that capture the history and culture of the Hmong people. In 2004, with a grant from Irvine, Stone Soup Fresno developed Project Common Thread, a program designed to preserve and promote the cultural arts of the Hmong and foster cross-cultural awareness in the San Joaquin Valley.

As part of Project Common Thread, Ms. Vang helped to establish a Hmong girls choir, which has been well received and continues to teach traditional songs. In 2004, with a grant from Irvine, Stone Soup Fresno developed Project Common Thread, a program designed to preserve and promote the cultural arts of the Hmong and foster cross-cultural awareness in the San Joaquin Valley.

She is pictured in traditional Hmong costume, standing before a tapestry that depicts the story of the Hmong fleeing their native country of Laos following the Vietnam War.

ABOUT THE COVER

Katia Vang is a second-generation Californian of Hmong descent and a nursing student at California State University, Fresno. Ms. Vang is also a volunteer at Stone Soup Fresno, a community center that serves the large and growing Southeast Asian refugee population in the San Joaquin Valley. She is pictured in traditional Hmong costume, standing before a tapestry that depicts the story of the Hmong fleeing their native country of Laos following the Vietnam War.

In 2004, with a grant from Irvine, Stone Soup Fresno developed Project Common Thread, a program designed to preserve and promote the cultural arts of the Hmong and foster cross-cultural awareness in the San Joaquin Valley. As part of Project Common Thread, Ms. Vang helped to establish a Hmong girls choir, which has been well received in the community, and she continues to teach traditional songs that capture the history and culture of the Hmong people.

ABOUT JAMES IRVINE

A native Californian, James Irvine devoted most of his life to his business interests in San Francisco and the development of his 110,000-acre ranch in Orange County, which he inherited from his father in 1886.

Mr. Irvine believed that significant community responsibility came with his ownership of the ranch, and his philanthropic activities culminated with the formation in 1937 of The James Irvine Foundation. He directed that Foundation grants promote the general welfare of the people of California, and by the time of his death in 1947, the Foundation had begun to make grants to educational and cultural institutions and other nonprofit organizations. Since its founding in 1937, the Foundation has made grants totaling more than $850 million for the people of California.

TABLE OF CONTENTS

From the President and Chief Executive Officer 2
Investing in Youth 4
Advancing the Arts 8
Building a Better California 12
2004 Grants 16
Grantseeker Guidelines 17
From the Chief Investment Officer and Treasurer 18
Independent Auditors’ Report 40
Financial Statements 41
Board of Directors and Staff References 48

REFERENCES: DID YOU KNOW?

PAGES 19-20

PAGES 21-22
Humphrey Institute of Public Affairs, Project on Regional and Industrial Economics: The Artists Dividend Revised (March 2004)

PAGES 23 (LEFT)

PAGES 23 (RIGHT)
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGES 24 (LEFT)

PAGES 24 (RIGHT)

PAGES 25-26
U.S. Census Bureau, American Community Survey Profile 2003

PAGES 26 (RIGHT)
Harvard University, The Civil Rights Project: “Confronting the Graduation Rate Crisis in California” (March 2003)

PAGES 27-28
Community College League of California: California Community College Fact-Pak (2004)

PAGES 28-29
Harvard University, The Civil Rights Project: “Confronting the Graduation Rate Crisis in California” (March 2003)

PAGES 30 (RIGHT)
California Community Colleges Chancellor’s Office (2003)

PAGES 30 (LEFT)
RAND Corporation: California’s K-12 Public Schools: How Are They Doing? (2005)

PAGES 31-32

PAGES 33-34
League of California Community Foundations

PAGES 35-36
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGES 36-37

PAGES 37-38
U.S. Census Bureau, American Community Survey Profile 2003

PAGES 38-39
RAND Corporation: California’s K-12 Public Schools: How Are They Doing? (2005)

