDITURES** \$33,291,294

### TOTAL PHILANTHROPIC EXPENDITURES

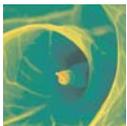


\* Special Initiatives include grant payments to the Trust for Civil Society in Central and East Central Europe, the Solar Development Foundation, and DEMOS.

\*\* Includes administration and operation of the RBF Fellowship Program for Minority Students Entering the Teaching Profession and the related Program for Educational Leadership, preservation and public visitation programs at the Pocantico Historic Area, and conferences at the Pocantico Conference Center.

## GRANTMAKING PROGRAMS

The Fund makes grants in nine areas (please refer to the program summaries that follow on pages 23–62 for formal grantmaking guidelines).



**Sustainable Resource Use**—This program is designed to foster environmental stewardship which is ecologically based, economically sound, culturally appropriate, and sensitive to questions of intergenerational equity. At the global level, the program seeks to advance international action to slow climate change and conserve biodiversity. Internationally and in the U.S., with respect to climate change, the focus is on curbing emissions of greenhouse gases and facilitating the transition to a clean energy future. With respect to biodiversity, an ecosystem approach is applied in the terrestrial context to conserving temperate rainforests and encouraging the practice of sustainable forest management. In the marine context, the focus is on fishery and coastal zone management. In East Asia, the focus is on assisting communities in their efforts to define and pursue locally appropriate development strategies, with particular attention to sustainable agriculture, coastal management, and integrated watershed planning as well as to the social and environmental effects of this

region's integration into the global economy. The Fund is phasing out its sustainable resource use program in Central and Eastern Europe.



**Global Security**—The Fund seeks to contribute to the emergence of a more just, sustainable, and peaceful world by improving the cooperative management of transnational threats and challenges. Grantmaking currently focuses on building strong domestic constituencies for cooperative international engagement and promoting transparency and inclusive participation in transnational policymaking.



**Nonprofit Sector**—The goal of this program is to promote the health and vitality of the nonprofit sector, both nationally and internationally, by assisting in the development of the financial, human, and structural resources necessary to the sector; by encouraging greater accountability within the sector; and by promoting improved understanding of the sector and the roles it plays in society. Particular emphasis is placed on those geographic regions of the world where the Fund is engaged in other aspects of its grantmaking. The Nonprofit Sector program is currently undergoing review. New guidelines will be issued in early 2003. Please check the Fund's website for further updates.



**Education** — The RBF’s Education program addresses two challenges in U.S. education: the need to provide quality early childhood education and care to all children and, at a time of profound demographic shifts, the need to encourage outstanding people of color to enter the teaching profession. With respect to early childhood education, the RBF gives special attention to the needs of New York City.

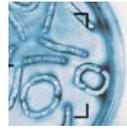
**New York City** — The New York City program is designed to encourage the participation of individuals and communities in the civic life of New York City. In particular, the program focuses on promoting civic responsibility for public education and youth development; assisting community-based initiatives that encourage respect and care for neighborhoods and public spaces; and supporting place-based strategies and bottom-up community initiatives that seek to improve the quality of life in disadvantaged neighborhoods by addressing locally identified priorities, building local leadership, and encouraging collaboration among local institutions and across sectors.



**South Africa** — This program works to improve the quality and accessibility of basic education for children and adults; in response to the HIV/AIDS pandemic, the program also works to assist orphans and vulnerable children. In particular, the education part of the program focuses on supporting promising basic education models; advancing in-service teacher development; strengthening the institutional capacity of nonprofit organizations, university programs, and government agencies in the field of basic education; helping nonprofits in this field attain financial self-sufficiency; and assisting nonprofits with basic education projects to integrate a concern for HIV/AIDS within their work. The HIV/AIDS portion of the program focuses on supporting the introduction and evaluation of innovative models; strengthening the institutional capacity of organizations and programs that work with orphans; supporting targeted social science research that will improve the understanding and effectiveness of work in this field; and assisting efforts to stop violence and sexual abuse of orphans and vulnerable children.



**Charles E. Culpeper Arts and Culture Program** — The Arts and Culture program focuses on the Fund’s home, New York City. It works to foster an environment in which artists can flourish by funding organizations that support individual artists and the creative process; providing infrastructure to sustain the artistic life; and offering additional opportunities to artists for developing skills complementary to their creative talents. The program also works to help sustain and advance small and midsize cultural organizations, particularly those that are community-based and/or culturally specific. General operating grants are provided to address immediate needs; Charles E. Culpeper Endowment grants are designed to support long-term leadership and excellence in the presentation of creative work to broad audiences; through the Charles E. Culpeper Leadership Program, selected organizations participate in team-based leadership conferences, at the Fund’s Pocantico Conference Center, on organizational management and governance.



**Health** — The Fund supports projects involving research and education in the field of human health. The Health Program, consisting of the Charles E. Culpeper Scholarships in Medical Science program and the Charles E. Culpeper Biomedical Pilot Initiative, is designed to foster the Fund’s interest in the following:

- Basic biomedical research with a special emphasis on molecular genetics, molecular pharmacology, and bioengineering.
- Health services research.
- The study of social and ethical issues in health and disease.
- The advancement of American medical education.

The goal of the Scholarships in Medical Science program is to develop and support young American medical school faculty members with demonstrated talents in biomedical research. Applications are accepted once a year with a mid-August deadline.

The goal of the Biomedical Pilot Initiative is to encourage the investigation of new ideas in the areas of the Fund’s interest in health, particularly research in molecular genetics, bioengineering, molecular pharmacology, and health services research. Guidelines for applicants are available on the Fund’s website.



### Special Concern: The Balkans

The Fund is currently engaged in a three-year program in the Balkans as a Special Concern. During this period, modest resources have been targeted for work in three mutually reinforcing areas: building democratic capacity, grappling with questions of national identity & challenges of ethnic reconciliation, and developing sustainable communities. The geographic focus will be in Serbia and Montenegro.



### Pocantico Programs — The Fund’s Pocantico programs are based in the Pocantico Historic Area, the heart of the Rockefeller family estate in Westchester County, New York, and were established when the Fund leased the area from the National Trust for Historic Preservation in 1991. The Pocantico Conference Center is the key component of these programs; it extends the reach of the RBF’s grantmaking through conferences and meetings that address central concerns of the Fund. In addition, the Pocantico programs provide public access to the Historic Area and carry out maintenance, restoration, and conservation projects in the area on behalf of the National Trust. (For Conference Center guidelines and additional program details, please see pages 65–71.)

### HOW TO APPLY FOR A GRANT

To qualify for a grant from the RBF, as from most other foundations, a prospective grantee in the United States must be either a tax-exempt organization or an organization seeking support for a project that would qualify as educational or charitable. A prospective foreign grantee must satisfy an RBF determination that it would qualify, if incorporated in the United States, as a tax-exempt organization or that a project for which support is sought would qualify in the United States as educational or charitable.

A grantee must also be engaged in work that fits generally within the Fund’s guidelines, as described in this annual report. In addition, please note the following general and geographic restrictions.

**General Restrictions:** The Fund does not support building projects or land acquisition. Neither, as a general rule, does the Fund make grants to

individuals; nor does it support research, graduate study, or the writing of books or dissertations by individuals.

**Geographic Restrictions:** At present, the Fund’s Sustainable Resource Use program focuses on North America, East and Southeast Asia, and the Russian Far East. The Global Security program focuses primarily on activities in the United States. The Nonprofit Sector program focuses primarily on the United States, as well as East and Southeast Asia. The Health, and Education programs are active only in the United States and the Charles E. Culpeper Arts and Culture program focuses on New York City. Geographic restrictions for the New York City and South Africa programs are self-evident.

Although the RBF has made substantial gifts to organizations and programs in which it has considerable interest, most grants are between \$25,000 and \$300,000, often payable over more than one year but typically not more than three.

### THE GRANTMAKING PROCESS

A preliminary letter of inquiry is recommended for an initial approach to the Fund. Such a letter, which need not be more than two or three pages in length, should include a succinct description of the project or organization for which support is being sought and its relationship to the Fund’s program, information about the principal staff members involved, a synopsis of the budget, and an indication of the amount requested from the Fund. Letters of inquiry should be addressed to Benjamin R. Shute, Jr., Secretary, at the offices of the Fund. There are no application forms, and the review of inquiries is ongoing throughout the year, except for the Charles E. Culpeper Scholarships in Medical Science (for Medical Scholarship application forms and information on deadlines please visit the Fund’s website at [www.rbf.org](http://www.rbf.org)) and the Supporting Core Operations, Strengthening Long-term Financial Viability, and the Enhancing Institutional Leadership strategies under the Arts and Culture program (for details on the Arts and Culture guidelines, please visit [www.rbf.org](http://www.rbf.org)).

Each letter of inquiry to the RBF is reviewed by one or more members of the staff, who try to be prompt in notifying applicants if their plans do not fit the current program guidelines or

budgetary restraints. If a project is taken up for grant consideration, staff members will ask for additional information, including a detailed proposal, and almost certainly for a meeting with the principal organizers of the project.

A detailed proposal, when requested, is expected to include a complete description of the purpose of the project or organization, the background and the research that have led to the development of the proposal, the methods by which the project is to be carried out, the qualifications and experience of the project's or organization's principal staff members, a detailed, carefully prepared, and realistic budget, and a list of those who serve as board members or advisers to the project. Attached to each proposal must be a copy of the organization's tax exemption notice and classification from the Internal Revenue Service, dated after 1969, and a copy of its most recent financial statements, preferably audited. Proposals from former grantees of the Fund will be considered only after earlier grants have been evaluated and grantees have submitted necessary reports of expenditures of those grants.

Grants are awarded by the trustees, who meet regularly throughout the year.

Fund grantees are required to submit financial and narrative reports at specified intervals and at the end of each grant period. In addition, RBF staff members follow projects throughout the life of the grant and evaluate the project at the end of the period. The evaluations become part of the Fund's permanent records.

## ADDITIONAL INFORMATION

The Fund maintains a World Wide Web site at [www.rbf.org](http://www.rbf.org) that includes information about the Fund's program guidelines, descriptions of recent grants, and a list of currently available publications. Publications may be requested via e-mail at the following addresses:

**Annual Reports:** [anreport@rbf.org](mailto:anreport@rbf.org)

**Guidelines:** [guidelines@rbf.org](mailto:guidelines@rbf.org)  
(occasional papers and press releases)

**Other Publications:** [publications@rbf.org](mailto:publications@rbf.org)

The Rockefeller Brothers Fund submits grants information on a regular basis to the Foundation Center for inclusion in its publications, including *The Foundation Grants Index Quarterly* and *The Foundation 1000*. Foundation Center grants data are also available online via DIALOG. The Foundation Center maintains reference libraries in New York, New York; Washington, D.C.; Atlanta, Georgia; Cleveland, Ohio; and San Francisco, California. Cooperating Collections in more than 200 locations nationwide provide a core collection of Foundation Center publications. Information about the location of Cooperating Collections can be obtained from the Foundation Center by calling 1-800-424-9836 (toll-free). The Foundation Center website, [www.fdncenter.org](http://www.fdncenter.org), contains additional information about Foundation Center materials and services.

# Ramon Magsaysay Award Foundation

The trustees of the Fund encouraged the establishment of the Ramon Magsaysay Awards in the late 1950s to honor individuals and organizations in Asia whose civic contributions and leadership “exemplify the greatness of spirit, integrity, and devotion to freedom of Ramon Magsaysay,” former President of the Philippines who died in an airplane crash. Often regarded as the Nobel Prizes of Asia, these awards are presented in five categories: government service, public service, community leadership, international understanding, and journalism, literature and creative communication arts. Up to five awards of \$50,000 each are given annually by the board of trustees of the Ramon Magsaysay Award Foundation, which is headquartered in Manila and receives significant support from the RBF.

In 2001, the The Ramon Magsaysay Award Foundation selected the following awardees:

## GOVERNMENT SERVICE

**Yuan Longping**, *director general of the China National Hybrid Rice Research and Development Center*

For “the unique contribution of his research in rice hybridization to food security in Asia.”

## PUBLIC SERVICE

**Wu Qing**, *teacher and People’s Deputy*

For “her path-breaking advocacy on behalf of women and the rule of law in the People’s Republic of China.”

## JOURNALISM, LITERATURE AND CREATIVE COMMUNICATION ARTS

**K.W.D. Amaradeva**, *a prodigious creative artist*

For “his life of dazzling creativity in expression of the rich heritage and protean vitality of Sri Lankan music.”

## COMMUNITY LEADERSHIP

**Rajendra Singh**, *leader of the Tarun Bharat Sangh (TBS, Young India Association)*

For “his leading Rajasthan villagers in the steps of their ancestors to rehabilitate their degraded habitat and bring its dormant rivers back to life.”

## PEACE AND INTERNATIONAL UNDERSTANDING

**Ikuo Hirayama**

For “his efforts to promote peace and international cooperation by fostering a common bond of stewardship for the world’s cultural treasures.

## EMERGENT LEADERSHIP

**Oung Chanthol**, *executive director of the Cambodian Women’s Crisis Center (CWCC)*

For “her rising courageously to confront and eliminate sex trafficking and gender violence in Cambodia.”

**Dita Indah Sari**, *leader of Indonesian National Front for Labor Struggle (FNPBI).*

For “her resolute activism on behalf of working people and their place in Indonesia’s evolving democracy.

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## RAMON MAGSAYSAY AWARD FOUNDATION

**RAMON MAGSAYSAY AWARD FOUNDATION**  
Manila, Philippines \$150,000

Toward the stipends for the 2001 Ramon Magsaysay Awards, which are presented annually to people and organizations working in Asia on behalf of Asians in five categories; government service, public service, community leadership, international understanding, and journalism, literature, and creative communication arts.

**RAMON MAGSAYSAY AWARD FOUNDATION**  
\$15,000

As a contribution to continued publication of *The Magsaysay Awardee*, a newsletter about Ramon Magsaysay Awardees and their contributions to economic and social development in Asia.

**RAMON MAGSAYSAY AWARD FOUNDATION**  
\$15,000

As a contribution to its annual "Asian Issues and Trends for Development" seminar.

**RAMON MAGSAYSAY AWARD FOUNDATION**  
\$10,000

As a contribution to a project to develop the Asian Living Heroes Poster Series that will profile Ramon Magsaysay Awardees as role models for Asian youth.

**RAMON MAGSAYSAY AWARD FOUNDATION**  
\$10,000

As a contribution to a project to enhance the Foundation's website for greater exchange of ideas and information among Awardees and between them and interested public audiences.

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## PROGRAM FOR ASIAN PROJECTS

In 1987 the Fund created a Program for Asian Projects to support initiatives in Asia that embody the spirit of the Ramon Magsaysay Awards and reflect the concerns of the RBF. Designed to help Magsaysay Awardees extend their work and to help the Magsaysay Foundation draw attention to the ideals it seeks to advance through the awards program, the program is administered, in conjunction with the Ramon Magsaysay Award Foundation, by an Asian board of advisors. Approval of grants rests with the Fund's board of trustees.

*Please Note: Only Magsaysay Awardees are eligible for grants under the Program for Asian Projects.*

**JOCKIN ARPUTHAM**  
\$10,000

As a contribution to a project to help provide land tenure and cyclone-proof housing to urban poor in the state of Orissa in eastern India.

**LIANG CONGJIE**  
\$10,000

As a contribution to a project to train elementary and secondary school teachers in China's western provinces in the basics of environmental education.

**KIM IM-SOON**  
\$10,000

As a contribution to a project to establish a horticultural therapy program at a rehabilitation center for the mentally and physically challenged in Korea.

**RAJENDRA SINGH**  
\$10,000

As a contribution to a project to establish river parliaments for conservation and rational use of water resources in poor farming communities in arid regions of northern India.

**SHOAIB SULTAN KHAN AND ASMA JAHANGIR**  
\$20,000

As a contribution to a joint project to seed the development of additional community-based schools in the North West Frontier Province of Pakistan.

**SUMMER INSTITUTE OF LINGUISTICS**  
\$7,150

As a contribution to a joint project to develop Bambam language reading materials and train Bambam literacy trainers in Sulawesi, Indonesia.

**ASIAN INSTITUTE OF MANAGEMENT**  
\$10,000

As a contribution to a joint project to develop case study learning materials that document the leadership experiences of Ramon Magsaysay Awardees for use in degree and non-degree courses offered by the Institute's Center for Development Management.

# Asian Cultural Council

The Asian Cultural Council (ACC) is a publicly supported operating foundation that has been affiliated with the Rockefeller Brothers Fund since 1991. The Council supports cultural exchange in the visual and performing arts between the United States and the countries of Asia, primarily through a program of grants to individuals. The major emphasis of the ACC's program is to provide fellowships to artists, scholars, and specialists from Asia undertaking research, study,



John Fago

Eun-Ha Park from Korea performs at the Other Minds Festival in San Francisco in March 2001.

and creative work in the United States. Some grants are also made to Americans pursuing similar activities in Asia and to cultural institutions engaged in projects of particular significance to Asian-American exchange. In addition, the Council awards a small number of grants to encourage regional dialogue,

cooperation, and exchange among artists, scholars, and arts professionals within Asia.

The ACC's grant program was established by John D. Rockefeller 3rd in 1963 and is today supported by a broad range of donors including foundations, individuals, corporations, and government agencies both in Asia and in the United States. Grants from the Council include not only fellowship funds, but also individually tailored programmatic assistance to guide grantees in fully realizing their goals and objectives. During the past 38 years, the ACC's grant program has supported nearly 4,000 individuals from Asia and the United States.

Approximately one quarter of the ACC's annual grant budget is appropriated from unrestricted funds, primarily to support individuals from East and Southeast Asia pursuing research, study, and creative projects in the United States. The majority of grants, however, are made through a series of named programs that have been established with funds restricted for specific purposes. One such program, the ACC's Starr Foundation Fellowship Program, was created in 1983 with endowment support from the Starr Foundation and awards fellowships to artists and curators from Asia whose work focuses on the contemporary visual arts. In 2001, the ACC received a new endowment donation of \$2 million from the Starr Foundation to strengthen this program in response to the large numbers of applications received each year. To maximize opportunities for research and creative work, many of the ACC's Starr Fellows are placed in artist-in-residence programs in the United States, including the International Studio Program at P.S. 1, the International Studio and Curatorial Program, and Location One, in New York; and the 18th Street Arts Complex and the Headlands Center for the Arts, in California.



Japanese artist Gyoko Yoshida works in her studio during her residency at the International Studio and Curatorial program in New York in winter 2002.

In Asia, the ACC maintains representative offices in Japan, Hong Kong, and Taiwan, where funds are raised from local donors to award grants to individuals and institutions in those regions. A similar effort is now under way in the Philippines, where the ACC established a partner foundation, the ACC Philippines Foundation, in 2000. The first series of grants in the Council's new Philippines Fellowship Program were awarded in 2001 to support six individuals in the fields of archaeology, cinema studies, photography, and museum education.

In addition to its regular grant programs, the ACC undertakes special initiatives each year in collaboration with other foundations. Collaborative programs in 2001 included continuing work with the Ford Foundation in Indonesia to support museum professionals and arts managers undertaking internships in the United States and Asia; the China On-Site Seminar Program in Art History funded by the Henry Luce Foundation, through which the ACC awarded a grant to Rutgers University for a graduate field research seminar on Buddhist art in China; and a new Mekong Region Arts and Culture Program established with three-year funding from the

Rockefeller Foundation. The Mekong program includes support for individual fellowships, for the creation of an Internet communications network, and for the convening of a regional meeting of arts and culture professionals. In addition to these multi-year partnership initiatives, in 2001 the ACC collaborated with the Trace Foundation to support a residency for four artists from Tibet at the Snug Harbor Cultural Center in Staten Island, New York.

During 2001 the ACC appropriated a total of \$1,962,395 in grant funds to support 171 fellowships and project awards. Individuals from Cambodia, China, Hong Kong, India, Indonesia, Japan, Korea, Laos, Mongolia, the Philippines, Singapore, Taiwan, Thailand, the United States, and Vietnam received grants during the year.

The Rockefeller Brothers Fund awarded a grant of \$200,000 to the Asian Cultural Council in 2001 in support of the ACC's unrestricted grant program.

*Copies of the ACC annual report may be obtained from the Asian Cultural Council at 437 Madison Avenue, 37th Floor, New York, N.Y. 10022.*

# Special Appropriation in Response to September 11th

## SEPTEMBER 11TH APPROPRIATION TEAM

Stephen B. Heintz  
*President*

William F. McCalpin  
*Executive Vice President &  
Chief Operating Officer*

Linda E. Jacobs  
*Vice President*

Benjamin R. Shute, Jr.  
*Secretary*

Priscilla Lewis  
*Program Officer  
(Global Security)*

Ben Rodriguez-Cubeñas  
*Program Officer (New York City)*

Anisa Kamadoli  
*Program Associate  
(Global Security)*

Grant Garrison  
*Special Assistant to the President*

One month after the tragic events of September 11, 2001, the trustees of the Rockefeller Brothers Fund gathered for their board meeting and annual retreat. On October 11, 2001, the board authorized a special appropriation of up to \$1 million, to be drawn directly from the RBF's Principal Fund, for grantmaking in response to the terrible losses and profound challenges—in New York City, the United States, and the world—that were brought about by the terrorist attacks. Grants made under this authority are to be approved by the president of the RBF, Stephen Heintz, in consultation with board chair Steven C. Rockefeller.