PAGES 40-41

PAGES 42-43

PAGES 43-44
U.S. Census Bureau, American Community Survey Profile 2003

PAGES 45-46
U.S. Census Bureau, American Community Survey Profile 2003

PAGES 47-48
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGES 49-50

PAGES 51-52
U.S. Census Bureau, American Community Survey Profile 2003

PAGES 53-54
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGES 55-56

PAGES 57-58
The mission of The James Irvine Foundation is to expand opportunity for the people of California to participate in a vibrant, successful, and inclusive society. In pursuit of this mission, the Foundation is guided by the following goals: advance the educational and economic prospects of low-income Californians to create and share in the state’s prosperity; engage a broad cross section of Californians in the civic and cultural life of their communities and the state; enhance mutual understanding and communication among diverse racial, ethnic, and socioeconomic groups; and enrich the state’s intellectual and creative environment.
James Irvine’s mandate in creating the Foundation carries as much resonance today as it did in 1937. What emerges from reading his Indenture of Trust, which provides the governing direction for the Foundation, is that he cared about improving people’s lives, especially those who faced difficult prospects. He also had great affection for California, which provided the land upon which he created his wealth. People and place were important concepts for our founder and remain at the center of how this Foundation approaches its work today.

The refocused mission that emerged from our recent strategic planning work — to expand opportunity for the people of California to participate in a vibrant, successful, and inclusive society — flows directly from our founder’s wishes. Our three core grantmaking programs — Arts, California Perspectives, and Youth — bring this mission to life in an integrated way that builds upon Irvine’s unique history and competencies as a statewide funder.

In 2004, we completed the first full year of grantmaking reflecting our new directions, and to demonstrate an ongoing commitment to our founder’s core principles, this annual report focuses on three P’s: purpose, people, and place.

In the pages that follow, we outline the core purpose for each of our programs. Along with those statements of purpose, we profile some of the people and organizations we are privileged to support, and highlight a sampling of the places in California where we do our work. Our goal in this year’s report is to provide readers with a clear and tangible picture of how our institution positions itself to carry out James Irvine’s vision in view of our long history, our enduring values, and our finite resources.

For The James Irvine Foundation, 2004 established the platform for the future. We will build upon this platform in the years ahead in ways that honor the rich legacy of those who preceded us, that demonstrate our understanding of an ever-shifting external environment in California, and that reflect the values and principles that led James Irvine to create this philanthropic enterprise.

Sincerely,

James E. Canales
President and Chief Executive Officer
July 2005
James Irvine’s mandate in creating the Foundation carries as much resonance today as it did in 1937. What emerges from reading his Indenture of Trust, which provides the governing direction for the Foundation, is that he cared about improving people’s lives, especially those who faced difficult prospects. He also had great affection for California, which provided the land upon which he created his wealth. People and place were important concepts for our founder and remain at the center of how this Foundation approaches its work today.

The refocused mission that emerged from our recent strategic planning work — to expand opportunity for the people of California to participate in a vibrant, successful, and inclusive society — flows directly from our founder’s wishes. Our three core grantmaking programs — Arts, California Perspectives, and Youth — bring this mission to life in an integrated way that builds upon Irvine’s unique history and competencies as a statewide funder.

In 2004, we completed the first full year of grantmaking reflecting our new directions, and to demonstrate an ongoing commitment to our founder’s core principles, this annual report focuses on three P’s: purpose, people, and place. In the pages that follow, we outline the core purpose for each of our programs. Along with those statements of purpose, we profile some of the people and organizations we are privileged to support, and highlight a sampling of the places in California where we do our work. Our goal in this year’s report is to provide readers with a clear and tangible picture of how our institution positions itself to carry out James Irvine’s vision in view of our long history, our enduring values, and our finite resources.

For The James Irvine Foundation, 2004 established the platform for the future. We will build upon this platform in the years ahead in ways that honor the rich legacy of those who preceded us, that demonstrate our understanding of an ever-shifting external environment in California, and that reflect the values and principles that led James Irvine to create this philanthropic enterprise.

Sincerely,

James E. Canales
President and Chief Executive Officer
July 2005
As young people reach the critical age when they are transitioning from adolescence into young adulthood, they are all too often left on their own to navigate these changes, with little support and few options to pursue. Our Youth program rests on the premise that all young people deserve access to a combination of rigorous and relevant educational experiences to ensure their success in the workplace and as engaged citizens.

To create such opportunities, the Foundation funds organizations working to increase the number of low-income youth in California who complete high school on time and attain a post-secondary credential by the age of 25. Our grants seek to increase student retention, improve academic performance, and promote stronger and more authentic connections to community and citizenship.

The urgency of the task before us is clear, and the implications of our failure to accomplish it are staggering. Only 71 percent of California’s students graduate on time from high school, and graduation rates are shockingly low for African American and Latino male students, at 60 percent and 57 percent, respectively. Our grantmaking focuses on helping educational and training institutions to adopt practices that will motivate students to learn by offering them multiple pathways to success. The programs we support embrace a wide range of learning styles and connect students, in a concrete and practical way, to the broader world of career and civic life.

While there is widespread recognition in California of the importance of investing in early childhood, we want to ensure that our state does not ignore our adolescents and young adults. All youth – regardless of background, life situation, or economic circumstance – deserve a legitimate and genuine opportunity to succeed, and at The James Irvine Foundation, we are committed to the development of as many pathways as possible to ensure that California’s young people thrive.
As young people reach the critical age when they are transitioning from adolescence into young adulthood, they are all too often left on their own to navigate these changes, with little support and few options to pursue. Our Youth program rests on the premise that all young people deserve access to a combination of rigorous and relevant educational experiences to ensure their success in the workplace and as engaged citizens.

To create such opportunities, the Foundation funds organizations working to increase the number of low-income youth in California who complete high school on time and attain a postsecondary credential by the age of 25. Our grants seek to increase student retention, improve academic performance, and promote stronger and more authentic connections to community and citizenship.

The urgency of the task before us is clear, and the implications of our failure to accomplish it are staggering. Only 71 percent of California’s students graduate on time from high school, and graduation rates are shockingly low for African American and Latino male students, at 60 percent and 57 percent, respectively. Our grantmaking focuses on helping educational and training institutions to adopt practices that will motivate students to learn by offering them multiple pathways to success. The programs we support embrace a wide range of learning styles and connect students, in a concrete and practical way, to the broader world of career and civic life.

While there is widespread recognition in California of the importance of investing in early childhood, we want to ensure that our state does not ignore our adolescents and young adults. All youth – regardless of background, life situation, or economic circumstance – deserve a legitimate and genuine opportunity to succeed, and at The James Irvine Foundation, we are committed to the development of as many pathways as possible to ensure that California’s young people thrive.
THE INLAND EMPIRE

PLACE Southern California’s Riverside and San Bernardino counties, also known as the Inland Empire, are among the fastest-growing counties in the United States. The region is of special interest to Irvine because of its disproportionately large number of low-income residents and because the dynamics of growth and demography are creating significant pressures on the community, including increasing demands on local schools. High school completion rates are shockingly low in some Inland Empire school districts, and the percentage of young people who attend college falls below state and national averages.

PEOPLE Mayra Montes has just completed the 10th grade at San Gorgonio High School and is a participant in the San Bernardino Alliance for Education, a partnership of business, education, and government leaders designed to raise the academic and workplace literacy of San Bernardino County residents. In 2004, the Alliance received a grant from The Community Foundation Serving Riverside and San Bernardino Counties, with funds provided by Irvine, to assist low-income students in making successful transitions from high school to postsecondary education. Ms. Montes plans to become a pediatric nurse.