Through the collaborative efforts of a team of RBF staff, grantmaking opportunities were identified in three areas: relief, the recovery of New York City, and strategic responses at the national and international levels. These areas reflect the RBF's intention to be responsive to the immediate funding needs created by the events of September 11th, while remaining sensitive to the reality that much of the impact and many of the implications of those events will unfold over time. These areas of focus are also consistent with the Fund's ongoing program interests in revitalizing New York's neighborhoods and public spaces, and in enhancing global security.

**RELIEF:** Supporting efforts to ensure access to and effective management of relief funds. Special attention will be focused on assisting group—such as immigrants and non-English speaking communities—that might “fall through the cracks” of even fully funded relief initiatives.

**RECOVERY:** Ensuring that civic and community-based organizations have a place at the table and are prepared to participate in discussions and decision making about the visioning and rebuilding of New York City as a premier global city. In addition, special consideration will be given to assisting the recovery of the City's arts community, which has been devastated by the attacks.

**STRATEGIC RESPONSES:** Promoting national and international policy responses to September 11th that are consistent with the RBF's values and mission. While a focus on the United States' role in and understanding of the world is already part of the Fund's Global Security program, it is expected that the special appropriation will give staff an opportunity to react quickly and flexibly to some needs that might lie outside current geographic or programmatic guidelines.

Six grants were made in 2001 from this special appropriation. For a complete list of grants made under this special appropriation, please see the RBF website, [www.rbf.org](http://www.rbf.org)

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## RELIEF

### THE LEGAL AID SOCIETY

New York, New York \$75,000

General support for the society, which is working to address the many legal needs of low-income residents who have been affected—directly and indirectly—by the World Trade Center tragedy.

### NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS

New York, New York \$15,000

In support of its efforts to continue developing, maintaining, and disseminating its report entitled “Conduit Funds.” The report—which has been published nine times since September 11th and covers 30 organizations—helps maintain transparency and accountability in the distribution of September 11th monies by providing detailed information on those funds that have been established as “conduits” for grants to individuals and other organizations.

### PUERTO RICAN LEGAL DEFENSE AND EDUCATION FUND

New York, New York \$75,000

For its work on behalf of immigrant constituents harmed by the World Trade Center disaster.

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## RECOVERY

### NEW YORK FOUNDATION FOR THE ARTS

New York, New York \$150,000

For the Arts Recovery Fund, a four-part initiative that includes distribution to the arts community of information concerning existing government and private resources available to assist with the effects of September 11th and provides technical support and consultation to individual artists and arts organizations as they navigate the maze of rules and regulations of government and private disaster relief funding agencies.

### REGIONAL PLAN ASSOCIATION

New York, New York \$100,000

For its efforts to lead a forum for New York City’s civic groups to meet and discuss the present and future of the City.

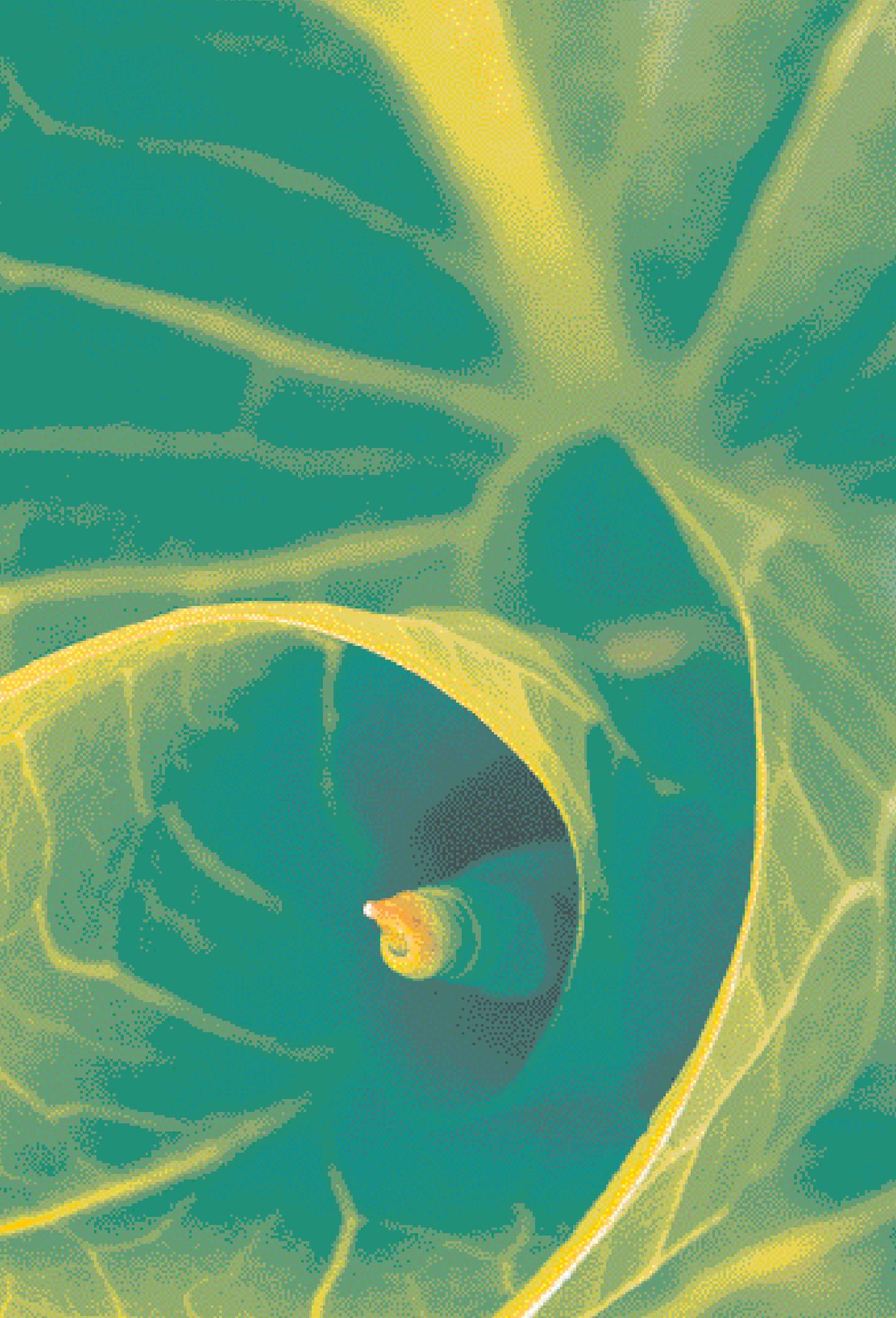
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## STRATEGIC RESPONSES

### HUMAN RIGHTS WATCH

New York, New York \$100,000

To assist with on-the-ground research on the borders of Afghanistan to monitor human rights abuses committed by all sides in the course of the current internal and international conflict, with particular attention to the plight of refugees and internally displaced persons.



# Sustainable Resource Use

## Goal

To foster environmental stewardship which is ecologically based, economically sound, culturally appropriate, and sensitive to questions of intergenerational equity.

## Strategies

**AT THE GLOBAL LEVEL**, by advancing international discussions on climate change and biodiversity preservation, and by supporting and publicizing practical, cost-effective models that can contribute to international agreements on these issues. In the area of climate change, by focusing on utility-based energy efficiency, renewable energy, transportation, and green taxes. In the area of biodiversity, by utilizing an ecosystem approach with special emphasis in the terrestrial context on temperate rainforests and in the marine context on fishery and coastal zone management. In the area of related economic concerns, by focusing on the impacts of economics, international trade and business, and the role of multilateral financial and grantmaking institutions, especially as they affect climate and biodiversity. The Fund's global strategy is informed by the other geographic interests described below.

**WITHIN THE UNITED STATES**, by supporting model programs that further the Fund's global strategies, and by broadening and deepening the national environmental constituency and reinforcing its ability to act effectively.

**IN EAST ASIA**, by assisting communities in their efforts to define and pursue locally appropriate development strategies, with particular attention to sustainable agriculture, coastal management, and integrated watershed planning, and to monitor the social and environmental effects of development programs and fiscal policies resulting from East and Southeast Asia's integration into the global economy.

**IN CENTRAL AND EASTERN EUROPE**, the Fund is phasing out its Sustainable Resource Use program after nearly 20 years of activity, which focused on the Northern Tier countries of Poland, the Czech Republic, Slovakia, and Hungary. At this time, grantmaking is concentrated on the provision of final support to RBF-funded organizations and projects.

**IN ALL THE REGIONS** where the Fund is engaged in Sustainable Resource Use grantmaking, it seeks to integrate activities across geographical areas to promote maximum synergy.

*The program staff who carry the primary responsibility for the Sustainable Resource Use portion of the Fund's program are:*

*Michael F. Northrop, Program Officer (Global & U.S.)*

*Peter Riggs, Program Officer (East Asia)*

*William S. Moody, Program Officer (Central & Eastern Europe)*

*Sarah M. Eisinger, Program Associate*

*Megan Waples, Program Associate*

## Sustainable Resource Use • 2001 Grants

### GLOBAL AND THE U.S.

#### AMERICAN LANDS ALLIANCE

Washington, D.C. \$100,000

For two efforts to raise the profile of endangered coastal temperate rainforest ecosystems: an Internet-based information clearinghouse for advocates and an international coastal temperate rainforest conference.

#### AMERICAN LANDS ALLIANCE

Washington, D.C. \$5,000

To allow Chilean forest activists to participate in a strategy discussion between United States and Chilean environmental leaders in Washington, D.C.

#### CENTER FOR CLEAN AIR POLICY

Washington, D.C. \$75,000

To support the first phase of a climate action plan for New York State.

#### CENTER FOR INTERNATIONAL ENVIRONMENTAL LAW

Washington, D.C. \$5,000

For the Global Climate Action Network Strategy Summit, which was organized to keep international global warming negotiations moving in a positive direction.

#### CLEAN AIR-COOL PLANET, INC., A NORTHEAST ALLIANCE

Portsmouth, New Hampshire \$100,000 over 2 years

For its Northeast Climate Initiative's efforts to reduce greenhouse gas emissions in New England.

#### CLEAN ENERGY GROUP

Montpelier, Vermont \$27,000

For a feasibility study to assess the barriers to commercial adoption of clean energy generation in U.S. markets and determine how to overcome them.

#### CLIMATE ALLIANCE

Frankfurt, Germany \$4,000

For the Third Forum of Indigenous Peoples and Local Communities on Climate Change.

#### CONNECTICUT INNOVATIONS

Meriden, Connecticut \$200,000 over 2 years

For its project, Connecticut Cares, which seeks to build consumer demand for renewable energy in the state of Connecticut.

#### CONSULTATIVE GROUP ON BIOLOGICAL DIVERSITY

San Francisco, California \$45,000 over 3 years

For general support.

#### DAVID SUZUKI FOUNDATION

Vancouver, Canada \$200,000 over 2 years

For its work organizing First Nations' work on long-term conservation issues along the coast of British Columbia.

#### ECOTRUST CANADA

Vancouver, Canada \$400,000 over 2 years

For efforts to create a conservation economy along the British Columbia coast.

#### ENVIRONMENTAL-ABORIGINAL GUARDIANSHIP THROUGH LAW AND EDUCATION

Surrey, Canada \$100,000 over 2 years

For its legal work with coastal First Nations.

#### ENVIRONMENTAL DEFENSE

New York, New York \$4,674

Toward the costs of the Green Group Climate Change Working Group meeting.

#### FOREST ETHICS

Berkeley, California \$200,000 over 2 years

For its efforts to encourage corporate demand for sustainably managed forest products in North America.

#### FOREST ETHICS

Berkeley, California \$75,000

For efforts to encourage corporate consumers to purchase Chilean forest products that come from sustainably managed sources.

#### FOREST TRENDS

Washington, D.C. \$200,000 over 2 years

For a project to document the beneficial social impacts of Forest Stewardship Council (FSC)-certified forestry operations.

#### GLOBAL ENVIRONMENT AND TECHNOLOGY FOUNDATION

Annandale, Virginia \$75,000

For its Center for Climate Solutions.

#### GREENPEACE FUND

Washington, D.C. \$50,000

For its efforts to encourage corporate demand for sustainably managed forest products in North America and Europe.

#### GREENPEACE FUND

Washington, D.C. \$75,000

For its Global Warming Campaign, which raises awareness of global warming.

#### HARVARD UNIVERSITY

##### JOHN F. KENNEDY SCHOOL OF GOVERNMENT

Cambridge, Massachusetts \$9,000

For a research project to examine the feasibility of a modified "debt-for-nature" swap approach to protecting forests that sequester large amounts of carbon dioxide.

#### INTERNATIONAL COUNCIL FOR LOCAL ENVIRONMENT INITIATIVES USA

Berkeley, California \$100,000 over 2 years

For efforts to help municipal governments reduce greenhouse gas emissions.

#### LONG ISLAND PINE BARRENS SOCIETY

Manorville, New York \$70,000 over 2 years

For a new program to train promising young communications professionals to work on conservation issues.

## Sustainable Resource Use • 2001 Grants *(continued)*

### MARINE STEWARDSHIP COUNCIL

London, United Kingdom \$40,000

For a feasibility study on the creation of standards for sustainable management by the salmon aquaculture industry.

### THE MERIDIAN INSTITUTE

Dillon, Colorado \$9,951

For a project to address forest fragmentation on private forest lands in the United States.

### NANAKILA INSTITUTE

Kitamaat Village, Canada \$50,000 over 2 years

For its work with First Nations for planning and development capacity.

### NATIONAL ENVIRONMENTAL TRUST

Washington, D.C. \$400,000 over 2 years

For its Global Warming Public Education Campaign.

### NATURE CONSERVANCY, INC.

Arlington, Virginia \$120,000 over 3 years

For a project to develop in-house capacity to perform FSC certifications of Conservancy forest lands across the U.S.

### ROCKEFELLER FAMILY FUND

New York, New York \$2,375

General support for its Environmental Grantmakers Association.

### ROUND RIVER CONSERVATION STUDIES

Salt Lake City, Utah \$100,000 over 2 years

To support science-based decision making in upcoming land use planning processes along the British Columbia coast.

### SEAWEB

Washington, D.C. \$200,000 over 2 years

For the SeaWeb Salmon Aquaculture Clearinghouse, a source of data and scientific information on salmon aquaculture for media, conservation advocates, and policymakers.

### SIERRA CLUB OF BRITISH COLUMBIA FOUNDATION

Victoria, Canada \$180,000

For two complementary projects to help conserve British Columbia's intact coastal temperate rainforests.

### TEXAS FUND FOR ENERGY AND ENVIRONMENTAL EDUCATION

Austin, Texas \$5,000

To defray NGO participant travel costs for the "Empowering Democracy" conference.

### THE TIDES CENTER

San Francisco, California \$15,000

For its program, the Institute for Organizational Evolution, for its TranparentCommerce.org project, which works to close the gap between consumer desire and information provision and to promote sustainable resource use by exposing companies to consumer demands for socially responsible business behavior.

### THE TIDES CENTER

San Francisco, California \$15,000

For its project, Minuteman Media, a national op-ed distribution syndicate, which collects and distributes commentaries from over 30 national social-change advocacy groups in half a dozen policy arenas, such as the environment.

### WATERKEEPER ALLIANCE

White Plains, New York \$5,000

For the third annual Keeper conference, an opportunity for Waterkeepers to meet and share strategies.

### WILD SALMON CENTER

Portland, Oregon \$150,000 over 2 years

For support of its Western Pacific salmon conservation programs.

### WINROCK INTERNATIONAL INSTITUTE FOR AGRICULTURAL DEVELOPMENT, INC.

Morrilton, Arkansas \$200,000

For its clean energy countries initiative, which works to help small countries make the switch to clean-energy generation.

### YALE UNIVERSITY

New Haven, Connecticut \$150,000 over 3 years

To help cover costs associated with developing a sustainable forestry program.

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## CENTRAL AND EASTERN EUROPE

### CEE BANKWATCH NETWORK

Krakow, Poland \$210,000 over 3 years

General support for the organization, which helps to advance sustainable resource use in Central and Eastern Europe.

### CITIZENS ACTION – CENTER FOR COMMUNITY ORGANIZING

Banska Bystrica, Slovakia \$80,000 over 2 years

For general support.

### CZECH ENVIRONMENTAL PARTNERSHIP FOUNDATION

Brno, Czech Republic \$60,000 over 2 years

For the Czech Greenways and the Partnership for Public Spaces projects.

### ENVIRONMENTAL MANAGEMENT AND LAW ASSOCIATION

Budapest, Hungary \$150,000 over 3 years

General support for the organization, which assists local efforts to advance environmentally sound economic development.

### EUROPEAN CENTRE FOR ECOLOGICAL AGRICULTURE AND TOURISM – POLAND

Stryszow, Poland \$50,000

To support the activities of a new international coalition to protect the Polish countryside.

## Sustainable Resource Use • 2001 Grants *(continued)*

### EUROPEAN NATURAL HERITAGE FUND

Rheinbach/Bonn, Germany \$135,000 over 3 years

For a project to integrate Polish environmental, consumer, and other organizations into a broader European discussion about the reform of European Union agriculture and rural development policies.

### INSTITUTE FOR SUSTAINABLE DEVELOPMENT

Warsaw, Poland \$300,000 over 3 years

For general support.

### INSTITUTE FOR SUSTAINABLE COMMUNITIES

Montpelier, Vermont \$150,000 over 2 years

As a contribution to the Madeleine M. Kunin Special Opportunities Fund, which provides financial flexibility in areas such as program development, evaluation, needs assessment, institution strengthening, strategic planning, and the pursuit of unexpected opportunities.

### INTERNATIONAL NETWORK OF RESOURCE INFORMATION CENTERS

Plainfield, New Hampshire \$50,000

As a contribution to the Donella Meadows Fellowship, which will identify outstanding young people concerned with sustainable development.

### OZIVENI

Prague, Czech Republic \$25,000 over 2 years

To establish the Iron Curtain Greenway, which will connect the Baltic and Adriatic seas with a “green” corridor that runs between the former East and West Germanys and along the western borders of the Czech Republic, Slovakia, Hungary, and Slovenia.

### POLISH ENVIRONMENTAL PARTNERSHIP FOUNDATION

Krakow, Poland \$317,810 over 3 years

For the Amber Trail Greenway.

### PROJECT FOR PUBLIC SPACES

New York, New York \$75,000 over 2 years

For its Czech Public Spaces Institute, which works to preserve and maintain public spaces that build communities.

### RAILS TO TRAILS CONSERVANCY

Washington, D.C. \$40,000

For its Third International Trails and Greenways Conference, which will focus on smart growth; urban, regional, and multi-jurisdictional train systems; trail and greenway planning; and the design of safe routes to schools.

### THE RESEARCH FOUNDATION OF THE STATE UNIVERSITY OF NEW YORK

Albany, New York \$13,073

For its program, Central European Greenways: Building a Process of Partnership with American Counterparts, an opportunity for two-way learning about innovative and creative approaches to the protection, utilization, conservation, and stewardship of cohesive landscapes.

### VIA FOUNDATION FOR LOCAL INITIATIVES

Prague, Czech Republic \$130,000 over 2 years

General support and for its program, People and Places, which aims to connect the social and physical environments of participating communities.

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## EAST ASIA

### AUBURN UNIVERSITY

Auburn, Alabama \$30,000

For a research project on trade in farmed shrimp between Southeast Asia and Japan.

### BANK INFORMATION CENTER

Washington, D.C. \$1,500

To allow representatives from Asia to attend the annual meeting of the Asian Development Bank.

### CENTER FOR BIODIVERSITY AND INDIGENOUS KNOWLEDGE

Kunming, China \$52,200

For its work on solid waste management, resource tenure research and advocacy, and watershed governance in southern China.

### CENTER FOR RESOURCE SOLUTIONS

San Francisco, California \$40,000

For efforts by its International Project for Sustainable Energy Paths to assist Chinese policymakers in the development of national energy policy.

### COUNCIL ON RENEWABLE ENERGY IN THE MEKONG

Phitsanulok, Thailand \$40,000

For efforts to raise awareness of renewable energy technologies and financing models, and to build local implementation capacity for renewable energy projects in the Mekong basin.

### CULTURE AND ENVIRONMENT PRESERVATION ASSOCIATION

Phnom Penh, Cambodia \$35,000 over 2 years

For staff development, training programs in environmental management, and Mekong regional networking.

### EARTH RIGHTS INTERNATIONAL

Washington, D.C./  
Chiang Mai, Thailand \$120,000 over 2 years

For in Frontier Forests project, for on-the-ground monitoring of resource extraction in the “Golden Quadrangle” region.

### ECODAL

Khabarovsk, Russia \$30,000 over 2 years

For its work on protected area designation issues and its pursuit of legal strategies to support the rights of indigenous communities of the Russian Far East.

## Sustainable Resource Use • 2001 Grants *(continued)*

### **ECOLOGISTS LINKED FOR ORGANIZING GRASSROOTS INITIATIVES AND ACTION (ECOLOGIA)**

Middlebury, Vermont \$80,000 over 2 years

For efforts to help small and medium-sized industrial enterprises in Guangdong province and southern China improve environmental management planning.

### **ENVIRONMENTAL LEGAL ASSISTANCE CENTER**

Puerto Princess City, Philippines \$150,000 over 2 years

For its education and training initiatives to promote community-based coastal resource management.