ALLIANCE FOR EDUCATION
The Inland Empire

Southern California’s Riverside and San Bernardino counties, also known as the Inland Empire, are among the fastest-growing counties in the United States. The region is of special interest to Irvine because of its disproportionately large number of low-income residents and because the dynamics of growth and demography are creating significant pressures on the community, including increasing demands on local schools. High school completion rates are shockingly low in some Inland Empire school districts, and the percentage of young people who attend college falls below state and national averages.

Alliance for Education

People

Mayra Montes has just completed the 10th grade at San Gorgonio High School and is a participant in the San Bernardino Alliance for Education, a partnership of business, education, and government leaders designed to raise the academic and workplace literacy of San Bernardino County residents. In 2004, the Alliance received a grant from The Community Foundation Serving Riverside and San Bernardino Counties, with funds provided by Irvine, to assist low-income students in making successful transitions from high school to postsecondary education. Ms. Montes plans to become a pediatric nurse.
Californians benefit from the presence of a vibrant, rich, and diverse artistic environment that has been built and sustained over time through the persistence and dedication of many. As a statewide funder of the arts since our inception in 1937, the Foundation recognizes the importance of the arts as a means to build community and enhance educational achievement. Just as important, we support the arts because they hold the potential to demonstrate the power of human creativity and expression, to tap our deepest emotions, to expand our view of the world, and to expose us to the very best of human aspiration.

At a time when the arts face a challenging funding environment and sadly are viewed by some as discretionary or, worse yet, expendable, Irvine has renewed its commitment, seeking to galvanize support for the inherent value of the arts. The goals of our Arts program are to enhance cross-cultural understanding, to promote artistic creativity and innovation, and to ensure that the state’s leading arts institutions continue to pursue risk-taking and innovation as they embrace their important leadership role in the arts locally, nationally, and even internationally.

Our grantmaking supports activities as broad and diverse as: support for individual artists to create and present their art; funding for arts organizations to expand their reach to new audiences; and partnerships with key regional organizations, such as local community foundations, to promote a rich artistic and cultural environment in diverse regions throughout California.

Our support for the arts flows from a deep commitment to a vibrant and inclusive artistic and cultural environment in California that taps the extraordinary diversity of our state, that honors the pioneering spirit that has characterized the California arts scene, and that seeks to include all Californians in experiencing the power and joy of the arts.
Californians benefit from the presence of a vibrant, rich, and diverse artistic environment that has been built and sustained over time through the persistence and dedication of many. As a statewide funder of the arts since our inception in 1937, the Foundation recognizes the importance of the arts as a means to build community and enhance educational achievement. Just as important, we support the arts because they hold the potential to demonstrate the power of human creativity and expression, to tap our deepest emotions, to expand our view of the world, and to expose us to the very best of human aspiration.

At a time when the arts face a challenging funding environment and sadly are viewed by some as discretionary or, worse yet, expendable, Irvine has renewed its commitment, seeking to galvanize support for the inherent value of the arts. The goals of our Arts program are to enhance cross-cultural understanding, to promote artistic creativity and innovation, and to ensure that the state’s leading arts institutions continue to pursue risk-taking and innovation as they embrace their important leadership role in the arts locally, nationally, and even internationally.

Our grantmaking supports activities as broad and diverse as: support for individual artists to create and present their art; funding for arts organizations to expand their reach to new audiences; and partnerships with key regional organizations, such as local community foundations, to promote a rich artistic and cultural environment in diverse regions throughout California.

Our support for the arts flows from a deep commitment to a vibrant and inclusive artistic and cultural environment in California that taps the extraordinary diversity of our state, that honors the pioneering spirit that has characterized the California arts scene, and that seeks to include all Californians in experiencing the power and joy of the arts.
San Diego is California’s second largest city, with a population of more than 1.2 million. One of its most popular attractions is Balboa Park, the largest cultural complex west of the Mississippi, encompassing more than 1,200 acres. More than 85 cultural and recreational organizations are located in Balboa Park. Casa del Prado Theater, one of its most impressive structures, was built in the early 1900s and is now used by a number of community organizations, including San Diego Junior Theater and San Diego Civic Youth Ballet. Irvine grants in San Diego have included support for arts and cultural institutions in Balboa Park.

**People**

Sam Woodhouse cofounded San Diego Repertory Theatre with D.W. Jacobs in 1976, and serves as its Producing and Artistic Director. He is also the founder of the Calafia Initiative, a multidisciplinary program that creates new works about the future of San Diego’s binational identity. San Diego Rep received a three-year grant in 2003 from Irvine to support The First Decade Project — a partnership among Latinos, African Americans, Asian Americans, and immigrants from around the world — to develop performance works about the changing cultural landscape of 21st century America.
San Diego is California’s second largest city, with a population of more than 1.2 million.

One of its most popular attractions is Balboa Park, the largest cultural complex west of the Mississippi, encompassing more than 1,200 acres. More than 85 cultural and recreational organizations are located in Balboa Park. Casa del Prado Theater, one of its most impressive structures, was built in the early 1900s and is now used by a number of community organizations, including San Diego Junior Theater and San Diego Civic Youth Ballet. Irvine grants in San Diego have included support for arts and cultural institutions in Balboa Park.

People

Sam Woodhouse cofounded San Diego Repertory Theatre with D.W. Jacobs in 1976, and serves as its Producing and Artistic Director. He is also the founder of the Calafia Initiative, a multidisciplinary program that creates new works about the future of San Diego’s binational identity. San Diego Rep received a three-year grant in 2003 from Irvine to support The First Decade Project – a partnership among Latinos, African Americans, Asian Americans, and immigrants from around the world – to develop performance works about the changing cultural landscape of 21st century America.
ENGAGING CALIFORNIANS, IMPROVING GOVERNANCE
BUILDING A BETTER CALIFORNIA

As the Foundation engages with the arts and youth fields, we are also committed to retaining one of Irvine’s distinguishing features: our multipurpose nature. To that end, the California Perspectives program supports activities that inform understanding, improve public decision-making, and engage Californians on significant issues that will have a long-term impact on the state. This broad goal allows us to respond thoughtfully to an ever-shifting environment in California.

For the next several years, the California Perspectives program will focus on effective governance, which holds the potential to make an enduring difference for the state. Accordingly, our grantmaking focuses, in part, on ensuring that the development of public policy related to governance issues – such as redistricting, term limits, and the state budget – is informed by credible research, includes new perspectives and voices, and considers the implications for low-income Californians, whose needs are too often either overlooked or simply not represented.

In conjunction with this focus on effective governance, we support efforts that can bring more immediate positive change in the day-to-day lives of Californians. The Foundation therefore funds community mobilization efforts that bring Californians together to solve immediate and tangible challenges in their lives. Through this grantmaking, we hope not only to address the specific problems to be solved, but also to demonstrate the inherent value and effectiveness of broad public engagement in improving community conditions.

California Perspectives represents a new way of working for Irvine. Rather than organizing a grantmaking program around a traditional field, such as education or the environment, we have organized ourselves in a way that permits maximum flexibility, allowing us to support organizations that are tackling a range of issues critical to California’s future. Within this approach, we maintain an unwavering commitment to benefiting the most disenfranchised residents of our state in a quest to create a better California for all.

PURPOSE

The goal of the California Perspectives program is to inform public understanding, engage Californians, and improve decision-making on significant issues of long-term consequence to the state. The program’s current focus is effective governance, which has the potential to make an enduring difference for the people of California.
As the Foundation engages with the arts and youth fields, we are also committed to retaining one of Irvine’s distinguishing features: our multipurpose nature. To that end, the California Perspectives program supports activities that inform understanding, improve public decision-making, and engage Californians on significant issues that will have a long-term impact on the state. This broad goal allows us to respond thoughtfully to an ever-shifting environment in California.