### **GREENPEACE FUND**

Washington, D.C. \$150,000 over 2 years

Toward its efforts to support the expansion of sustainable agriculture in China.

### **HARIBON FOUNDATION FOR THE CONSERVATION OF NATURAL RESOURCES**

Quezon City, Philippines \$30,000

For the support of PAMANA, a national network of community-based marine protected area managers, and for related work on community-based coastal resource management in the Philippines.

### **HONG KONG BAPTIST UNIVERSITY**

Hong Kong, China \$60,000 over 2 years

For efforts to improve solid waste management large-scale municipal composting in southern China.

### **INSTITUTE FOR FOOD DEVELOPMENT POLICY (FOOD FIRST)**

Oakland, California \$25,000

For the second phase of the institute's work on sustainable agriculture programs in the Lao People's Democratic Republic.

### **INSTITUTE FOR SUSTAINABLE NATURAL RESOURCE USE**

Vladivostok, Russia \$50,000 over 2 years

For its programs on community-led conservation and rural development in the coastal watersheds of Primorye province.

### **INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY**

New York, New York \$65,000 over 2 years

For its work on transportation policy in Guangdong Province, China.

### **INTERNATIONAL DEVELOPMENT RESEARCH CENTRE**

Ottawa, Canada \$60,000 over 4 years

For its Community-based Coastal Resource Management Learning and Research Network project, which seeks to identify promising local government officials, NGO activists, scholars, and community leaders throughout Southeast Asia who are interested in community-based coastal resource management issues.

### **INTERNATIONAL MARINELIFE ALLIANCE INC.**

Honolulu, Hawaii \$150,000 over 2 years

For its work to combat destructive fishing in the Asia-Pacific region.

### **INTERNATIONAL RIVERS NETWORK**

Berkeley, California \$301,800 over 3 years

For efforts to promote sustainable development of river resources in East Asia.

### **JAPAN CENTER FOR A SUSTAINABLE ENVIRONMENT AND SOCIETY**

Tokyo, Japan \$60,000 and \$40,000 on a matching basis

For its Sustainable Development and Aid Program.

### **KAMCHATKA LEAGUE OF INDEPENDENT EXPERTS**

Petropavlovsk-Kamchatskaya, Russia \$50,000 over 2 years

For general support.

### **MAGADAN CENTER FOR THE ENVIRONMENT**

Magadan, Russia \$40,000 over 2 years

For its mining and offshore oil and gas project.

### **NGO FORUM ON THE ASIAN DEVELOPMENT BANK**

Quezon City, Philippines \$50,000

(with a further \$50,000 available on a matching basis in 2003)

For a project on water resource governance, privatization, and international finance in East Asia.

### **PACIFIC ENVIRONMENT AND RESOURCES CENTER**

Oakland, California \$4,500

To enable Russian Far East grantees of the Fund to attend a workshop of American and Russian fishing industry experts.

### **PACIFIC ENVIRONMENT AND RESOURCES CENTER**

Oakland, California \$3,000

For a regional meeting of almost 50 nongovernmental organizations from the Russian Far East and Eastern Siberia on sustainable forestry standards in the Russian Far East.

### **PESTICIDE ACTION NETWORK**

#### **NORTH AMERICA REGIONAL CENTER**

San Francisco, California \$110,000 over 2 years

To promote sustainable agriculture in China.

### **PHILIPPINE COUNCIL FOR AQUATIC AND MARINE RESEARCH AND DEVELOPMENT**

Los Banos, Philippines \$26,000

For its national training initiative on Coastal Management for Local Government Units.

### **PUTER FOUNDATION**

Bogor, Indonesia \$70,000 over 2 years

For administration of the Indonesian Network of Coastal and Marine NGOs, which works to combat destructive fishing practices and to strengthen the environmental management of small island systems.

### **RURAL DEVELOPMENT INSTITUTE**

Seattle, Washington \$23,500

For a joint field project with the Center for Community Development Studies that will investigate land tenure options for grassland and forest-dependent communities in southwestern China.

### **SAKHALIN ENVIRONMENT WATCH**

Yuzhno-Sakhalinsk, Russia \$50,000 over 2 years

For general support.

## Sustainable Resource Use • 2001 Grants *(continued)*

### **TAIGA RANGERS**

Komsomolsk-na-Amure, Russia      \$40,000 over 2 years  
For its forest protection and protected area management project.

### **TAMBUYOG DEVELOPMENT CENTER**

Quezon City, Philippines      \$35,000  
For costs associated with a February 2002 meeting of RBF East Asia Sustainable Resource Use grantees and regional partners on the changing governance of water resources in East Asia.

### **TELAPAK FOUNDATION**

Bogor, Indonesia      \$120,000 over 2 years  
For its Promula Program to combat illegal fishing in Indonesia.

### **TIDES CENTER**

San Francisco, California      \$140,000 over 2 years  
For its Asia Pacific Environmental Exchange project, which provides research training support to social and environmental movements in East Asia and the Pacific Northwest.

### **THE WILD SALMON CENTER**

Portland, Oregon      \$10,500  
For its study on the ecological and economic consequences of two approaches to resource development on the Kamchatka peninsula.



# Global Security

## Goal

To contribute to the emergence of a more just, sustainable, and peaceful world by improving the cooperative management of transnational threats and challenges.

Working with a wide range of public and private actors in regions of the world where the RBF is already engaged, the Fund will pursue four mutually reinforcing strategies.

## Strategies

**CONSTITUENCY BUILDING:** Strong domestic constituencies for cooperative international engagement enable national governments, civil society organizations, and corporate actors to make more effective contributions to transnational problem solving. With an initial emphasis on the United States, the RBF will support projects designed to build such constituencies and to increase general understanding of the ethical and practical implications of living in an increasingly interdependent world.

**IMPLEMENTATION:** Grantmaking will focus on public education efforts that link transnational issues to personal values and local concerns and on other activities that seek to frame a relevant transnational agenda for public advocacy and political leadership. The centerpiece of this strategy is the Fund's commitment to the "Global Interdependence Initiative," a long-range constituency-building endeavor in the U.S. that involves foundations, NGOs, multilateral agencies, and business.

**TRANSPARENCY AND INCLUSIVE PARTICIPATION:** Transparency and inclusive participation legitimate transnational policymaking processes that have widespread impact on the quality of people's lives and the integrity of the natural environment. The RBF will support efforts to achieve an open, candid exchange of information and perspectives among the growing number of actors who participate in the development and implementation of transnational policy.

**IMPLEMENTATION:** Grantmaking will focus initially on advancing transparency and inclusive participation in global economic development and policymaking. In addition, where a lack of transparency or inclusiveness in national policy processes impairs transnational problem solving or contributes to regional instability, the Fund will assist efforts to improve the policy environment — for example, by expanding citizen access to government and corporate information or by ensuring equal participation in multi-ethnic societies.

**THE CHALLENGE OF ECONOMIC INTEGRATION:** In each of the geographic areas where the Fund is active, accelerating regional and global economic integration poses new social, political, and environmental challenges. The RBF will support efforts to understand, adjust to, and steer the process of increased economic integration, with an emphasis on approaches that serve the goals of justice, sustainable development, and peace.

**IMPLEMENTATION:** Grantmaking will focus primarily on the dynamics of individual regions where the Fund is active. Emphasis will be placed on advancing culturally appropriate models of economic development, articulating regional strategies for the resolution of transnational economic problems, and assisting the appropriate incorporation of national economies into regional economic frameworks.

*(continued on following page)*

## Global Security • Guidelines *(continued)*

**EMERGING TRANSNATIONAL CONCERNS:** In an era of rapid change and increasingly complex interactions, the Fund wishes to retain flexibility to explore and respond to emerging concerns. The RBF will therefore address other transnational challenges that require new forms of cooperative management.

**IMPLEMENTATION:** Grantmaking is expected to focus initially on the penetration of criminal networks into state structures and transnational business activity, a threat whose extent and consequences are not yet fully understood and whose curtailment exceeds the capacity and mandate of existing institutional arrangements.

*Revisions to the Global Security program guidelines are under discussion. Please check the Fund's website for further updates.*

*The program staff who carry primary responsibility for the Global Security portion of the Fund's program are:*

*Priscilla Lewis, Program Officer*

*Anisa Kamadoli, Program Associate*

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**CONSTITUENCY BUILDING**

**THE AMERICAN FORUM FOR GLOBAL EDUCATION**  
New York, New York \$5,000

To assist with expenses related to a Pocantico conference, “International Education and the Global Interdependence Initiative.”

**EARTHACTION ALERTS NETWORK**  
Amherst, Massachusetts \$60,000

Toward the first phase of developing a global “E-Parliament,” where the world’s 25,000 democratically elected parliamentarians could engage with civil society in a joint search for creative solutions to global problems.

**THE HENRY L. STIMSON CENTER**  
Washington, D.C. \$150,000 over 2 years

For its Security for a New Century project, an organized, bi-partisan off-the-record forum for global security education in the U.S. Congress.

**INTERACTION AMERICAN COUNCIL FOR VOLUNTARY INTERNATIONAL ACTION, INC.**  
Washington, D.C. \$100,000

To help build the strategic communications capacity of the leading membership coalition of U.S.-based international development and humanitarian organizations.

**LINK MEDIA INC.**  
San Rafael, California \$250,000 over 2 years

For WorldLink TV, a direct broadcast satellite channel devoted exclusively to global issues, themes, and cultures.

**NATIONAL PEACE CORPS ASSOCIATION**  
Washington, D.C. \$150,000 over 2 years

For its public policy education programs.

**NEW YORK UNIVERSITY**  
New York, New York \$50,000

For an effort by the Department of Journalism and its Center for War, Peace, and the News Media to plan a model M.A. program in “Interdependence Journalism,” which will train reporters to tell stories of global interdependence.

**PUBLIC RADIO INTERNATIONAL**  
Minneapolis, Minnesota \$300,000 over 2 years

To support and enlarge the role of the Special Projects Producer for Public Radio International’s daily international news program, *The World*.

**RAND CORPORATION**  
Santa Monica, California \$25,000

For its project, New Challenges for International Leadership: Positioning the United States for the 21st Century, which is studying whether the U.S. is producing the experts and expertise it needs for the new century.

**WORLD AFFAIRS COUNCIL OF PHILADELPHIA**  
Philadelphia, Pennsylvania \$11,000

For its project, “The U.N. Handbook,” which will examine the United Nations, looking specifically at how it operates, the major issues and challenges that the international community faces, and the personalities that play key roles in the institution in order to increase understanding of the organization and its essential role in international relations.

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**TRANSPARENCY AND INCLUSIVE PARTICIPATION**

**AID/WATCH**  
Woolahra, Australia up to \$60,000 over 2 years

For the AID/WATCH Export Credit Agency Reform Project.

**ASIA SOCIETY**  
New York, New York \$25,000

Toward a policy-dialogue conference on Sino-Indian relations.

**CAB INTERNATIONAL**  
Wallingford, United Kingdom \$40,000

For its participation in the Global Invasive Species Program, particularly on the development of trade standards regarding the transboundary movement of non-native species.

**THE CENTER FOR ECONOMIC AND POLICY RESEARCH**  
Washington, D.C. \$200,000 over 2 years

For efforts to produce and disseminate analyses of development trends and of the policies and programs of the Bretton Woods institutions.

**CERES INC.**  
Boston, Massachusetts \$300,000 over 2 years

For its Global Reporting Initiative, a set of sustainability reporting guidelines for business.

**COUNCIL FOR A COMMUNITY OF DEMOCRACIES, INC.**  
Washington, D.C. \$25,000

General support for the council, which was created to build domestic and international support for the June 2000 Warsaw conference of the Community of Democracies.

**COUNCIL ON FOREIGN RELATIONS, INC.**  
New York, New York \$25,000

General support for the council’s Center for Democracy and Free Markets.

**FRIENDS OF THE EARTH**  
Washington, D.C. \$50,000

For its efforts to participate in and monitor the standards development processes of the Global Reporting Initiative and the Organization for Economic Cooperation and Development.

## Global Security • 2001 Grants *(continued)*

### **INSTITUTE FOR AGRICULTURE AND TRADE POLICY**

Minneapolis, Minnesota \$10,000

To enable developing-country representatives to attend a March meeting on a proposed multilateral trade agreement, the General Agreement on Trade in Services.

### **INSTITUTE FOR AGRICULTURE AND TRADE POLICY**

Minneapolis, Minnesota \$200,000 over 2 years

For efforts to monitor international standard-setting processes.

### **INSTITUTE FOR AGRICULTURE AND TRADE POLICY**

Minneapolis, Minnesota \$25,000

To assist accredited NGO leaders from the global South to attend the WTO meeting in Doha, Qatar, as well as to support the institute's plans for a media and communications center to support informed reporting on the meeting.

### **THE INSTITUTE FOR GLOBAL DEMOCRACY**

Washington, D.C. \$50,000

For its Globalization and Governance program.

### **MEDIATORS FOUNDATION**

Lexington, Massachusetts \$25,000

To help with preparations for a mediated dialogue between delegations from the World Economic Forum (in Davos) and the World Social Forum (in Porto Alegre).

### **PACIFIC INSTITUTE FOR STUDIES IN DEVELOPMENT, ENVIRONMENT, AND SECURITY**

Oakland, California \$150,000 over 2 years

For efforts to monitor international standard-setting processes.

### **SOUTHERN AND EASTERN AFRICAN TRADE INFORMATION AND NEGOTIATIONS INITIATIVE**

Harare, Zimbabwe \$200,000 over 2 years

For its work to build the capacity of African nations to participate more effectively in international trade negotiations.

### **TIDES CENTER**

Washington, D.C. \$150,000 over 2 years

For its Globalization Challenge Initiative, for efforts to produce and disseminate analyses of development trends and of the policies and programs of the Bretton Woods institutions.

### **UNITED NATIONS**

New York, New York \$50,000

For the United Nations Development Programme, to build the capacity of Asian nations to participate more effectively in international trade negotiations.

### **UNITED NATIONS**

New York, New York \$100,000

For the United Nations Development Programme's project to assess the contribution of the global trading system to the achievement of sustainable human development goals and to craft a positive vision for future economic integration.

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## **EMERGING TRANSNATIONAL CONCERNS**

### **GLOBAL WITNESS TRUST**

London, United Kingdom \$100,000 over 2 years

For its Angola Project to expose links between natural resource exploitation and civil war in Angola.

### **PLOWSHARES INSTITUTE**

Simsbury, Connecticut \$120,000 over 2 years

For its work on national reconciliation in Indonesia.

### **THE SOUTH AFRICAN INSTITUTE OF INTERNATIONAL AFFAIRS**

Johannesburg, South Africa \$150,000 over 2 years

To investigate connections between organized crime and war in Southern Africa.



# Nonprofit Sector

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## Goal

To promote the health and vitality of the nonprofit sector, both nationally and internationally, particularly in those regions of the world where the Fund is engaged in other aspects of its program.

## Strategies

**DEVELOPMENT OF RESOURCES:** Assisting in the development of the financial, human, and structural resources necessary to the nonprofit sector, with special attention to promoting the growth of philanthropy.

**ACCOUNTABILITY:** Encouraging greater accountability within the nonprofit sector, with special attention to the role of trustees or directors of nonprofit organizations in ensuring ethical practices.

**INCREASED UNDERSTANDING:** Promoting increased understanding of the nonprofit sector and of nonprofit organizations and the diverse roles they play in society, with special attention to reaching both the general public and individuals actually engaged in nonprofit endeavors, and to fostering communication and networking among nonprofit organizations, internationally as well as domestically.

*Beginning in early 2002, the Fund's Nonprofit Sector program will undergo review. New guidelines will be issued in late 2002. Please check the Fund's website for further updates.*

*The program staff who carry the primary responsibility for the Nonprofit Sector portion of the Fund's program are:*

*Benjamin R. Shute, Jr., Program Officer (Global & U.S.)*

*Nancy L. Muirhead, Program Officer (Central & Eastern Europe)*

*Peter W. Riggs, Program Officer (East Asia)*

*Sarah M. Eisinger, Program Associate*

## Nonprofit Sector • 2001 Grants

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### DEVELOPMENT OF RESOURCES

#### ASSOCIATION FOR THE FORUM OF NON-GOVERNMENTAL INITIATIVES

Warsaw, Poland \$26,000

As a final grant for the second phase of its Ethical Standards Project.

#### CIVIC EXCHANGE

Hong Kong, China \$40,000

For a project to improve the quality of government-civil society consultations in Hong Kong and southern China.

#### CIVIL SOCIETY DEVELOPMENT FOUNDATION – HUNGARY

Budapest, Hungary \$50,000

As a final grant for its internal capacity-building program.

#### CZECH DONORS FORUM

Prague, Czech Republic \$7,000

To assist Czech foundations in managing government funds that have been allocated for endowment and to help grantmakers understand amendments to foundation law.

#### ENVIRONMENTAL PARTNERSHIP FOUNDATION, HUNGARY

Budapest, Hungary \$37,000

As a final grant for an assessment of its Integrated Organizational Development Project.

#### FOUNDATION FOR A CIVIL SOCIETY

New York, New York \$25,000

As a contribution to the “Month of Slovak Culture in New York City.”

#### FRIENDS OF HUNGARIAN

#### HIGHER EDUCATION FOUNDATION

Budapest, Hungary \$35,000

As a final grant for the second phase of its Alumni Development Project.

#### FUND FOR INDEPENDENT PUBLISHING

New York, New York \$250,000 over 3 years

To establish a cash reserve fund for the press, which works to publish works of educational, cultural, and community value which, despite their intellectual merits, might not be commercially viable.

#### FUND FOR RECONCILIATION AND DEVELOPMENT

New York, New York \$20,000

For the 10th Conference of the Forum on Cambodia, Laos, and Vietnam, which seeks to improve dialogue between the Lao government and international NGOs as well as promote cooperation among the lower Mekong states on transboundary issues.

#### INTERNATIONAL CENTER FOR NOT-FOR-PROFIT LAW

Washington, D.C. \$50,000

For its Internet Services and U.S. International Grantmaking programs.

#### NATIONAL CENTER FOR BLACK PHILANTHROPY, INC.

Washington, D.C. \$80,000 over 2 years

General support to strengthen the organizational capacity of the center as it expands its programs.

#### THE NONPROFIT ENTERPRISE AND SELF-SUSTAINABILITY TEAM (NESST)

Baltimore, Maryland \$50,000

As a final grant for its NESST Egg Initiative.

#### PRO EXCELLENTIA

Budapest, Hungary \$35,000

For the second phase of a project to develop management training programs for nonprofit leaders who direct or would like to establish early childhood education programs in Hungary.

#### PUBLIC ALLIES

Milwaukee, Wisconsin \$100,000 over 2 years

For the design and implementation of its Alumni Leadership Initiative, which will provide opportunities for Allies alumni to continue building their leadership skills and experiences.

#### STEFAN BATORY FOUNDATION

Warsaw, Poland \$50,000

As a contribution to the strengthening of its endowment campaign.

#### TIDES CENTER

Washington, D.C. \$35,000

Toward pilot demonstrations of the center’s Share Our Security project, a new approach to increase charitable giving by wealthy persons over 65, an age group that will grow dramatically during the next decade.

#### VIRTUAL FOUNDATION JAPAN

Tokyo, Japan \$160,000 over 2 years

General support for its online site designed to familiarize small foundations and individual donors in Japan with opportunities for targeted and effective grantmaking.

#### VOLUNTEER CENTER ASSOCIATION

Warsaw, Poland \$50,000

Toward its project to encourage corporate volunteer programs in Poland and toward its reserve fund.

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### ACCOUNTABILITY

#### ALLIANCE FOR JUSTICE

Washington, D.C. \$75,000

Toward the development, production, and distribution of three new publications dealing with the advocacy activities of nonprofit organizations.

#### BBB WISE GIVING ALLIANCE

Arlington, Virginia \$50,000

Toward the development of a five-year strategic plan.

## Nonprofit Sector • 2001 Grants *(continued)*

### THE INSTITUTE FOR GLOBAL ETHICS

Camden, Maine \$94,000 total  
For the dissemination of its Ethics Training and Consulting Program for Nonprofits.

### PHILANTHROPIC RESEARCH, INC.

Williamsburg, Virginia \$500,000 over 3 years  
General support for the continued development of the GuideStar data service, [www.guidestar.org](http://www.guidestar.org)

### VOLUNTEER CONSULTING GROUP, INC.

New York, New York \$100,000 over 2 years  
To expand boardnetUSA, a web-based service for matching nonprofit organizations with potential board members, to additional communities across the United States.

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## INCREASED UNDERSTANDING

### THE AMERICAN ASSEMBLY

New York, New York \$40,000  
Toward an American Assembly on enhancing collaboration among business, government, and the nonprofit sector, fifth in the Uniting America: Toward Common Purpose series.

### DĒMOS: A NETWORK FOR IDEAS & ACTION

New York, New York \$600,000 over 2 years  
General operating support for the organization, which aspires to have a major impact on revitalizing democratic institutions and restoring a more broadly shared economic prosperity in the U.S.

### INDEPENDENT SECTOR

Washington, D.C. \$33,500  
For an analysis of the dynamics and effects of extensive government funding of nonprofit human service organizations.

### LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE

London, United Kingdom \$55,000 over 2 years  
For a series of issue development seminars on topics related to global civil society and designed to involve a range of people and ideas in the preparation of the *Global Civil Society Yearbook* for 2002 and 2003.

### NEW YORK ACADEMY OF MEDICINE

New York, New York \$100,000 over 2 years  
Toward the New York Academy of Medicine/Yale Project on the Future of Nonprofit Health Care.

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## MEMBERSHIPS

### COUNCIL ON FOUNDATIONS, INC.

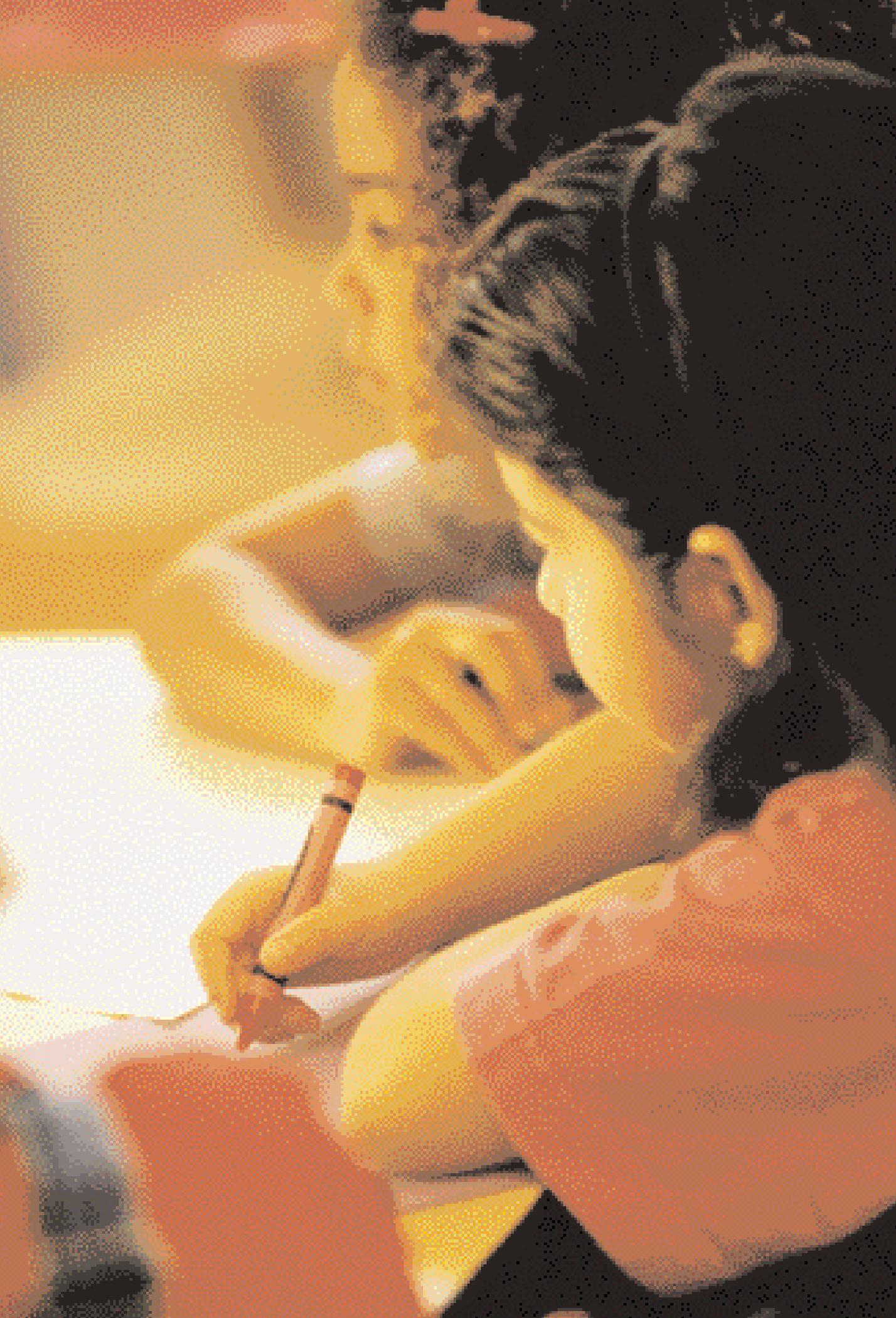
Washington, D.C. \$39,600  
General support for 2002.

### INDEPENDENT SECTOR

Washington, D.C. \$10,200  
General support for 2002.

### NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS

New York, New York \$14,000  
General support for 2002.



# Education

The education program of the Rockefeller Brothers Fund addresses two of the most pressing challenges in U.S. education: the need to provide quality early childhood education and care to all children and, at a time of profound demographic shifts, the need to encourage outstanding people of color to enter the teaching profession.

## Goal 1

To promote universal, quality education and care for pre-kindergarten children with a comprehensive approach to their development, including concerns for health, safety, and readiness to learn.

## Strategies

### NATIONAL STRATEGIES

- Supporting the development of public policies at city, state, and federal levels that improve the quality of and promote universal access to early childhood education programs.
- Strengthening and expanding programs that advance the professional development and stature of early childhood educators.

### STRATEGIES FOR NEW YORK CITY

Given New York State's leadership in establishing universal pre-kindergarten education and the Fund's location in New York City, the RBF will give special attention to the needs of the City in its early childhood development grantmaking:

- Enhancing existing programs and increasing access to high quality early learning opportunities.
- Encouraging the introduction and evaluation of effective models of early childhood learning, including those that support the critical role of parents.

## Goal 2

To increase the number of talented and committed teachers of color in the United States public education system.

## Strategies

- Assisting outstanding students of color from selected colleges and universities to pursue graduate studies in education and enter the teaching profession through Rockefeller Brothers Fund Fellowships.
- Furthering the professional development of RBF Fellows after they have completed graduate studies and begun careers in teaching.

In addition, on a limited basis, the Fund will identify and support other opportunities that offer special promise for strengthening U.S. education in ways that complement the specific goals of the education program.

*The staff who carry primary responsibility for the Education portion of the Fund's program are:*

*Annette U. Rickel, Program Officer*

*Miriam Añeses, Administrator, Fellowship Program*

## Education • 2001 Grants

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### UNIVERSAL PRE-K

#### *National Strategies*

**CHILD CARE, INC.**  
New York, New York \$150,000  
For efforts to promote universal access to early education in New York State, with particular attention to New York City.

**FAMILY COMMUNICATIONS, INC.**  
Pittsburgh, Pennsylvania \$100,000  
As a contribution to the production of a Digital Video Disc on early literacy in preschool education.

**NATIONAL ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN**  
Washington, D.C. \$82,500  
For a series of planning meetings to develop further and refine a National Associate Degree Program Approval System for early care and education.

#### *Strategies for New York City*

**NATIONAL BLACK CHILD DEVELOPMENT INSTITUTE, INC.**  
Washington, D.C. \$200,000  
To underwrite the costs associated with bringing the Parent Empowerment Project to New York City.

**NEW YORK HALL OF SCIENCE**  
Flushing Meadows Corona Park, New York \$150,000  
Toward the “Curiosity Center,” a 2,000-square-foot exhibition and program space in which young children, their families, and teachers can explore science together.

**UNITED WAY OF NEW YORK CITY**  
New York, New York \$100,000 over 2 years  
For its project, the Child Care and Early Education Fund, a collaborative of foundations that share the goal of improving publicly supported child care and early education in New York City.

**UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.**  
New York, New York \$70,000  
To support family child care networks within New York City’s settlement house system.

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### TEACHERS OF COLOR

**AMERICAN COUNCIL ON EDUCATION**  
Washington, D.C. \$25,000  
For its conference on diversity, “Educating All of One Nation.”

**CAMBRIDGE COLLEGE**  
Cambridge, Massachusetts \$100,000  
To provide scholarships for 10 to 15 minority adult students who are working toward their teacher certification and education degrees.

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### FELLOWSHIP PROGRAM FOR STUDENTS OF COLOR ENTERING THE TEACHING PROFESSION

#### **2001 Fellows**

**Sonia Arteagam**, Mount St. Mary’s College  
**Phenocia Bauerle**, Montana State University  
**Dorian Carde**, Spelman College  
**Eva Davalos**, University of California, Riverside  
**Tad Dozono**, Wesleyan University  
**Angelica Dueñas**, Mount St. Mary’s College  
**Kelly Ferguson**, Spelman College  
**Jeffrey Garrett**, Dartmouth College  
**Merrin Guice**, Spelman College  
**Qéona Hamilton**, Mount St. Mary’s College  
**Natasha Harris**, Duke University  
**Sallomé Hralima**, Wesleyan University  
**Raymond Ivey**, University of Michigan, Ann Arbor  
**Traci Johnson**, University of Michigan, Ann Arbor  
**Leo Killsback**, Montana State University, Bozeman  
**Jane Mars**, Wellesley College  
**Kim Pinckney**, Swarthmore College  
**Veronica Pipestem**, Dartmouth College  
**Akil Ross**, Duke University  
**Sahar Siddiqui**, Amherst College  
**Griselda Solis**, Pomona College  
**Maria Tinajero**, Southwest Texas State University  
**Neha Ummat**, Wellesley College  
**Catara Vinson**, Oberlin College  
**Christine Wilborne**, Queens College



# New York City

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## Goal

To encourage the participation of individuals and communities in the civic life of New York City by promoting inclusive public discourse and action on issues of local and citywide concern and by strengthening the capacity for leadership and engagement at the community level.

## Strategies

**PUBLIC EDUCATION AND YOUTH DEVELOPMENT:** Promoting civic responsibility for school improvement, strengthening constituencies for effective public education, and creating opportunities for young people to grow through active engagement with their communities.

**NEIGHBORHOODS AND PUBLIC SPACES:** Assisting community-based initiatives that encourage respect and care for the natural and built environment and that enhance or reclaim public space in order to improve the safety, the aesthetic quality, and the spiritual and community life of New York City neighborhoods.

**COMMUNITY LEADERSHIP:** Supporting place-based strategies and bottom-up community initiatives that seek to improve the quality of life in disadvantaged neighborhoods by addressing locally identified priorities, building local leadership, and encouraging collaboration among local institutions and across sectors.

*The staff member who carries primary responsibility for the New York City portion of the Fund's program is:  
Ben Rodriguez-Cubeñas, Program Officer*

### PUBLIC EDUCATION AND YOUTH DEVELOPMENT

#### CASITA MARIA, INC.

New York, New York \$100,000 over 2 years

To establish the Hunts Point/Longwood Youth Needs Assessment Partnership, which will gather information on community and youth-related challenges and opportunities within the area.

#### THE CITY COLLEGE 21ST CENTURY FOUNDATION, INC.

New York, New York \$300,000 over 2 years

For the City College Architectural Center, which provides technical assistance in planning and design to community organizations to help them effect positive change in their neighborhoods.

#### HIGHBRIDGE COMMUNITY LIFE CENTER, INC.

Bronx, New York \$200,000 over 2 years

For creation of a community collaborative to improve District 9 schools in the Bronx.

#### JEWISH FUND FOR JUSTICE, INC.

New York, New York \$150,000

For the Funders' Collaborative on Youth Organizing, a vehicle for strengthening individual youth organizing groups and informing youth practitioners and funders about the important role these organizations play at the intersection of youth development, civic participation, service learning, community building, and community organizing on behalf of social and political change.

#### MOUSE, INC. (MAKING OPPORTUNITIES FOR UPGRADING SCHOOLS AND EDUCATION)

New York, New York \$75,000

To implement the MOUSE Squads program in New York City public schools, a program to equip young people with new and valuable technological skills and to give them a role in "closing the digital divide" in New York City public schools.

#### NEW YORK UNIVERSITY

New York, New York \$110,000 over 2 years

For the Community School Review initiative of its Institute for Education and Social Policy.

#### QUEENS LEGAL SERVICES CORPORATION

Queens, New York \$120,000 over 2 years

For its Title I-related work with parent groups.

#### THE STUDENT CONSERVATION ASSOCIATION, INC.

New York, New York \$70,000

To expand its collaboration with the High School for Environmental Studies in New York City, and to establish a Junior Rangers program.

### NEIGHBORHOODS AND PUBLIC SPACES

#### AARON DAVIS HALL, INC.

New York, New York \$110,000 over 2 years

To implement a neighborhood-based community visioning and planning process in Harlem.

#### THE CONFERENCE BOARD, INC.

New York, New York \$60,000

Toward the planning phase of Promoting Community Tourism in New York City, a project of the Conference Board's Business Enterprise for Sustainable Travel initiative.

#### ENVIRONMENTAL ADVOCATES

Albany, New York \$120,000 over 2 years

For its Brownfields Community Regulatory Watch program.

#### INSTITUTE FOR URBAN DESIGN

New York, New York \$24,000

For a forum and a series of commissioned papers on urbanism and metropolitan growth.

#### THE MUNICIPAL ART SOCIETY OF NEW YORK

New York, New York \$200,000

For its project, the Metropolitan Waterfront Alliance, which works to coordinate and promote reclamation and redevelopment efforts along the region's waterfronts.

#### NEW YORK CITY ENVIRONMENTAL JUSTICE ALLIANCE, INC.

New York, New York \$100,000 over 2 years

For its Brownfields Advocacy and Technical Support program.

#### PRATT INSTITUTE

Brooklyn, New York \$100,000 over 2 years

For the New Partners for Community Revitalization program of its Center for Community and Environmental Development.

## New York City • 2001 Grants *(continued)*

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### COMMUNITY LEADERSHIP

#### **CAMPAIGN FOR FISCAL EQUITY**

New York, New York \$150,000 over 2 years

To establish the New York City Schools Accountability project, which will help develop strong community-based, parent, and student constituencies for school improvement.

#### **CITIZENS UNION FOUNDATION, INC. OF THE CITY OF NEW YORK**

New York, New York \$100,000

To create a comprehensive contacts database for the City in Transition program, a candidate and voter education program that seeks to heighten public awareness and discussion of civic issues.

#### **CORO EASTERN CENTER, INC.**

New York, New York \$100,000

For efforts to coordinate forums which will convene policy experts and practitioners to inform each other and engage in dialogue as part of the City in Transition program.

#### **LEGAL SERVICES FOR CHILDREN, INC.**

New York, New York \$150,000 over 2 years

To implement the Educational Guidance Project.

#### **NEW YORK CITY ORGANIZING SUPPORT CENTER**

New York, New York \$120,000 over 2 years

As a contribution to its Technology Project for Youth Organizing Groups and to its Train the Trainer Program.

#### **NEW YORK UNIVERSITY**

New York, New York \$100,000

For the preparation and publishing of issue papers to inform candidates and voters as part of the City in Transition program.

#### **NORTHWEST BRONX COMMUNITY & CLERGY COALITION**

Bronx, New York \$50,000

For capacity-building initiatives designed to enhance the organization's community leadership development role.

#### **SCENIC HUDSON, INC.**

Poughkeepsie, New York \$125,000

To support community involvement in planning and redevelopment of the former General Motors manufacturing site on the Hudson River, in the Village of Sleepy Hollow, New York.



# South Africa

The South Africa Program of the Rockefeller Brothers Fund addresses two of the most pressing challenges in South Africa today: the need to improve the quality and accessibility of basic education for children and adults, and the need to assist orphans and vulnerable children, as a result of the HIV/AIDS pandemic.

## Goal 1

To improve the quality and accessibility of basic education for children and adults in the areas of early childhood development, primary learning, and adult basic education and training.

## Strategies

**PROMISING MODELS:** Supporting the introduction and evaluation of promising basic education models.

**TEACHER DEVELOPMENT:** Advancing development of primary school teachers.

**INSTITUTIONAL CAPACITY BUILDING:** Strengthening the institutional capacity of nonprofit organizations, university programs, and government agencies in the field of basic education, which may include:

- a) Encouraging documentation of, reflection upon, and dissemination of lessons learned, and
- b) Facilitating cross-sectoral linkages and collaboration among nonprofit organizations, universities, and government agencies.

**FINANCIAL SELF-SUFFICIENCY:** Helping nonprofit organizations in the field of basic education to develop and diversify their funding and income base.

**HIV/AIDS:** Assisting nonprofit organizations with basic education projects to integrate a concern for HIV/AIDS within their work.

## Goal 2

In response to the HIV/AIDS pandemic in South Africa, the Rockefeller Brothers Fund endeavors to assist orphans and vulnerable children in achieving their full potential as individuals and as constructive members of society.

## Strategies

**PROMISING MODELS:** Facilitating the introduction and evaluation of innovative models of care, education, and support for orphans and vulnerable children.

**INSTITUTIONAL CAPACITY BUILDING:** Strengthening the institutional capacity of nonprofit organizations, university programs, and government agencies working with orphans and vulnerable children, which may include:

- a) Encouraging the documentation of, reflection upon, and dissemination of lessons learned;
- b) Facilitating cross-sectoral linkages and collaboration among nonprofit organizations, universities, and government agencies;
- c) Developing the capacity of nonprofit organizations for effective advocacy.

*(continued on following page)*

## South Africa • Guidelines *(continued)*

**SOCIAL SCIENCE RESEARCH:** Supporting targeted social science research that will improve the understanding and effectiveness of work related to orphans and vulnerable children.

**CHILD ABUSE:** Assisting efforts to stop violence and sexual abuse of orphans and vulnerable children, particularly by caregivers and teachers.

*The program staff who carry the primary responsibility for the South Africa portion of the Fund's program are:*

*Nancy L. Muirhead, Program Officer*

*Sarah M. Eisinger, Program Associate*

## South Africa • 2001 Grants

The program guidelines on the previous page were adopted in October 2001. The grants listed below were made under the previous program guidelines.

### BASIC EDUCATION

#### PROMISING MODELS

##### ASSOCIATION FOR TRAINING AND RESOURCES IN EARLY EDUCATION

Durban, South Africa \$120,000 over 2 years

Toward its project, Meeting the Needs of Young Children Affected by the HIV/AIDS Pandemic.

Cape Town, South Africa \$100,000 over 2 years

For the Partners in Bridging the Educare Gap Project, which provides early childhood services for children who are not in center-based care.

##### GRASSROOTS EDUCARE TRUST

Cape Town, South Africa \$100,000 over 2 years

For the Partners in Bridging the Educare Gap Project, which provides early childhood services for children who are not in center-based care.

##### LEARNING FOR ALL TRUST

Johannesburg, South Africa \$25,000

To support the recruiting, hiring, and training of two community facilitators to increase staff resources and program delivery.

##### PROJECT LITERACY TRUST FUND

Pretoria, South Africa \$120,000 over 2 years

To develop a course on AIDS for adult educators and to include information on AIDS in its literacy courses.

##### THANDANANI ASSOCIATION

Pietermaritzburg, South Africa \$100,000 over 2 years

For capacity building and for evaluation and dissemination of lessons learned in developing models of care and education for AIDS orphans.

##### UNIVERSITY OF SOUTH AFRICA

Pretoria, South Africa \$98,000 over 2 years

To refine, develop, and evaluate the impact of its family literacy model so that the project can be taken to scale.

##### UNIVERSITY OF WITWATERSRAND FOUNDATION

Witwatersrand, South Africa \$25,000

Toward fellowships for outstanding disadvantaged scholars at the newly established Center for African International Relations.

### TEACHER DEVELOPMENT

##### INSTITUTE OF TRAINING AND EDUCATION FOR CAPACITY BUILDING

East London, South Africa \$165,000 over 3 years

For its in-service teacher training project for primary school teachers in the Eastern Cape, with a special focus on AIDS.

### HIV/AIDS

##### COOPERATIVE ORGANIZATION FOR THE UPGRADING OF NUMERACY TRAINING

Johannesburg, South Africa \$180,000 over 3 years

For a collaborative effort with the Molteno Project to develop an in-service teacher training model that integrates literacy, numeracy, and HIV/AIDS awareness for primary school teachers.

##### OPERATION UPGRADE SOUTH AFRICA

Durban, South Africa \$50,000

For its Literacy Against AIDS project, which will train literacy teachers as HIV/AIDS fieldworkers.

### INSTITUTIONAL CAPACITY BUILDING

##### NATAL ADULT BASIC EDUCATION SUPPORT TRUST

Durban, South Africa \$91,000 over 2 years

For the second phase of a capacity-building project aimed at strengthening community-based organizations in the adult basic education and training field in the KwaZulu-Natal province.

##### TEMBALETU TRUST

Pietermaritzburg, South Africa \$54,000 over 2 years

To facilitate a policy dialogue among nonprofit and community-based organizations promoting literacy in KwaZulu-Natal and to strengthen the Trust itself by assisting with capacity-building and income-generation efforts.

##### UNIVERSITY OF NATAL

Durban, South Africa \$120,000 over 2 years

Toward an evaluation and strategic planning process for its New Readers Project.

### OTHER

##### TIDES CENTER

San Francisco, California \$50,000 over 2 years

To help establish the Africa Grantmakers' Affinity Group, which works to encourage increased and more effective foundation funding in Africa.



# Charles E. Culpeper Arts and Culture Program

In supporting arts and culture, the RBF is inspired by a conviction that art offers beauty, invites discovery, stimulates reflection, and generates self-knowledge. Engagement with the arts and culture promotes deeper understanding among diverse communities of human experience and aspirations.