For the next several years, the California Perspectives program will focus on effective governance, which holds the potential to make an enduring difference for the state. Accordingly, our grantmaking focuses, in part, on ensuring that the development of public policy related to governance issues – such as redistricting, term limits, and the state budget – is informed by credible research, includes new perspectives and voices, and considers the implications for low-income Californians, whose needs are too often either overlooked or simply not represented.

In conjunction with this focus on effective governance, we support efforts that can bring more immediate positive change in the day-to-day lives of Californians. The Foundation therefore funds community mobilization efforts that bring Californians together to solve immediate and tangible challenges in their lives. Through this grantmaking, we hope not only to address the specific problems to be solved, but also to demonstrate the inherent value and effectiveness of broad public engagement in improving community conditions.

California Perspectives represents a new way of working for Irvine. Rather than organizing a grantmaking program around a traditional field, such as education or the environment, we have organized ourselves in a way that permits maximum flexibility, allowing us to support organizations that are tackling a range of issues critical to California’s future. Within this approach, we maintain an unwavering commitment to benefiting the most disenfranchised residents of our state in a quest to create a better California for all.
PLACE Irvine recognizes the importance of place in California, a state that encompasses diverse metropolitan areas, developing communities, and vast agricultural lands. We fund targeted community projects, to address local needs, and strategic initiatives that have the potential to benefit all Californians – such as studies of our state’s governance structure, innovative approaches to resolving important public issues, and projects that engage more people in civic life. Through all of these efforts, we are privileged to continue the legacy of James Irvine and to serve the people and places of California.

PEOPLE Lidia Taame, a native of Eritrea, is now a resident of Fresno and a member of Our Saviour’s Lutheran Church, which is an affiliate of the Pacific Institute for Community Organizations (PICO) California Project, an association of congregation-community organizations designed to bring the voices and concerns of regular Californians to the statewide policy arena. The PICO California Project represents 350 congregations and 400,000 families. PICO received a grant from Irvine in 2004 to increase voter participation among Californians in the Central Valley and Los Angeles, Riverside, and San Bernardino counties.
STATE OF CALIFORNIA

Irvine recognizes the importance of place in California, a state that encompasses diverse metropolitan areas, developing communities, and vast agricultural lands. We fund targeted community projects, to address local needs, and strategic initiatives that have the potential to benefit all Californians – such as studies of our state’s governance structure, innovative approaches to resolving important public issues, and projects that engage more people in civic life. Through all of these efforts, we are privileged to continue the legacy of James Irvine and to serve the people and places of California.

PICO CALIFORNIA PROJECT

PEOPLE Lidia Taame, a native of Eritrea, is now a resident of Fresno and a member of Our Saviour’s Lutheran Church, which is an affiliate of the Pacific Institute for Community Organizations (PICO) California Project, an association of congregation-community organizations designed to bring the voices and concerns of regular Californians to the statewide policy arena. The PICO California Project represents 350 congregations and 400,000 families. PICO received a grant from Irvine in 2004 to increase voter participation among Californians in the Central Valley and Los Angeles, Riverside, and San Bernardino counties.
In 2004, the Foundation approved 415 grants, totaling $53.8 million. The table below shows these grants by program area and other designations. On the pages that follow, we present a detailed list of grants approved in 2004, in three sections:

- Grants approved in our core program areas.
- Grants approved to intermediary organizations that regrant Irvine dollars to other nonprofit organizations in their local communities.
- Grants approved through the Foundation’s New Connections Fund, a pilot program to fund unsolicited grant applications on a competitive basis.

Please note that grants reported in this annual report were approved in 2004 and reflect the grant-making priorities that were in effect at that time. In early 2005, we refined some of the strategies and priorities in our core grantmaking programs. For current information on our grantmaking programs, strategies, and priorities, please visit our Web site, www.irvine.org.