The RBF Charles E. Culpeper Arts and Culture Program supports arts and cultural organizations in New York City—the Fund’s home. New York is a beacon for excellence in the arts and an incubator for artistic creativity and cultural vitality. Support for arts and culture complements the Fund’s other strategies for community building in New York City. The program is named after Charles E. Culpeper to honor the legacy of his foundation and its outstanding contributions to this field. (The Culpeper Foundation and RBF were merged in July of 1999.)

## Goal 1

To foster an environment in which artists can flourish.

## Strategy

**SUPPORTING ARTISTS AND THE CREATIVE PROCESS:** The RBF will encourage artistic excellence by providing grants to organizations that support individual artists and the creative process, provide infrastructure to sustain the artistic life, and offer additional opportunities to artists for developing skills complementary to their creative talents.

*Note: Standard RBF letter of inquiry process does not apply. Proposals accepted throughout the year.*

## Goal 2

To help sustain and advance small and midsize cultural organizations, particularly those that are community-based and/or culturally specific.

## Strategies

**SUPPORTING CORE OPERATIONS:** The RBF will provide exemplary small and midsize organizations with non-renewable, two-year general operating grants of up to \$50,000 per year, as a source of stable funding and added vitality in the immediate term. Note: Please consult the RBF website for proposal submission deadlines.

*Note: Standard RBF letter of inquiry process does not apply. Proposals are accepted each year, January 15 through March 15 for consideration in the same calendar year.*

**STRENGTHENING LONG-TERM FINANCIAL VIABILITY:** The RBF will provide Charles E. Culpeper Endowment Grants and cash reserve grants of up to \$250,000 to organizations that demonstrate the potential for long-term leadership and excellence in the presentation of creative work to the broadest possible audiences. Note: Please consult the RBF website for proposal submission deadlines.

*Note: Standard RBF letter of inquiry process does not apply. Proposals are accepted each year, January 15 through March 15 for consideration in the same calendar year.*

*(continued on following page)*

## Charles E. Culpeper Arts and Culture • Guidelines *(continued)*

**ENHANCING INSTITUTIONAL LEADERSHIP:** The RBF will provide competitive awards to arts and cultural organizations for innovative, team-based leadership conferences designed to strengthen long-range organizational management and governance. Through the Charles E. Culpeper Leadership Program, the Fund's Pocantico Conference Center will host representatives from the selected organizations (including senior management, artistic leadership, and board members) for conferences of one to two days on issues of institutional advancement. Each selected organization will receive a grant of up to \$15,000 to cover the costs of the leadership conference, including the participation of professional consultants, advisors, or facilitators. Note: Please consult the RBF website for proposal submission deadlines.

*Note: Proposals are accepted throughout the year.*

Following completion of a leadership conference, the Fund may make an additional award of up to \$25,000 to support the participating organization's efforts to implement some aspect(s) of what was learned through the conference.

As a contribution to the field, the RBF will disseminate periodic reports summarizing the collective learning from these conferences and sharing the organizational improvements of 12 participating institutions.

*The staff members who carry primary responsibility for the Charles E. Culpeper Arts and Culture portion of the Fund's program are:*

*Linda E. Jacobs, Vice President*

*Ben Rodriguez-Cubeñas, Program Officer*

*Mary Ellen Obias, Program Associate*

## Charles E. Culpeper Arts and Culture Program • 2001 Grants

The program guidelines on the previous page were adopted in December 2001. The grants listed below were made under the previous program guidelines.

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### ALLIANCE FOR THE ARTS

New York, New York \$10,000

To support a symposium entitled “Who Pays for the Arts?: The Future of Cultural Funding in New York City.”

### COLONIAL WILLIAMSBURG FOUNDATION

Williamsburg, Virginia \$300,000

Toward endowment in the name of Charles E. Culpeper, restricted to the institution’s African-American programming.

### CORNERSTONE THEATER COMPANY, INC.

Los Angeles, California \$450,000 over 2 years

Toward endowment in the name of Charles E. Culpeper and toward cash reserves.

### MUSEUM OF MODERN ART

New York, New York \$500,000

Toward endowment in the name of Charles E. Culpeper.

### NEW ENGLAND FOUNDATION FOR THE ARTS

Boston, Massachusetts \$20,000

For its project entitled “Dance, the Spirit of Cambodia.”

### PIERPONT MORGAN LIBRARY

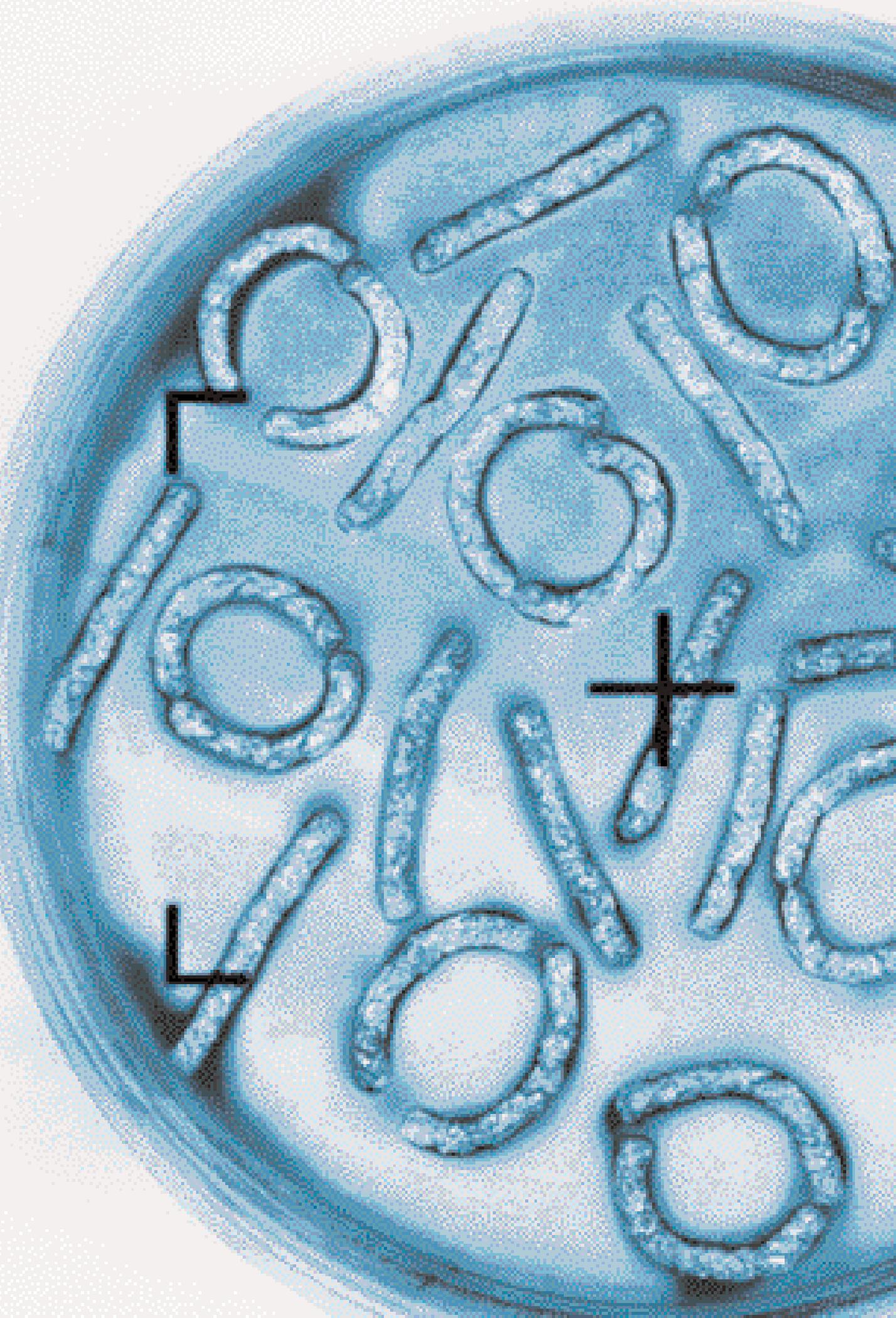
New York, New York \$500,000 over 2 years

As a Charles E. Culpeper Endowment in Arts and Culture.

### NEW YORK FOUNDATION FOR THE ARTS

New York, New York \$50,000

For the publication and dissemination of *A Cultural Blueprint for New York City*, which will provide a comprehensive cultural policy framework for all five boroughs.



# Health

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## Goal

The Fund supports projects involving research and education in the field of human health.

## Strategies

The Health Program, consisting of the Charles E. Culpeper Scholarships in Medical Science program and the Charles E. Culpeper Biomedical Pilot Initiative, is designed to foster the Fund's interest in the following:

- Basic biomedical research with a special emphasis on molecular genetics, molecular pharmacology, and bioengineering.
- Health services research.
- The study of social and ethical issues in health and disease.
- The advancement of American medical education.

**THE GOAL OF THE SCHOLARSHIPS IN MEDICAL SCIENCE PROGRAM** is to develop and support young American medical school faculty members with demonstrated talents in biomedical research. Applications are accepted once a year, with a mid-August deadline. Guidelines for applicants to the Scholarships in Medical Science, a three-year program, are published anew each year in April and are available upon request or may be obtained from the Fund's site on the World Wide Web.

**THE GOAL OF THE BIOMEDICAL PILOT INITIATIVE** is to encourage the investigation of new ideas in the areas of the Fund's interest in health, particularly research in molecular genetics, bioengineering, molecular pharmacology, and health services research. Guidelines for applicants to the Biomedical Pilot Initiative, a one-year program, are available upon request or may be obtained from the Fund's site on the World Wide Web.

Generally, the Fund does not support the acquisition of major items of equipment. Grants are limited to the United States.

*The staff members who carry primary responsibility for the Health portion of the Fund's program are:*

*Linda E. Jacobs, Vice President*

*Mary Ellen Obias, Program Associate*

## Health • 2001 Grants

### RESEARCH! AMERICA

Alexandria, Virginia \$50,000 over 2 years

Toward a nationwide, community-based initiative to promote public understanding of the incentives for medical and health research.

### NATIONAL ACADEMY OF SCIENCES

Washington, D.C. \$840,000 over 2 years

To support a study that will examine the current roles of academic health centers in American society and suggest a range of options for how these roles should be supported and monitored.

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### CHARLES E. CULPEPER SCHOLARSHIPS IN MEDICAL SCIENCE

#### MICHIGAN STATE UNIVERSITY

Lansing, Michigan \$324,000 over 3 years

As a contribution to the research of Gretchen L. Birbeck, MD, MPH, concerning the relationship between recurrent febrile seizures and epilepsy rates in developing countries.

#### PRESIDENT AND FELLOWS OF HARVARD COLLEGE

Cambridge, Massachusetts \$324,000 over 3 years

As a contribution to the research of David Matthew Althshuler, MD, PhD, concerning the genetics of type 2 diabetes.

#### REGENTS OF THE UNIVERSITY OF CALIFORNIA

Los Angeles, California \$324,000 over 3 years

For its University of California, Los Angeles School of Medicine, as a contribution to the research of Benhur Lee, MD, concerning the onset and development of HIV.

#### VANDERBILT UNIVERSITY

Nashville, Tennessee \$324,000 over 3 years

As a contribution to the research of Christopher D. Ferris, MD, PhD, concerning the regulation of blood iron levels by the heme oxygenase protein.

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### BIOMEDICAL PILOT INITIATIVES

#### AMERICAN DENTAL ASSOCIATION HEALTH FOUNDATION

Gaithersburg, Maryland \$25,000

For the research of Janet B. Quinn, PhD, entitled "Fractographic Analysis of Teeth."

#### BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

Stanford, California \$25,000

For the research of Uta Francke, MD, entitled "Function of Pwcr1 snoRNA."

### BOSTON UNIVERSITY

Brookline, Massachusetts \$24,983

For the research of Sonia Hernández-Díaz, MD, DrPH, entitled "Risk of Neural Tube Defects and Preeclampsia Associated with the MTHFR C677T Polymorphism and with Folic Acid Supplementation During Pregnancy: Gene/Environment and Maternal/Fetal Interactions."

### THE BURNHAM INSTITUTE

La Jolla, California \$25,000

As a contribution to support the research of Giovanni Paternostro, MD, PhD, entitled "Genetic Analysis of Cardiac Aging in Drosophila Melanogaster."

### COOPER UNION RESEARCH FOUNDATION, INC.

New York, New York \$23,488

For the research of Peter S. Walker, PhD, entitled "The Shell Knee."

### THE CURATORS OF THE UNIVERSITY OF MISSOURI

Columbia, Missouri \$22,960

For the research of Mark Kirk, PhD, entitled "Stem Cell Replacement Therapy for Retinal Degeneration."

### ELEANOR ROOSEVELT INSTITUTE FOR CANCER RESEARCH

Denver, Colorado \$24,838

For the research of Kathleen Gardiner, PhD, entitled "A-to-I MRNA Editing of Mammalian Genes: Relevance to Learning and Behavior."

### THE GENERAL HOSPITAL CORPORATION

Boston, Massachusetts \$25,000

For the research of Nikos Soukos, DDS, PhD, entitled "Photodestruction of Bacteria in Natural Dental Plaque."

### LOUISIANA TECH UNIVERSITY

Ruston, Louisiana \$24,776

For the research of Michael J. McShane, PhD, entitled "Flourescent Nanoparticles for Monitoring Extracellular and Intracellular Electrolyte Levels."

### LOUISIANA TECH UNIVERSITY

Ruston, Louisiana \$24,455

As a contribution to support the research of Steven A. Jones, PhD, entitled "Platelet Function Assessment in Protein-Coated Microchannels."

### NEW YORK UNIVERSITY

New York, New York \$25,000

As a contribution to support the research of Iman Osman, MD, entitled "Analysis of Platelet-Derived Growth Factor Receptor (PDGF-R) Expression in Melanoma: A Potential New Prognostic Marker and Target of Treatment."

## Health • 2001 Grants *(continued)*

### NEW YORK UNIVERSITY

New York, New York \$25,000  
For the research of Kam-Meng Tchou-Wong, PhD, entitled “p53 Responses and Lung Cancer Risk.”

### NORTHWESTERN UNIVERSITY

Evanston, Illinois \$25,000  
For the research of Mark C. Hersam, PhD, entitled “DNA Nanoarrays for Gene Identification.”

### THE REGENTS OF THE UNIVERSITY OF COLORADO

Denver, Colorado \$24,774  
For the research of Randal G. Ross, MD, entitled “Can Physiologic Abnormalities Associated with Schizophrenia be Identified in the Perinatal Brain?”

### REGENTS OF THE UNIVERSITY OF CALIFORNIA

Irvine, California \$25,000  
For its University of California, Irvine College of Medicine, as a contribution to support the research of K. George Chandy, MD, PhD, entitled “Lymphocyte Ion Channels: Novel Therapeutic Targets for Immunosuppressants.”

### REGENTS OF THE UNIVERSITY OF CALIFORNIA

Los Angeles, California \$25,000  
For the research of Geoffrey G. Murphy, PhD, entitled “The Role of L-Type Calcium Channels in Age-Related Cognitive Decline.”

### TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA

Philadelphia, Pennsylvania \$25,000  
For the research of Michael Cutaia, MD, entitled “Ambulatory Oximetry Monitoring (AOM): A New Tool to Optimize Long-Term Oxygen Therapy in Patients with Lung Disease.”

### UNIVERSITY OF WASHINGTON

Seattle, Washington \$24,500  
For the research of Robb W. Glenny, MD, entitled “Global Patterns of Gene Expression in a Hypoxia-Induced Model of Pulmonary Hypertension and Right Ventricular Hypertrophy.”

### VANDERBILT UNIVERSITY

Nashville, Tennessee \$25,000  
As a contribution to support the research of David W. Wright, PhD, entitled “Common Pathogenic Immunomodulatory Mechanisms in Malaria and Schistosomiasis.”

### WASHINGTON UNIVERSITY

St. Louis, Missouri \$25,000  
As a contribution to support the research of Jie Zheng, PhD, entitled “Identification of Rupture-Zone Coronary Artery Plaques with Magnetic Resonance Imaging.”

### WASHINGTON UNIVERSITY

St. Louis, Missouri \$24,948  
For the research of Louis J. Muglia, MD, PhD, entitled “Genetic Analysis of Parturition Control.”

### YALE UNIVERSITY

New Haven, Connecticut \$25,000  
For the research of Fusun Kilic, PhD, entitled “Homo-Oligomeric Property of Norepinephrine Transporter Protein.”

### YALE UNIVERSITY

New Haven, Connecticut \$25,000  
For the research of Philip W. Askenase, MD, entitled “NK T Cell-Derived IL-4 Activates B-1 Cells to Effect T Cell Immunity.”

### YALE UNIVERSITY

New Haven, Connecticut \$25,000  
For the research of Robert D. Beech, MD, PhD, entitled “cAMP-CREB Signaling in Adult Neurogenesis and Anti-Depressant Action.”



## Special Concern: The Balkans

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In December 2001, the trustees of the Rockefeller Brothers Fund approved a three-year program for the Balkans as a Special Concern. During this period, modest resources have been targeted for work in three mutually reinforcing areas.

In 2002, given budgetary constraints, the geographic focus will be in Serbia and Montenegro, and the RBF will only be making a limited number of grants in the following subjects:

**BUILDING DEMOCRATIC CAPACITY:** The RBF has explored opportunities to improve democratic governance, promote a deeper understanding of the role of nongovernmental organizations in democratic society, and create conditions for effective relationships between government and civil society institutions.

**GRAPPLING WITH QUESTIONS OF NATIONAL IDENTITY AND CHALLENGES OF ETHNIC RECONCILIATION:** The RBF has advanced efforts to grapple with issues of identity and nationality, as a prerequisite for ethnic and national reconciliation and an essential foundation for the further consolidation of democracy.

**DEVELOPING SUSTAINABLE COMMUNITIES:** The RBF has sought opportunities to help build sustainable communities with a focus on promoting environmental sustainability, local community economic development, transparent and inclusive decision making, and the growth of indigenous philanthropy.

*Geographic Restrictions:* Initial focus—Serbia and Montenegro

*The program staff who carry primary responsibility for the Special Concern: The Balkans portion of the Fund's program are:*

*William S. Moody, Program Officer*

*Sarah M. Eisinger, Program Associate*

## Special Concern: The Balkans • 2001 Grants

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### BUILDING DEMOCRATIC CAPACITY

#### BALKAN COMMUNITY INITIATIVES FUND

London, United Kingdom \$75,000  
For a community-based small grants program in the Federal Republic of Yugoslavia, which will encourage civic engagement as a way of addressing the building of democratic capacity and sustainable communities.

#### BROWN UNIVERSITY

Providence, Rhode Island \$50,000  
For its project, Local Dimensions of Sustainable Democracy-Building: Lessons from the Southern Balkans.

#### EASTWEST INSTITUTE

New York, New York \$50,000  
For a Task Force on the Future of the Federal Republic of Yugoslavia.

#### RADIO TELEVISION B92

Belgrade, Yugoslavia \$15,000  
For a conference titled "In Search of Truth and Responsibility: Toward a Democratic Future," in Belgrade, Yugoslavia.

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### NATIONAL IDENTITY AND ETHNIC RECONCILIATION

#### THE COUNCIL OF EUROPE

Strasbourg, France \$10,000  
For the costs of a conference that was held on July 5-6 in Belgrade on developing mechanisms to ease ethnic relations in Yugoslavia.

#### THE FUND FOR AN OPEN SOCIETY—YUGOSLAVIA

Belgrade, Yugoslavia \$25,000  
For the opening of a sub-office in Bujanova of the Federal Ministry of National and Ethnic Communities of the Federal Republic of Yugoslavia.

#### PROJECT ON ETHNIC RELATIONS, INC.

Princeton, New Jersey \$10,000  
For a dialogue between governments and the Roma people to assist in developing government policies toward this minority group.

#### PROJECT ON ETHNIC RELATIONS, INC.

Princeton, New Jersey \$50,000  
For the first of three high-level roundtable meetings on "Serbs and their Neighbors."

#### TIDES CENTER

San Francisco, California \$100,000  
For efforts by its project, the International Center for Transitional Justice, to contribute to a national reconciliation process in Serbia.

#### UNITED NATIONS

New York, New York \$85,000  
For a project of the United Nations Development Programme Capacity Building Fund for the Federal Republic of Yugoslavia, to strengthen the Ministry of National and Ethnic Communities.

#### UNITED NATIONS DEVELOPMENT PROGRAMME

New York, New York \$15,000  
To help launch a capacity-building-program in the new Ministry of National and Ethnic Communities of the Federal Republic of Yugoslavia.

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### SUSTAINABLE COMMUNITIES

#### FORUM FOR ETHNIC RELATIONS

Belgrade, Yugoslavia \$38,500  
For an analysis of organized crime, terrorism, and illicit trade in the Federal Republic of Yugoslavia.

#### INSTITUTE FOR SUSTAINABLE COMMUNITIES

Montpelier, Vermont \$25,000  
To plan initiatives for building sustainable communities in Serbia.



# Pocantico Programs

## Mission Statement

To extend the reach of the RBF's grantmaking programs through conferences and meetings that address central concerns of the Fund; To provide public access to the Pocantico Historic Area, the heart of the Rockefeller family estate in Westchester County, New York, through a program of public visitation; To act as steward of the Pocantico Historic Area by carrying out maintenance, restoration, and conservation projects on behalf of the National Trust for Historic Preservation, from which the Fund leased the Pocantico Historic Area in 1991.

**POCANTICO CONFERENCE CENTER** The mission of the Pocantico Conference Center of the Rockefeller Brothers Fund is to provide a setting where nonprofit organizations and public sector institutions can bring together people of diverse backgrounds and perspectives to engage critical issues related to the Fund's philanthropic program, leading to new levels of understanding and creative resolution of problems.

Programs for conferences are designed by RBF staff, grantees, and/or outside groups whose objectives are consistent with those of the Fund. Programs are selected based on five criteria:

- the direct and strong relationship of the conference to the RBF's program objectives;
- the diversity of perspectives, range of opinions, and breadth of experience that will be represented;
- the involvement of skilled, experienced conference leaders, organizers, or facilitators;
- the clarity of conference objectives, of the agenda that will accomplish those objectives, and, as appropriate, of the steps to be taken following the conference;
- the demonstrated added value of having the Pocantico Conference Center as the site of the meeting.

**PUBLIC ACCESS** In leasing the Pocantico Historic Area from the National Trust for Historic Preservation, the RBF assumed the responsibility of providing public access to the property. To enable the public to visit the Historic Area, the Fund has contracted with Historic Hudson Valley, a not-for-profit that owns and interprets five sites in the Hudson River Valley. Tours are conducted between May 1 and October 31. In 2001, more than 42,000 visitors toured Kykuit and its galleries, gardens, and carriage and automobile collections.

**STEWARDSHIP** The RBF's stewardship of the Pocantico Historic Area includes overseeing the maintenance, care, conservation, and restoration of the historic buildings and the works of art at Kykuit. Some of the projects undertaken in 2001 include restoring one of the spears of the sculpture by George Rickey, *Five Lines in Parallel Planes II*, at the artist's workshop in Chatham, New York; beginning to clean and restore the work of the tower clock of the Coachbarn (the works are marked Seth Thomas, 1914); repainting two outdoor sculptures by James Rosati, *Lippincott II* and *Pennine I*; and beginning major conservation work involving the textiles at Kykuit (this includes remaking the draperies of the library and dining room, using fabrics woven to match the original, and re-using the elaborate trimmings).

*The staff members with primary responsibility for Pocantico Programs are:*

*Charles L. Granquist, Director*

*Judy A. Clark, Associate Director*

*Kimberly Miller, Assistant Director, Operations*

*Regina Creegan, Administrator*

*Cynthia Altman, Curator*

*Aimée Ducey, Curatorial Assistant*

*Elida Reyes, Head Housekeeper*

## Pocantico Conferences • 2001

### **COMMUNITY-BASED RESETTLEMENT: CREATING NATIONAL AND GLOBAL MODELS**

February 8–11, 2001

*Sponsored by the Rockefeller Brothers Fund*

The five regional resettlement directors of the International Rescue Committee (IRC) and several members of its Resettlement Headquarters staff convened to discuss community-based refugee resettlement at the national and the global level. The presentations and ensuing discussions enabled the IRC's directors to reevaluate the organization's practices and policies. The meeting also served to raise awareness about the challenges that confront all groups working on refugee resettlement.

### **AFRICA-AMERICA INSTITUTE BOARD RETREAT**

February 15–17, 2001

*Sponsored by the Rockefeller Brothers Fund*

The board and management team of the Africa-America Institute (AAI) met to reflect on the organization's mission, vision, and strategic goals. They also approved the following new statement: "AAI's mission is to promote enlightened engagement between Africa and America through education, training and dialogue." In keeping with this stated commitment to the education of Africans (through higher education and professional training) and of Americans (through policy analysis and advocacy and educational outreach), the trustees also reorganized the Institute's programs under two, rather than three, program pillars: African Higher Education and Training, and Educational Outreach and Policy.

### **WEST NILE VIRUS AND MOSQUITO MANAGEMENT SUMMIT**

February 25–27, 2001

*Sponsored by the Rockefeller Brothers Fund and Beyond Pesticides/National Coalition Against the Misuse of Pesticides*

A meeting attended by 30 leaders in the 12-state region from Massachusetts to North Carolina was convened by the group, Beyond Pesticides/National Coalition Against the Misuse of Pesticides. The aim was to help community-based and state environmental leaders engage in strategic thinking and coordinate a multistate effort to deal with the West Nile virus by improving information on the disease, on the hazards associated with pesticide use, and on the efficacy of prevention and control programs. Participants agreed to address a wide range of health, science, policy, and program management issues by involving members of the public and the scientific community, educating the media, and coordinating efforts with public officials. The summit resulted in the creation of a strategy and media plan and the establishment of a multistate effort to deal with the West Nile virus and other insect-borne disease vectors.

### **THE WORK OF THE SECURITY COUNCIL: HUMAN RIGHTS AND PEACEKEEPING**

March 23–24, 2001

*Sponsored by the International Peace Academy*

The issue of human rights increasingly features in the work of the United Nations' Security Council. During 1994–1999, one in five Security Council resolutions made reference to human rights; in 2000, the figure increased to one in three. At the same time, United Nations human rights operations have expanded in both breadth and depth. Yet the Council's activities in this field remain ad hoc and, at times, inconsistent. The International Peace Academy convened an informal seminar whose participants—members of the Security Council, senior UN representatives, and specialists in human rights—discussed the role of human rights in UN peacekeeping and ways for the Security Council and other parts of the UN system to better cooperate with each other.

### **U.S.–CUBA CULTURAL EXCHANGES IN THE NEW MILLENNIUM**

April 5–7, 2001

*Sponsored by the Rockefeller Brothers Fund*

A meeting organized by the Cuban Artists Fund/New York Foundation for the Arts brought representatives of Cuba's cultural organizations together with U.S.-based organizations to explore ways of supporting the arts and of promoting cultural exchanges between the two countries. Specifically, the meeting worked to create an ongoing network for information sharing and contacts that would include artists, arts administrators, and foundation representatives and set the groundwork for continued dialogue and the potential development of joint projects among participating organizations.

### **TALKING GLOBAL INTERDEPENDENCE: A FRAMING WORKSHOP**

April 30–May 1, 2001

*Sponsored by The Aspen Institute*

The Global Interdependence Initiative, a project of the Aspen Institute to which the RBF has been the most significant donor, seeks to mobilize U.S. support for policies and behaviors relevant to the realities of global interdependence. One of the Initiative's efforts has been the commissioning of research by the FrameWorks Institute to identify ways of communicating about global issues that will prompt the public to respond constructively. At a workshop led by two FrameWorks experts, 20 communications specialists considered and practiced "re-framing" speeches, stories about projects in the field, and op-ed pieces with two goals: enabling audiences to better understand how teamwork and fairness are essential in addressing global issues and building support for policies consistent with these principles.

**UNITED NATIONS SECURITY COUNCIL RETREAT**

May 4–5, 2001

*Sponsored by the Rockefeller Brothers Fund*

All 15 members of the United Nations Security Council joined the Secretary-General and 14 members of his staff for an intensive discussion of the prospects for enduring peace in the Democratic Republic of the Congo and the Great Lakes region of Central Africa. The seminar served as preparation for the Security Council's impending trip to the region, offering an informal, in-depth exploration of the connected factors shaping war and peace in the region. Members discussed the Security Council's decisionmaking processes, working methods, and instruments for action, and they decided to convene next year for a similar event.

**POCANTICO FORUM: A CENTURY OF FOUNDATION PHILANTHROPY IN AMERICA**

May 10, 2001

*Sponsored by the Rockefeller Brothers Fund*

Approximately 75 guests from the local community gathered at the Coach Barn for the third in an annual series of free lectures, called the Pocantico Forum, which provides information on a wide range of issues and topics that reflect the broad program objectives of the RBF. Benjamin Shute, Jr., secretary of the RBF and program officer for its Nonprofit Sector grantmaking program, gave an informal overview of the evolution of foundation philanthropy from its origins at the turn of the 20th century through present-day grantmaking, with an emphasis on the history of the RBF.

**GOVERNANCE FOR HEALTH AND SECURITY**

May 11–12, 2001

*Sponsored by the Rockefeller Brothers Fund*

Yale University, in a joint effort by the Department of Epidemiology and Public Health and the Department of United Nations Studies, initiated a series of dialogues to examine connections between health, security, and governance. The conference identified common points of interest between the health and security communities and suggested interventions for enhancing both realms. Specialists in health, security, and foreign relations explored both ends of the security spectrum with regard to health: a state-centric “hard security” perspective focused on national security and its implications for military policy and action, and an individual-centric “human security” perspective that encompasses broader concepts of social and economic disintegration, violence, and human rights violations.

**URBAN ECOSYSTEMS PROGRAM**

May 17–18, 2001

*Sponsored by the Rockefeller Brothers Fund*

In 2001 Environmental Defense launched its Living Cities program for the urban environment. As an early step, it held a retreat at Pocantico to identify strategies for addressing the environmental challenges of urban areas, with special attention to communities that bear particularly heavy environmental burdens. The 20 participants—lawyers, scientists, planners, and economists from cities across the U.S.—made a commitment to help cities become clean, healthy human habitat that is integrated into the natural world. As a result of the meeting, a new Environmental Defense program was launched, cross-disciplinary collaboration is taking place, and ideas discussed are being implemented as practical efforts around the country.

**RESEARCH, POLICY AND HISTORIC PRESERVATION**

May 29–30, 2001

*Sponsored by the Rockefeller Brothers Fund and the Pew Charitable Trusts*

Preservation practitioners and academics came to Pocantico to examine the need for and potential uses of research that advance national and local historic preservation efforts. Citing recent fundamental changes in the preservation field that have broadened its definition and its purposes, participants agreed on the need for more data—including inventories of historic sites and resources and information on the nexus between economic development and preservation, on the values inherent in the field, and on the relationship of preservation to other social movements. Participants concluded that much of the existing information is poorly archived and difficult to retrieve. As a result, it is not applied well or shared within the field.

**UNITED NATIONS DEVELOPMENT PROGRAMME/  
HUMAN DEVELOPMENT REPORT OFFICE:  
MAKING NEW TECHNOLOGIES WORK FOR  
HUMAN DEVELOPMENT**

May 31–June 2, 2001

*Sponsored by the United Nations Development Programme and the Rockefeller Foundation*

At a Pocantico retreat, the Human Development Report Office of the United Nations Development Programme discussed the conclusions of the *Human Development Report 2001: Making New Technologies Work for Human Development*. Participants included representatives of international organizations, governments, NGOs, the private sector, the media, and the academic world. Discussions addressed some of the most controversial policy recommendations of the report, such as the potential of genetically modified crops and information technology to help the poor, intellectual property rights, and access to AIDS drugs.

## Pocantico Conferences • 2001 *(continued)*

### **NATIONAL SUMMIT ON RACE AND DIVERSITY IN THE MAGAZINE INDUSTRY**

June 11–13, 2001

*Sponsored by The Advancement Project and the Rockefeller Foundation*

A national summit on diversity in the magazine business brought together top magazine executives and others working toward this goal. The meeting was organized by the Independent Press Association (IPA) and cosponsored by the IPA and the Magazine Publishers of America (MPA). The two organizations represent most of the commercial and independent periodicals in the country. Participants—editors, publishers, and CEOs from *Time*, *National Geographic*, *Reader's Digest*, *The Nation*, *Mother Jones*, *In These Times*, *The American Prospect*, *Orion*, *Transition*, *Harvard Business Review*, and *Esence*—identified rationales for and obstacles to change and areas of high priority. A “diversity agreement” listing ten achievable goals for improving magazine diversity was drafted, as well as a document that identified existing diversity strategies within the industry and suggested collaborations between organizations.

### **HONORING HUMAN RIGHTS UNDER INTERNATIONAL MANDATES: LESSONS FROM BOSNIA, KOSOVO, AND EAST TIMOR**

June 15–17, 2001

*Sponsored by The Trilateral Commission*

The Aspen Institute's Justice and Society Program convened a meeting that constituted the third phase of a multiyear project on human rights and multilateral peacekeeping operations. Ambassador Thomas Hammarberg of Sweden chaired the meeting. Participants analyzed operations where the United Nations, alone or in conjunction with other intergovernmental organizations, assumed protectorate-like authority, and they discussed ways to integrate human rights into strategies for reconstructing societies.

### **PROJECT FORUM ON RACE AND DEMOCRACY**

July 19–22, 2001

*Sponsored by The Advancement Project and the Rockefeller Foundation*

The Project Forum on Race and Democracy (PFRD) is a project sponsored by the Rockefeller Foundation that brings together civil rights, environmental, community-building, and labor leaders to explore common interests across historic divides and to build strong cross-movement collaborations. The group was launched at Pocantico three years ago. This year's meeting focused on the PFRD's effort to create a model instrument for community investment which incorporates local community knowledge and expertise as a development asset that enables certain projects to go forward—those that are blocked by the presence of brownfields, other unwanted uses, or community opposition. The goal is to place a dollar figure on community cooperation, so that residents, either collectively or individually, can create wealth by participating. Participants also discussed growing tensions between African Americans and Latinos in New York and Los Angeles.

### **THE TRILATERAL COMMISSION ANNUAL MEETING OF TRUSTEES AND EXECUTIVE COMMITTEE**

July 12–13, 2001

*Sponsored by the Rockefeller Brothers Fund*

The annual meeting of the trustees and the executive committee members of the Trilateral Commission was held at Pocantico and led by Ambassador Thomas S. Foley, who succeeded Paul Volcker as North American Chairman of the Trilateral Commission earlier this year. The primary focus was to plan the 2002 plenary meeting of the commission, which will be hosted by the North American group next April in Washington, D.C. Participants also agreed to hold an annual regional meeting of the North American group, in an effort to give the Canadian, Mexican, and U.S. members an opportunity to address issues of particular interest to the Americas.

### **THE EMPIRE STATE PLAZA ART COMMISSION**

September 11, 2001

*Sponsored by the Rockefeller Brothers Fund*

The 33 commission members collaborate with the New York State Office of General Services in the oversight of the Empire State Plaza Art Collection, which was formed during the tenure of Governor Rockefeller. The objectives of the meeting were to acquaint the commission members with Kykuit and its art collection, which in some aspects parallels the collection in Albany, and to plan an event for the upcoming publication of the new catalogue of the collection, scheduled for the summer of 2002.

**INTERNATIONAL PROJECT MEETING OF  
THE CARNEGIE COUNCIL'S PROJECT ON  
"UNDERSTANDING VALUES: A COMPARATIVE  
STUDY OF VALUES IN ENVIRONMENTAL POLICY MAKING  
IN CHINA, INDIA, JAPAN, AND THE UNITED STATES"**

September 28–October 1, 2001

*Sponsored by the Rockefeller Brothers Fund*

The Carnegie Council on Ethics and International Affairs convened the final international project meeting for its research project, "Understanding Values: A Comparative Study of Values in Environmental Policy Making in China, India, Japan, and the United States." The goal of this meeting was to examine the themes that have emerged from the collaborative work of the four country teams and to critique the draft chapters of the edited volume that will result from the five-year project. The group accomplished this goal; additionally, project researchers were afforded the time to work together on revising their comparative and country chapters. Through discussion the group was able to pinpoint a central theme of the work: namely, that environmental issues provide an arena for a new politics—"sustainability politics"—to emerge, in the sense that they are used by citizens (not necessarily by policymakers or experts) to address problems of governance.

**THE HARLEM RIVER VALLEY  
DEVELOPMENT CORPORATION**

October 12, 2001

*Sponsored by the Rockefeller Brothers Fund*

The Harlem River Valley Development Corporation, which consists of a wide range of representatives from the Bronx community, including those from the business, civic, cultural, and residential sectors, convened a one-day strategic planning session to produce a blueprint that would generate community involvement in a comprehensive strategy for Bronx waterfront along the Harlem River, through increased safe and public access, sound socioeconomic development, and robust riverfront restoration. The objectives of the session were to achieve consensus on a strategy for comprehensive redevelopment and to devise a strategy for implementation.

**CAMBRIDGE COLLEGE BOARD RETREAT**

October 17–19, 2001

*Sponsored by Cambridge College*

Cambridge College held its 2001 Board of Trustees Retreat, entitled "Meeting the Twenty-First Century Challenge: A New Paradigm for Higher Education," at Pocantico. Charles Desmond, board chair, convened the meetings of college trustees and senior staff. The critical issue and focus of this year's retreat was partnership with the nonprofit sector and the college's initiative to improve the quality of public education and increase the diversity of teachers in the public education system. The Cambridge College trustees explored the issue of "Creating New Opportunities for the New Majority." Marcello Suárez-Orozco of the David Rockefeller Center for Latin American Studies at Harvard University made a presentation on the changing demographics in our country and the need for a more comprehensive response from higher education.

**INAUGURAL STEERING COMMITTEE MEETING OF  
THE WORLD COUNCIL OF RELIGIOUS AND  
SPIRITUAL LEADERS**

October 21–24, 2001

*Sponsored by the Better World Fund/*

*United Nations Foundation*

A steering committee of 25 religious leaders representing all the major faith traditions from around the world gathered at Pocantico to initiate the establishment of a World Council of Religious and Spiritual Leaders. The steering committee agreed that the mission of the council would be to contribute the spiritual resources of the world's diverse religious traditions in support of the United Nations and its agencies in their peacemaking and peacekeeping efforts. Discussion focused on what role the council could play in helping to tackle the emerging threat of terrorism, the prevention and healing of conflict within and among nations, the causes of violence, and the task of the religious leadership in addressing ongoing environmental degradation. The Secretariat of the Millennium World Peace Summit, which created the foundation for the World Council, will choose the interim council co-chairs who, in turn, will work toward the creation of the World Council.

## Pocantico Conferences • 2001 *(continued)*

### **BIODIVERSITY: ITS IMPORTANCE TO HUMAN HEALTH**

October 26–29, 2001

*Sponsored by the Center for Health and the Global Environment, at Harvard Medical School, under the Auspices of the United Nations Environment Programme and the World Health Organization*

The relationship of human health to biodiversity has largely been ignored by policymakers and the public. As a result, the human dimensions of biodiversity loss have not been fully appreciated, and policies to conserve biodiversity have not generally been informed by human health considerations. Of greatest concern, however, is that the most powerful argument to motivate people to conserve biodiversity—that their health is dependent on the health of other species and on the integrity of healthy ecosystems—is not being made, and as a result, both biodiversity and human health will suffer. To address this concern, the Center for Health and the Global Environment, at Harvard Medical School, under the auspices of the United Nations Environment Programme (UNEP) and the World Health Organization (WHO), organized a project in 1999 called “Biodiversity: Its Importance to Human Health.” The project consists of an international assembly of scientists and public health experts organized into seven distinct working groups, each writing chapters on issues related to biodiversity and human health for a book for the general public, to be published by Cambridge University Press, and for a separate executive summary for policymakers. The chairs of each of the seven working groups met for the first time as a group at Pocantico. During the meeting the chairs presented drafts of their respective chapters, received intensive feedback from their peers, and reviewed the overall themes emerging for each of the individual chapters and for the book as a whole. The meeting was convened by Eric Chivian, MD, Director of the Center for Health and the Global Environment, and was attended by representatives from the WHO, UNEP, the World Conservation Union, and the United Nations Convention on Biological Diversity, and by scientists from around the world.

### **CONVERSATION OF PHILANTHROPISTS: ADVANCING INTEGRATIVE MEDICINE**

November 9, 2001

*Sponsored by the George Family Foundation*

The George Family Foundation hosted 25 philanthropists interested in collaborating to strategically advance the field of integrative medicine. This gathering was a follow-up to one in spring 2001 attended by integrative health leaders and philanthropists. Its purpose was three-fold: to build a sense of community among those funding in the integrative health field; to coalesce around two to three specific ideas that could make a real difference; and to explore how philanthropy can best be society’s “passing gear” with respect to integrative medicine. Building on breakthrough ideas initially developed last spring, this group explored their individual and collective interests, found common ground, and ultimately selected and further defined three key areas for further philanthropic collaboration. The three key areas are: developing strategies to support physician education; creating a philanthropic collaboration; and developing and supporting a network of integrative health centers. Further gatherings are anticipated, and others will be invited to join.

### **POCANTICO FORUM: GRANTMAKING OPPORTUNITIES IN THE BALKANS**

November 13, 2001

*Sponsored by the Rockefeller Brothers Fund*

Approximately 50 guests from the local community attended the fourth in the annual series of free lectures, the Pocantico Forum. The fall forum, which was held in the lecture room of the Conference Center, featured the Rockefeller Brothers Fund’s president, Stephen B. Heintz, who has extensive experience in the Balkans and has taken a leadership role in exploring opportunities for RBF funding, with an initial focus on the Federal Republic of Yugoslavia, including Serbia, Kosovo, and Montenegro. Mr. Heintz has traveled to Serbia on several occasions during the past nine months and reported to the audience on prospects for strengthening civil society and supporting the transformation of Serb national identity, as well as U.S. public and private sector options for engagement in the Balkans.

**PUBLIC OPINION AND THE HEALTH OF AMERICAN DEMOCRACY**

November 18–20, 2001

*Co-sponsored by the Rockefeller Brothers Fund and The Rockefeller Foundation*

The RBF and the Rockefeller Foundation co-hosted a conference on “Public Opinion and the Health of American Democracy” for senior foundation officials and selected scholars, practitioners, and researchers who are working on aspects of American democracy and public policymaking. Sessions at the conference considered whether it would be beneficial for the general public—not just organized, self-selected subgroups—to have a greater voice in public policy; whether the government’s policy choices and orientations are generally responsive to majority preferences; and whether increasing the number of citizens who are civically engaged is an effective way to heal the rift between citizens and public officials and to improve the health of democracy.

**A STRATEGIC CONSULTATION: ETHICS, SECURITY AND INTERNATIONAL INVESTMENT: NEW RULES FOR A NEW GLOBAL ORDER?**

December 2–5, 2001

*Sponsored by the Rockefeller Brothers Fund*

The International ‘Sustainable and Ethical’ Investment Rules Project held a strategic consultation entitled “Ethics, Security, and International Investment: New Rules for a New Global Order?” Bringing together policy experts, NGO activists, foundation and business leaders from Latin America, Asia, Africa, and North America, the consultation generated four distinct 10-year scenarios of globalization and identified implications and potential entry points for binding ethical investment rules. The Investment Rules Project is a collaboration of the Nautilus Institute for Security and Sustainable Development, the International Institute for Sustainable Development, Fundacion ECOS, and the Singapore Institute of International Affairs.

**EXPLORING THE CONCEPT OF A PRIVATE COMMUNITY INVESTMENT TRUST**

December 10–11, 2001

*Sponsored by the F.B. Heron Foundation*

The F.B. Heron Foundation, a private foundation with the mission of helping people and communities to help themselves, met to explore the potential and implications of moving toward the operational concept of a “private community investment trust.” As envisioned, such a trust would eventually deploy most of the foundation’s assets to support its funding and investment strategies that help low-income people to create wealth. The resulting endowment would be a mix of double bottom line investments (both a market rate of return and a measurable social return) and below-market rate investments across all asset classes. The financial target would be to generate sufficient return to support grantmaking and administrative expenses. In addition, the Milken Institute presented an assessment of various enterprise development strategies and considered their relative merits as wealth creation mechanisms.

**RE-BUILDING NEW YORK CITY: CREATING A VISION FOR THE NEW CENTURY**

December 17, 2001

*Sponsored by the Rockefeller Brothers Fund*

In the aftermath of the September 11 tragedy, the Fund convened a group of funders and individuals representative of many of New York City’s civic groups engaged in planning, design, transportation, green buildings, and community revitalization to discuss the many challenges the City will face in re-building lower Manhattan. Another goal of the meeting was to gain philanthropic support for the proposed activities. With the RBF’s longstanding commitment to, and engagement in, the life of New York City, the Fund is eager to help promote a broad-based process to engage key stakeholders in developing a new vision for lower Manhattan and the City that encompasses concerns for economic vitality, cultural vibrancy, public spaces, efficient transit systems, and overall livability. This meeting was the first step toward achieving greater cohesion among the civic groups, building support for the initiatives from the City’s philanthropic and business community, and initiating a process for developing a united message to the City’s business and government sectors that will be responsible for making decisions on the rebuilding of lower Manhattan.



**ROCKEFELLER BROTHERS FUND**  
**Management and Operations**

## Executive Vice President's Report



WILLIAM F. MCCALPIN

2001 was a year of further adjustment to the changes in financial markets that began to affect the Fund's circumstances in the second half of 2000.

The market value of the Fund's investment portfolio declined steadily through the year before rebounding modestly in the final quarter. This contrasted with 2000 when the portfolio held its value and even increased through much of the year before trending down in the last four months. The decline of 10.1 percent during 2001 (from \$733,000,000 on December 31, 2000 to \$659,000,000 on December 31, 2001) followed a 5.7 percent decrease in 2000.

Investment performance of -4.81 percent combined with spending of 5.38 percent accounts for the -10.1 percent adjustment in value. The Fund's investment return for the year was generally in line with the median return for the universe of foundations and endowments which

the RBF uses as a reference in assessing its performance. Few of these institutions were able to achieve even modestly positive returns in a year when nearly all domestic and international equity market indices declined.

The 5.38 percent spending rate cited above is all-inclusive, meaning that it accounts for taxes and investment-related expenditures as well as grants, direct charitable activity, and program and general management. Spending on these last three categories, i.e. the Fund's philanthropic program, was 4.89 percent of the beginning-of-the-year market value of assets. Expressed alternatively as a percentage of the average market value through the year, that rate of spending was significantly higher.

Despite two consecutive negative years for the Fund's investment portfolio, there has been no change in the foundation's long-term investment objective or in its fundamental asset allocation strategy. Through 2001, as in 2000, approximately 80 percent of the portfolio was invested in equity and equity-like securities, with the remaining 20 percent in fixed income assets. During the year, however, the RBF finance committee made several changes in the composition of the equity segment in order to re-position the portfolio for the period ahead. These included, among other actions, adding assets to U.S. value-style managers, reducing a fairly aggressive exposure to non-U.S. equities, increasing the allocation to absolute return strategies, and committing funds to a new manager investing in REITs (real estate investment trusts).

Though the experience of the past two years has not changed the Fund's long-term investment strategy, it has focused new attention on spending. This includes both the level of annual spending relative to the legally mandated minimum amount and, of equal if not greater importance, the composition of annual spending, specifically the ratio of administrative expenses to grants and direct charitable activity. Direct charitable activity consists of expenditures on Fund-administered philanthropic programs, such as the RBF Teaching Fellows, as well as expenses associated with maintaining the historic Pocantico property where the RBF operates a conference center.

Not long after the year commenced, the Fund's senior management team began to explore scenarios for trimming the spending that had been budgeted for 2001. This was easier to accomplish with grant expenditures than with administrative costs since, as noted in the chairman's essay at the front of this

volume, last year's grants budget included a significantly sized reserve that was not allocated to specific grant programs at the beginning of the year. A decision not to draw on the reserve, combined with a slower pace of grantmaking in several program areas, permitted the Fund to reduce budgeted grant spending by slightly more than \$5,000,000. Grants paid in 2001 totaled \$25,631,000, compared with \$32,114,000 in 2000.

On the administrative side, without the benefit of a similar reserve, savings were more difficult to achieve. Nonetheless, with the institution of a hiring freeze on a couple of open positions, careful attention to travel-related expenditures, and deferral of discretionary information technology purchases, the Fund was able to manage actual administrative expenses to a level about 6 percent below the amount budgeted for the year. Identifying and pursuing opportunities to realize greater administrative efficiency, without compromising the Fund's preferred philanthropic style, will remain a high priority in 2002.

A review of the Fund's financial experience in 2001 may leave readers with the impression that last year was solely a period of reduction and retrenchment. Not so. In addition to the institutional renewal occasioned by Stephen Heintz's arrival as the Fund's new president and by the ongoing program reviews described elsewhere in this publication, three other significant developments merit mention here. First, the Fund's office environment was enriched in November of last year when we welcomed the Africa Grantmakers Affinity Group's (AGAG) first full-time director, Niamani Mutima. AGAG is a relatively new affinity group of around 25 foundations that work in Africa; its goal is to foster greater interest among funders in the continent's affairs. RBF program officer Nancy Muirhead is a co-chair of the group's steering committee. We look forward to benefiting from close proximity to AGAG's important program initiatives.

In the last several months of the year, we devoted time to another exciting addition to the RBF operating environment—the relocation of The Philanthropic Collaborative (recently renamed Rockefeller Philanthropy Advisors) to our complex of offices. Rockefeller Philanthropy Advisors (RPA) is an independent, nonprofit philanthropy service organization that assists individuals, families, foundations, and trusts with their grantmaking in the U.S. and abroad. When RPA joins us in the spring of 2002, we will have in one location a dynamic and, we think, unique combination of philanthropic practice ranging from individual giving and donor-advised funds to endowed foundation grantmaking. The RBF will make available to RPA the infrastructure of administrative services that the Fund currently maintains and shares with the Asian Cultural Council and the Rockefeller Family Fund, including human resources, accounting and finance, information technology, and office administration.

Finally, during 2001, RBF staff directed a program of special capital spending on the Pocantico property in Tarrytown, New York, which the Fund leases from the National Trust for Historic Preservation. This renewal of the property was designed to ensure that Pocantico remains for many years to come a well-maintained historic site for both public visitation and nonprofit sector dialogue. Despite a few cancellations following the tragic events of September 11th, the Pocantico Conference Center hosted 54 meetings and conferences in 2001 on a range of subjects linked to the Fund's grantmaking priorities. Maintenance of the Pocantico property is supported by a separate fund in the RBF financial accounts.

To conclude, it is clear that the Fund is now in a period that differs sharply from the decade of the 1990s. Our expectations concerning investment performance in the years immediately ahead have been re-set, as have our projections for growth in total spending. The essence of the challenge in this new environment is to restrain administrative spending while still preserving the style of philanthropy that has allowed the Fund to be effective in the areas in which it has chosen to operate throughout its long history. Our goal is to enable the RBF to continue to have significant impact, even with more limited grant dollars, in the areas that are emerging as priorities in a revised program architecture.

*William F. McCalpin*  
*Executive Vice President &*  
*Chief Operating Officer*

# Financial Report

## REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Trustees of the Rockefeller Brothers Fund, Inc.

In our opinion, the accompanying combined statement of financial position and the related combined statements of activities and of cash flows present fairly, in all material respects, the financial position of the Rockefeller Brothers Fund, Inc. and Combined Affiliate (the “Fund”) at December 31, 2001 and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Fund’s management; our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Fund’s 2000 financial statements and, in our report dated May 8, 2001, we expressed an unqualified opinion on those financial statements. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses (Exhibit I) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### **PricewaterhouseCoopers LLP**

New York, New York

May 14, 2002

**ROCKEFELLER BROTHERS FUND, INC. AND COMBINED AFFILIATE  
COMBINED STATEMENTS OF FINANCIAL POSITION**

December 31, 2001 with Summarized Financial Information for the Year Ended December 31, 2000

<b>ROCKEFELLER BROTHERS FUND ("RBF")</b>							
	Principal Fund	Pocantico Fund	Pocantico II Fund	Ramon Magsaysay Award Foundation Fund	Asian Projects Fund	2001 RBF Funds	2000 RBF Funds
<b>ASSETS</b>							
Cash	\$616,009	\$1,051	\$ -	\$ -	\$ -	\$617,060	\$299,553
Accounts receivable	254,706	-	-	-	-	254,706	40,588
Contributions receivable	-	-	-	-	-	-	-
Interest and dividends receivable	2,260,371	260,440	350	16,969	15,690	2,553,820	2,817,233
Due from brokers and dealers	420,365	242,489	-	19,523	15,454	697,831	2,113,704
Investments, at market value	600,727,460	57,906,654	-	3,749,419	3,437,740	665,821,273	732,344,823
Program-related investments:							
Program mortgage loans	2,340,000	-	-	-	-	2,340,000	2,482,000
Real estate	510,000	-	-	-	-	510,000	510,000
Prepaid expenses	1,003,001	-	-	-	-	1,003,001	1,651,242
Fixed assets, net	2,825,636	7,841,056	-	-	-	10,666,692	11,068,629
Interfund	(852,148)	(428,600)	1,743,431	(323,941)	(138,742)	-	-
<b>Total assets</b>	<b>\$610,105,400</b>	<b>\$65,823,090</b>	<b>\$1,743,781</b>	<b>\$3,461,970</b>	<b>\$3,330,142</b>	<b>\$684,464,383</b>	<b>\$753,327,772</b>

*The accompanying notes are an integral part of these financial statements.*

## COMBINED STATEMENTS OF FINANCIAL POSITION

(continued)

	2001 Asian Cultural Council, Inc.	2000 Asian Cultural Council, Inc.	Combined Total 2001	Combined Total 2000
<b>ASSETS</b>				
Cash	\$343,964	\$383,752	\$961,024	\$683,305
Accounts receivable	95,523	46,059	350,229	86,647
Contributions receivable	1,484,600	105,675	1,484,600	105,675
Interest and dividends receivable	136,457	233,023	2,690,277	3,050,256
Due from brokers and dealers	-	1,099,486	697,831	3,213,190
Investments, at market value	37,401,894	42,573,467	703,223,167	774,918,290
Program-related investments:				
Program mortgage loans	-	-	2,340,000	2,482,000
Real estate	-	-	510,000	510,000
Prepaid expenses	-	-	1,003,001	1,651,242
Fixed assets, net	34,925	20,066	10,701,617	11,088,695
Interfund	-	-	-	-
Total assets	<u>\$39,497,363</u>	<u>\$44,461,528</u>	<u>\$723,961,746</u>	<u>\$797,789,300</u>

**ROCKEFELLER BROTHERS FUND, INC. AND COMBINED AFFILIATE  
COMBINED STATEMENTS OF FINANCIAL POSITION**

December 31, 2001 with Summarized Financial Information for the Year Ended December 31, 2000

	Principal Fund	Pocantico Fund	Pocantico II Fund	Ramon Magsaysay Award Foundation Fund	Asian Projects Fund	2001 RBF Funds	2000 RBF Funds
<b>LIABILITIES AND NET ASSETS</b>							
Liabilities:							
Grants payable	\$20,069,899	\$125,000	\$ -	\$ -	\$117,150	\$20,312,049	\$20,447,040
Due to brokers and dealers	8,724,643	1,088,881	126,288	68,701	64,544	10,073,057	4,350,308
Accounts payable and accrued liabilities	2,295,214	174,830	947	1,971	1,895	2,474,857	2,050,659
Deferred taxes payable	10,853	-	-	-	-	10,853	375,470
Total liabilities	31,100,609	1,388,711	127,235	70,672	183,589	32,870,816	27,223,477
Commitments							
Net assets:							
Unrestricted	579,004,791	64,434,379	1,616,546	3,391,298	3,146,553	651,593,567	726,104,295
Temporarily Restricted	-	-	-	-	-	-	-
Permanently Restricted	-	-	-	-	-	-	-
Total liabilities and net assets	\$610,105,400	\$65,823,090	\$1,743,781	\$3,461,970	\$3,330,142	\$684,464,383	\$753,327,772

*The accompanying notes are an integral part of these financial statements.*

## COMBINED STATEMENTS OF FINANCIAL POSITION

(continued)

	2001 Asian Cultural Council, Inc.	2000 Asian Cultural Council, Inc.	Combined Total 2001	Combined Total 2000
<b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Grants payable	\$821,722	\$692,250	\$21,133,771	\$21,139,290
Due to brokers and dealers	-	890,064	10,073,057	5,240,372
Accounts payable and accrued liabilities	775,568	769,122	3,250,425	2,819,781
Deferred taxes payable	-	-	10,853	375,470
<b>Total liabilities</b>	<b>1,597,290</b>	<b>2,351,436</b>	<b>34,468,106</b>	<b>29,574,913</b>
Commitments				
Net assets:				
Unrestricted	19,990,256	24,657,355	671,583,823	750,761,650
Temporarily Restricted	3,077,904	4,620,824	3,077,904	4,620,824
Permanently Restricted	14,831,913	12,831,913	14,831,913	12,831,913
<b>Total liabilities and net assets</b>	<b>\$39,497,363</b>	<b>\$44,461,528</b>	<b>\$723,961,746</b>	<b>\$797,789,300</b>

## ROCKEFELLER BROTHERS FUND, INC. AND COMBINED AFFILIATE COMBINED STATEMENTS OF ACTIVITIES

December 31, 2001 with Summarized Financial Information for the Year Ended December 31, 2000

ROCKEFELLER BROTHERS FUND ("RBF")							
	Principal Fund	Pocantico Fund	Pocantico II Fund	Ramon Magsaysay Award Foundation Fund	Asian Projects Fund	2001 RBF Funds	2000 RBF Funds
<b>REVENUES</b>							
Dividend income	\$4,358,224	\$419,564	\$12,098	\$25,162	\$24,194	\$4,839,242	\$4,367,015
Interest income	8,746,909	831,223	23,968	49,852	47,935	9,699,887	11,436,628
Other income	134,350	5,253	152	315	303	140,373	165,901
Contributions	29,267	—	253,567	—	—	282,834	654,901
	<u>13,268,750</u>	<u>1,256,040</u>	<u>289,785</u>	<u>75,329</u>	<u>72,432</u>	<u>14,962,336</u>	<u>16,624,445</u>
<b>EXPENSES</b>							
Functional expenses (Exhibit I):							
Direct charitable activities	1,062,938	2,633,210	—	—	—	3,696,148	3,570,435
Program and grant management	28,937,632	125,000	—	189,877	165,178	29,417,687	36,929,249
Investment management	3,624,903	404,924	8,833	18,373	17,666	4,074,699	4,485,695
General management	2,311,235	399,637	—	—	—	2,710,872	3,171,927
	<u>35,936,708</u>	<u>3,562,771</u>	<u>8,833</u>	<u>208,250</u>	<u>182,844</u>	<u>39,899,406</u>	<u>48,157,306</u>
(Deficiency)/Excess of revenues over expenses	<u>(\$22,667,958)</u>	<u>(\$2,306,731)</u>	<u>\$280,952</u>	<u>(\$132,921)</u>	<u>(\$110,412)</u>	<u>(\$24,937,070)</u>	<u>(\$31,532,861)</u>

The accompanying notes are an integral part of these financial statements.

## COMBINED STATEMENTS OF ACTIVITIES

(continued)

	2001 Asian Cultural Council, Inc.	2000 Asian Cultural Council, Inc.	Combined Total 2001	Combined Total 2000
<b>REVENUES</b>				
Dividend income	\$322,678	\$467,109	\$5,161,920	\$4,834,124
Interest income	426,645	542,701	10,126,532	11,979,329
Other income	66,924	71,587	207,297	237,488
Contributions	3,434,457	1,117,833	3,717,291	1,772,734
	<u>4,250,704</u>	<u>2,199,230</u>	<u>19,213,040</u>	<u>18,823,675</u>
<b>EXPENSES</b>				
Functional expenses (Exhibit I):				
Direct charitable activities	-	-	3,696,148	3,570,435
Program and grant management	3,142,182	2,994,758	32,559,869	39,924,007
Investment management	286,495	333,202	4,361,194	4,818,897
General management	571,869	413,947	3,282,741	3,585,874
	<u>4,000,546</u>	<u>3,741,907</u>	<u>43,899,952</u>	<u>51,899,213</u>
Deficiency of revenues over expenses	<u>\$250,158</u>	<u>(\$ 1,542,677)</u>	<u>(\$24,686,912)</u>	<u>(\$33,075,538)</u>

## ROCKEFELLER BROTHERS FUND, INC. AND COMBINED AFFILIATE COMBINED STATEMENTS OF ACTIVITIES

For the Year Ended December 31, 2001 with Summarized Financial Information for the Year Ended December 31, 2000

	Principal Fund	Pocantico Fund	Pocantico II Fund	Ramon Magsaysay Award Foundation Fund	Asian Projects Fund	2001 RBF Funds	2000 RBF Funds
<b>GAIN ON INVESTMENTS</b>							
Net realized (loss) gain from securities sales	(\$22,067,278)	(\$2,124,398)	(\$61,257)	(\$127,416)	(\$122,516)	(\$24,502,865)	\$103,714,513
Net change in unrealized gain on investments	(22,578,753)	(2,173,637)	(62,677)	(130,370)	(125,356)	(25,070,793)	(117,406,267)
	(44,646,031)	(4,298,035)	(123,934)	(257,786)	(247,872)	(49,573,658)	(13,691,754)
Change in net assets:							
Unrestricted	(67,313,989)	(6,604,766)	157,018	(390,707)	(358,284)	(74,510,728)	(45,224,615)
Temporarily restricted	-	-	-	-	-	-	-
Permanently restricted	-	-	-	-	-	-	-
Total change in net assets	(67,313,989)	(6,604,766)	157,018	(390,707)	(358,284)	(74,510,728)	(45,224,615)
<b>NET ASSETS</b> beginning of year	646,318,780	71,039,145	1,459,528	3,782,005	3,504,837	726,104,295	771,328,910
<b>NET ASSETS</b> end of year	\$579,004,791	\$64,434,379	\$1,616,546	\$3,391,298	\$3,146,553	\$651,593,567	\$726,104,295

The accompanying notes are an integral part of these financial statements.

## COMBINED STATEMENTS OF ACTIVITIES

(continued)

	2001 Asian Cultural Council, Inc.	2000 Asian Cultural Council, Inc.	Combined Total 2001	Combined Total 2000
<b>GAIN ON INVESTMENTS</b>				
Net realized (loss) gain from securities sales	(\$739,771)	\$3,410,066	(\$25,242,636)	\$107,124,579
Net change in unrealized gain on investments	(3,720,406)	(6,295,604)	(28,791,199)	(123,701,871)
	(4,460,177)	(2,885,538)	(54,033,835)	(16,577,292)
Change in net assets:				
Unrestricted	(4,667,099)	(3,309,589)	(79,177,827)	(48,534,204)
Temporarily restricted	(1,542,920)	(1,118,626)	(1,542,920)	(1,118,626)
Permanently restricted	2,000,000	-	2,000,000	-
Total change in net assets	(4,210,019)	(4,428,215)	(78,720,747)	(49,652,830)
<b>NET ASSETS</b> beginning of year	42,110,092	46,538,307	768,214,387	817,867,217
<b>NET ASSETS</b> end of year	\$37,900,073	\$42,110,092	\$689,493,640	\$768,214,387

## ROCKEFELLER BROTHERS FUND, INC. AND COMBINED AFFILIATE COMBINED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2001 and 2000

	Total 2001 All Funds	Total 2000 All Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	(\$78,720,747)	(\$49,652,830)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized (gain) or loss on investments	54,033,835	16,577,292
Depreciation	1,126,167	1,130,893
Interest and dividends restricted for endowment	(146,118)	(152,381)
(Increase) decrease in accounts receivable	(263,582)	151,597
(Increase) decrease in contributions receivable	(1,378,925)	(17,995)
(Increase) decrease in interest and dividends receivable	359,979	(590,988)
(Increase) decrease due from brokers and dealers	2,515,359	(2,979,808)
(Increase) decrease in prepaid expenses	648,241	146,414
Increase (decrease) in grants payable	(5,519)	1,587,854
Increase (decrease) in due to brokers and dealers	4,832,685	2,294,570
Increase (decrease) in accounts payable and accrued liabilities	430,644	1,055,401
Increase (decrease) in deferred taxes payable	(364,417)	(1,180,983)
Net cash provided by (used in) operating activities	(16,932,398)	(31,630,964)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales of investments	988,751,049	1,217,392,107
Purchases of investments	(971,089,961)	(1,185,272,489)
Reductions of program-related investment	142,000	142,000
Purchases of fixed assets	(739,089)	(661,354)
Net cash provided by (used in) investing activities	17,063,999	31,600,264
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest and dividends restricted for endowment	146,118	152,381
Net cash provided by financing activities	146,118	152,381
Net increase (decrease) in cash	277,719	121,681
Cash at beginning of year	683,305	561,624
Cash at end of year	\$961,024	\$683,305

*The accompanying notes are an integral part of these financial statements.*

# Notes to Financial Statements

## 1. ORGANIZATIONS AND PURPOSE

**Rockefeller Brothers Fund, Inc.** (“the Fund”) is a not-for-profit, charitable corporation existing under the New York State not-for-profit corporation law and is classified as a private foundation as defined in the Internal Revenue Code. Effective July 1, 1999, the Fund merged with the Charles E. Culpeper Foundation (“Culpeper”), a private, grantmaking corporation founded in New York. Under the terms of the merger, the Fund received all of the assets of Culpeper with a fair value of approximately \$212,000,000, consisting principally of investments and cash and cash equivalents. In addition, four members of Culpeper’s Board of Trustees were elected to the Fund’s Board of Trustees. The assets received from Culpeper were treated similar to a contribution in the accompanying combined statement of activities. The surviving entity is known as the Rockefeller Brothers Fund. The Fund’s principal purpose is to make grants to local, national, and overseas philanthropic organizations. The Fund also provides fellowships for students of color entering the teaching profession and scholarships for medical science and biomedical research.

The Board of Trustees has designated the allocation from the Principal Fund and other funds to the following special purpose funds:

**Pocantico Fund:** For the preservation, maintenance and operation of the Pocantico Historic Area at Pocantico Hills, New York, as a conference center and an historic park benefiting the public.

**Pocantico II Fund:** For the perpetual maintenance of the Playhouse parcel at the Pocantico Historic Area when ownership of that parcel passes to a charitable organization.

**Ramon Magsaysay Award Foundation Fund:** To support the Ramon Magsaysay Awards and other activities of the Ramon Magsaysay Award Foundation, Inc.

**Asian Projects Fund:** Income to be used for a period of twenty years from inception in 1987 for special projects which exemplify the spirit of the Ramon Magsaysay Awards and Asian program concerns of the Fund.

**Asian Cultural Council, Inc.** (“ACC”) is a not-for-profit, charitable corporation existing under the New York State not-for-profit corporation law and has been determined to be a publicly supported organization as defined in the Internal Revenue Code. ACC provides fellowship awards to Asian and American individuals in the visual and performing arts, and also awards grants to cultural institutions engaged in international exchange projects. The Fund is the sole member of ACC.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund and ACC have been prepared on an accrual basis. The significant accounting policies followed are described below:

**Principles of Combination:** The financial statements of the Fund include ACC of which it is the sole member. The accompanying statements of financial position and related statements of activities and of cash flows, and the schedule of functional expenses, as of December 31, 2001 and 2000, and for the years then ended, are presented in the total column on a combined basis to reflect the financial position and results of operations of the Fund and ACC. All significant interfund balances and transactions are eliminated in combination. The financial statements include certain prior-year summarized comparative information in total but not by fund type. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Fund’s financial statements for the year ended December 31, 2000, from which the summarized information was derived.

**Investments:** Investments in securities are carried at quoted market prices. Unrealized gains or losses are determined using quoted market prices at the respective balance sheet dates. Realized gains or losses from sales of securities are determined on a specific identification basis as of the trade date. Security costs are determined on a first-in first-out basis.

Investments in limited partnerships are valued on the basis of the Fund’s equity in the net assets of such partnerships. In certain instances, portions of the underlying investment portfolios of the limited partnerships contain non-marketable or thinly traded investments which have been recorded at fair value as determined by management of the limited partnerships. As of December 31, 2001 and 2000, approximately \$80,970,000 and \$40,900,000, respectively, of the Fund’s investments in limited partnerships were recorded at fair value as determined by the funds’ management or their designee, which might differ significantly from the market value that would have been used had a ready market for the investment existed.

Investments of the Principal Fund, Pocantico Fund, Pocantico II Fund, Ramon Magsaysay Award Foundation Fund, and Asian Projects Fund are pooled; interest and dividend income and realized and unrealized gains or losses are allocated to each fund using the unitized investment method.

**Grants payable:** Grants are recorded at the time of approval by the trustees and notification to the recipient. The Fund and ACC estimate that the grants payable balance as of December 31, 2001 will be paid as follows:

2002: \$14,809,971 2003: \$4,660,200 2004: \$1,588,600 2005: \$45,000 2006: \$30,000 Total: \$21,133,771

The net present value of grants payable is not materially different from amounts committed to be paid.

**Tax status:** The Fund is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a "private foundation." Provision has been made for the Federal excise tax on investment income.

ACC is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and has been determined to be a publicly supported organization.

**Fixed assets:** The Fund capitalizes fixed assets which include leasehold improvements, furniture and fixtures, and office equipment. Depreciation and amortization of the fixed assets are provided over the following estimated useful service lives: leasehold improvements: life of lease; office equipment: 7 years; computer equipment: 5 years; computer software: 3 years. Fixed assets are presented net of accumulated depreciation and amortization of approximately \$8,780,000 and \$7,600,000, respectively, at December 31, 2001 and 2000.

**Expenses:** The Fund and ACC report expenses on a functional basis, with all expenses charged either to a particular program or supporting service. Overhead expenses, including occupancy, telephone, and insurance, are allocated to functional areas based upon space used or actual usage, if specifically identifiable. The allocation of salary and related expenses for management and supervision of program service functions are made by management based on the estimated time spent by executives in the various program service functions.

**Use of estimates:** The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Most significant estimates relate to investments. Actual results could differ from those estimates.

### 3. INVESTMENTS

Investments at December 31, 2001 and 2000 are summarized as follows:

	December 31, 2001			December 31, 2000	
	Cost	Unrealized Appreciation/ (Depreciation)	Market	Cost	Market
Short-term investments	\$32,677,719	\$ —	\$32,677,719	\$33,192,855	\$33,310,017
Stocks	392,258,167	28,911,994	421,170,161	445,689,823	491,788,540
Bonds	139,747,449	(542,237)	139,205,212	165,233,822	166,504,316
Limited partnerships	120,881,980	(10,700,986)	110,180,994	84,644,860	83,346,969
Foreign currency fluctuations	—	(10,919)	(10,919)	—	(31,552)
	<u>\$685,565,315</u>	<u>\$17,657,852</u>	<u>\$703,223,167</u>	<u>\$728,761,360</u>	<u>\$774,918,290</u>

The cost of investments in each fund at December 31, 2001 and 2000 is as follows:

	December 31, 2001	December 31, 2000
Principal Fund	\$585,510,833	\$622,975,412
Pocantico Fund	60,148,854	63,733,785
Ramon Magsaysay Award Foundation Fund	3,762,049	3,967,515
Asian Projects Fund	3,506,412	3,707,139
Pocantico II Fund	—	289,174
Asian Cultural Council, Inc.	32,637,167	34,088,335
	<u>\$685,565,315</u>	<u>\$728,761,360</u>

Through a certain investment manager, the Fund purchases and sells warrants, exchange-traded options and financial futures contracts. As of December 31, 2001, the Fund's exposure to these instruments totaled approximately \$3,500,000.

### 4. PROGRAM-RELATED INVESTMENTS

The Fund's program-related investments have limited or no marketability. These investments and real estate are stated at the lower of cost or estimated fair value. The Fund's real estate has been leased rent-free to a not-for-profit organization under the terms of an agreement which expires in the year 2056.

In February 1994, the Fund entered into a loan agreement with the Ramon Magsaysay Award Foundation ("RMAF") which authorized RMAF to borrow up to three million dollars during the period the loan commenced through

December 31, 1995. The underlying promissory note initially charged interest on the unpaid principal at the rate of 6 percent per year; such interest accrued beginning January 1, 1995. In 1999, the interest rate was reduced to 3 percent for the remaining term of the loan. Payment of principal of \$120,000 and related interest is to be made annually over the term of the loan and on December 31, 2019, the outstanding balance will be payable in full. The Fund had loaned RMAF the full amount authorized as of December 31, 1995 and received the appropriate repayments of principal and interest in the years ended December 31, 1995 through 2001.

## 5. PENSION PLAN

The Fund and ACC participate in the Retirement Income Plan for Employees of Rockefeller Brothers Fund, Inc., et al., a noncontributory defined benefit plan covering substantially all its employees. The Fund's and ACC's policy is to make contributions to maintain the plan on a sound financial basis.

The following table sets forth the plan's funded status and amounts recognized in the financial statements at December 31, 2001 and 2000 and for the years then ended:

<b>Actuarial present value of benefit obligations:</b>	2001	2000
Accumulated benefit obligation	\$4,534,226	\$3,904,793
Projected benefit obligation for services rendered to date	\$6,058,194	\$5,329,392
Plan assets at fair value	5,100,497	5,030,592
Funded status	(957,697)	(298,800)
Unrecognized prior service cost	267,789	(40,657)
Unrecognized net loss from past experience different from that assumed and effects of changes in assumptions	1,391,653	1,037,533
Unamortized transitional net asset	(118,790)	(138,589)
Prepaid pension cost included in prepaid expenses	\$582,995	\$559,487
Net pension cost included the following components:		
Service cost—benefits earned during period	\$434,434	\$319,759
Interest cost on projected benefit obligation	407,851	350,434
Actual return on plan assets	(452,437)	(409,889)
Net amortization and deferral	19,157	(21,606)
Net periodic pension cost	\$409,005	\$238,698

The weighted-average discount rate and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation were 7.25 percent and 4.0 percent in 2001 and 7.5 percent and 4.5 percent in 2000, respectively. The expected long-term rate of return on assets was 9.0 percent in 2001 and 2000.

## 6. POSTRETIREMENT HEALTHCARE BENEFITS

In addition to providing pension benefits, the Fund provides certain healthcare benefits for retired employees. Substantially all of the Fund's and ACC's employees may become eligible for these benefits if they reach age 55 while employed by the Fund and have accumulated at least five years of service. Such benefits are provided through an insurance company.

The following table sets forth the plan's status as of December 31, 2001 and 2000:

	2001	2000
Accumulated postretirement benefit obligation ("APBO")	\$1,759,551	\$1,519,960
Unrecognized net gain	61,982	210,734
Accrued postretirement benefit cost	\$1,821,533	\$1,730,694

The net periodic postretirement benefit cost included the following components:

	2001	2000
Service retirement cost	\$103,358	\$75,678
Interest cost	118,855	111,783
Amortization of unrecognized gain	(14,478)	(21,081)
Net periodic postretirement benefit cost	\$207,735	\$166,380

Actual retiree premiums paid by the Fund and ACC during 2001 and 2000 amounted to \$117,000 and \$76,000, respectively.

The discount rate assumed in determining the APBO was 7.25 percent in 2001 and 7.5 percent in 2000. The medical cost trend rates assumed were 10.0 percent and declining to 6.0 percent over a five-year period for 2001 and 8.0 percent declining to 6.0 percent for 2000. Increasing the assumed medical cost trend rate by one percent each year would result in increases in both the APBO and the net periodic postretirement cost of approximately \$320,000 and \$48,000 in 2001 and \$240,000 and \$39,000 in 2000, respectively.

## 7. RELATED PARTY TRANSACTIONS

The Fund paid Rockefeller and Co., Inc., fees of approximately \$140,000 and \$325,000 in 2001 and 2000, respectively, as one of its investment advisors and fees of \$45,000 in 2001 and 2000 for the management of the Fund's qualified pension plans and other services. The Fund was reimbursed approximately \$313,000 in 2001 and \$290,000 in 2000, for the fair value of certain expenses, including accounting and occupancy, by the Rockefeller Family Fund, Inc. The Fund was also reimbursed \$539,000 and \$12,000 in 2001 and \$470,000 and \$12,000 in 2000 for the fair value of certain expenses, including accounting and occupancy, by ACC and the David Rockefeller Fund, respectively.

The Fund paid fees in 2001 and 2000 of approximately \$1,150,000 and \$1,070,000, respectively, for maintenance of the Pocantico properties to Greenrock Corporation, which is wholly owned by Rockefeller family members.

## 8. FEDERAL TAXES

As a private foundation, the Fund is assessed an excise tax by the Internal Revenue Code. The provision for federal excise tax consists of a current provision on realized net investment income and a deferred provision on unrealized appreciation of investments. This tax is generally equal to 2 percent; however, it is reduced to 1 percent if a foundation meets certain distribution requirements under Section 4940(e) of the Internal Revenue Code. For 2001, the Fund expects to qualify for the lower tax rate and provided for excise taxes at the rate of 1 percent. For 2000, the Fund provided for excise taxes at the rate of 1 percent.

## 9. COMMITMENTS

The Fund, together with its affiliates, occupies office facilities which provide for minimum rental commitments excluding escalation as follows:

Fiscal Year		
2002: \$1,857,000	2003—2007: \$9,650,000	2008—2012: \$8,807,000

On January 1, 1998, the Fund entered into a new lease agreement and relocated its offices in June 1998. Effective January 1, 1999 and December 1, 2001, the Fund leased additional space to expand its offices. The terms of the leases for the Fund's offices expire in December, 2012 with one five-year renewal option. Portions of this additional space have been subleased through 2012. Under the terms of its merger agreement with the Charles E. Culpeper Foundation, the Fund assumed the liability for Culpeper's office space through 2007. This space was subleased in 1999 for the years 2000 through 2007.

On January 1, 1992, the Fund entered into a formal arrangement with the National Trust for Historic Preservation in the United States, whereby the Fund assumes the costs associated with maintenance and operations of the Pocantico Historic Area, including all utilities, real estate and other taxes, and impositions assessed against the property. In 2001 and 2000, these costs aggregated approximately \$1,645,000 and \$1,535,000, respectively. Under the same agreement, the Fund agreed to conduct a program of public visitation of the Pocantico Historic Area. Historic Hudson Valley was engaged by the Fund to operate this program on its behalf. The public visitation program commenced in April 1994.

Pursuant to its limited partnership agreements, the Fund is committed to contribute approximately \$62,000,000 as of December 31, 2001, in additional capital over the next five years. Unpaid commitments at December 31, 2000, were \$63,000,000.

## 10. ASIAN CULTURAL COUNCIL, INC.

Summarized financial results of the Asian Cultural Council, Inc. for the years ended December 31, 2001 and 2000 are presented below:

	2001				2000			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Net assets, beginning of year	\$24,657,355	\$4,620,824	\$12,831,913	\$42,110,092	\$27,966,944	\$5,739,450	\$12,831,913	\$46,538,307
Total support and revenue	(\$2,311,314)	\$101,841	\$2,000,000	(\$209,473)	(\$1,002,594)	\$316,286	-	(\$686,308)
Net assets released from restriction	1,644,761	(1,644,761)	-	-	1,434,912	(1,434,912)	-	-
Program expenses	(3,379,973)	-	-	(3,379,973)	(2,994,758)	-	-	(2,994,758)
General management expenses	(620,573)	-	-	(620,573)	(747,149)	-	-	(747,149)
Change in net assets	(4,667,099)	(1,542,920)	2,000,000	(4,210,019)	(3,309,589)	(1,118,626)	-	(4,428,215)
Net assets, end of year	\$19,990,256	\$3,077,904	\$14,831,913	\$37,900,073	\$24,657,355	\$4,620,824	\$12,831,913	\$42,110,092

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unrestricted net assets represent resources over which the Board of Trustees has full discretion with respect to use. Temporarily restricted net assets represent expendable resources which have been time or purpose restricted by the donor. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets represent contributions and other gifts which require that the corpus be maintained intact and that only the income be used as designated by the donor. Depending upon the donor's designation, such income is reflected in the statement of activities as either temporarily restricted or unrestricted income.

## EXHIBIT I: SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2001 with Summarized Financial Information for the Year Ended December 31, 2000

### ROCKEFELLER BROTHERS FUND ("RBF")

	Direct Charitable Activities							
	General Programs	Pocantico Fund	Subtotal	Program and Grant Management	Investment Management	General Management	2001 RBF Funds	2000 RBF Funds
<b>SALARIES AND EMPLOYEE BENEFITS</b>								
Salaries	\$216,428	\$298,034	\$514,462	\$1,620,207	\$196,825	\$1,126,707	\$3,458,201	\$3,276,109
Employee benefits	92,599	83,023	175,622	693,203	79,958	463,291	1,412,074	993,864
	309,027	381,057	690,084	2,313,410	276,783	1,589,998	4,870,275	4,269,973
<b>OTHER EXPENSES</b>								
Grants awarded	-	-	-	25,480,447	-	-	25,480,447	33,454,995
Fellowship and leadership program expenses	271,978	-	271,978	-	-	-	271,978	228,952
Federal excise and other taxes	-	-	-	-	-	(371,902)	(371,902)	359,746
Consultants' fees	576	-	576	189,597	18,584	86,360	295,117	468,600
Investment services	-	-	-	-	3,593,417	-	3,593,417	3,997,010
Legal, audit and professional fees	25,449	13,554	39,003	40,995	8,096	136,602	224,696	222,216
Travel	29,363	6,961	36,324	319,801	12,834	72,406	441,365	382,707
Rent and electricity	64,350	-	64,350	492,032	51,480	382,142	990,004	885,339
Program conferences and events	260,814	-	260,814	-	-	-	260,814	198,398
Facilities maintenance and operations	-	1,645,482	1,645,482	-	-	-	1,645,482	1,535,075
Telephone, facsimile and internet	6,503	15,235	21,738	49,724	6,763	44,128	122,353	105,450
General office expenses	69,225	78,620	147,845	316,670	35,765	277,621	777,901	706,363
Publications	-	-	-	18,865	-	163,143	182,008	221,778
Fundraising expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	25,653	492,301	517,954	196,146	70,977	330,374	1,115,451	1,120,704
	\$1,062,938	\$2,633,210	\$3,696,148	\$29,417,687	\$4,074,699	\$2,710,872	\$39,899,406	\$48,157,306

**EXHIBIT I: SCHEDULE OF FUNCTIONAL EXPENSES***(continued)*

	2001 Asian Cultural Council, Inc.	2000 Asian Cultural Council, Inc.	Combined Total 2001	Combined Total 2000
<b>SALARIES AND EMPLOYEE BENEFITS</b>				
Salaries	\$699,056	\$625,507	\$4,157,257	\$3,901,616
Employee benefits	286,882	294,067	1,698,956	1,287,931
	<u>985,938</u>	<u>919,574</u>	<u>5,856,213</u>	<u>5,189,547</u>
<b>OTHER EXPENSES</b>				
Grants awarded	1,809,044	1,568,556	27,289,491	35,023,551
Fellowship and leadership program expenses	-	-	271,978	228,952
Federal excise and other taxes	22,201	27,430	(349,701)	387,176
Consultants' fees	194,060	181,154	489,177	649,754
Investment services	286,495	333,202	3,879,912	4,330,212
Legal, audit and professional fees	183,357	162,268	408,053	384,484
Travel	60,720	72,453	502,085	455,160
Rent and electricity	189,082	170,197	1,179,086	1,055,536
Program conferences and events	53,867	98,986	314,681	297,384
Facilities maintenance and operations	12,803	21,022	1,658,285	1,556,097
Telephone, facsimile and internet	16,897	16,449	139,250	121,899
General office expenses	145,049	118,028	922,950	824,391
Publications	24,189	31,223	206,197	253,001
Fundraising expenses	6,128	11,176	6,128	11,176
Depreciation and amortization	10,716	10,189	1,126,167	1,130,893
	<u>\$4,000,546</u>	<u>\$3,741,907</u>	<u>\$43,899,952</u>	<u>\$51,899,213</u>

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<sup>1</sup> Until February 28, 2001

<sup>2</sup> Until April 6, 2001

<sup>3</sup> As of September 4, 2001

<sup>4</sup> As of June 12, 2001

<sup>5</sup> As of June 4, 2001

<sup>6</sup> As of July 16, 2001

<sup>7</sup> As of September 10, 2001

<sup>8</sup> As of January 16, 2001

<sup>9</sup> Until November 30, 2001