---

**GRANTS APPROVED AND RATIFIED BY THE BOARD OF DIRECTORS IN 2004**

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts</td>
<td>$13,410,500</td>
</tr>
<tr>
<td>California Perspectives</td>
<td>10,265,000</td>
</tr>
<tr>
<td>Youth</td>
<td>19,632,000</td>
</tr>
<tr>
<td>Cross-Program &amp; Special Opportunities</td>
<td>7,952,500</td>
</tr>
<tr>
<td>New Connections Fund</td>
<td>1,574,000</td>
</tr>
<tr>
<td>Board/Staff Discretionary Grants*</td>
<td>642,500</td>
</tr>
<tr>
<td>Memberships/Sponsorships</td>
<td>487,500</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>53,964,000</strong></td>
</tr>
<tr>
<td><strong>Adjustments</strong></td>
<td>(190,196)</td>
</tr>
<tr>
<td><strong>TOTAL GRANTS</strong></td>
<td><strong>$53,773,804</strong></td>
</tr>
</tbody>
</table>

---

*To enhance their involvement in the work of the Foundation, board and staff members are allowed to request grants each year to nonprofit organizations in California that qualify for Irvine funding. In 2004, each board member was permitted to request grants totaling $50,000. Each staff member was permitted to request grants totaling $2,500 to $15,000, depending on his or her position and tenure with the Foundation.

**Adjustments include changes in grant amounts for Foundation-Administered Projects, which are usually less than approved amounts; refunds for grant amounts that were not spent by the grantee; and rescissions of grants awarded in 2004.**
In 2004, the Foundation approved 415 grants, totaling $53.8 million. The table below shows these grants by program area and other designations. On the pages that follow, we present a detailed list of grants approved in 2004, in three sections:

* Grants approved in our core program areas.
* Grants approved to intermediary organizations that regrant Irvine dollars to other nonprofit organizations in their local communities.
* Grants approved through the Foundation’s New Connections Fund, a pilot program to fund unsolicited grant applications on a competitive basis.

Please note that grants reported in this annual report were approved in 2004 and reflect the grant-making priorities that were in effect at that time. In early 2005, we refined some of the strategies and priorities in our core grantmaking programs. For current information on our grantmaking programs, strategies, and priorities, please visit our Web site at www.irvine.org.

### Grants Approved and Ratified by the Board of Directors in 2004

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts</td>
<td>$13,410,500</td>
</tr>
<tr>
<td>California Perspectives</td>
<td>10,265,000</td>
</tr>
<tr>
<td>Youth</td>
<td>19,632,000</td>
</tr>
<tr>
<td>Cross-Program &amp; Special Opportunities</td>
<td>7,952,500</td>
</tr>
<tr>
<td>New Connections Fund</td>
<td>1,574,000</td>
</tr>
<tr>
<td>Board/Staff Discretionary Grants*</td>
<td>642,500</td>
</tr>
<tr>
<td>Memberships/Sponsorships</td>
<td>487,500</td>
</tr>
</tbody>
</table>

**SUBTOTAL** $53,964,000

**Adjustments** **(190,196)**

**TOTAL GRANTS** $53,773,804

*To enhance their involvement in the work of the Foundation, board and staff members are allowed to request grants each year to nonprofit organizations in California that qualify for Irvine funding. In 2004, each board member was permitted to request grants totaling $50,000. Each staff member was permitted to request grants totaling $2,500 to $15,000, depending on his or her position and tenure with the Foundation.

**Adjustments include changes in grant amounts for Foundation-Administered Projects, which are usually less than approved amounts, refunds for grant amounts that were not spent by the grantees, and rescissions of grants awarded in 2004.

GRANTSEEKER GUIDELINES

The James Irvine Foundation makes grants to a wide variety of nonprofit organizations, most of which receive funding through our three core grantmaking programs: Arts, California Perspectives, and Youth.

The Foundation primarily makes grants to organizations that are tax-exempt under section 501(c)(3) of the Internal Revenue Code. In addition, by provision of Mr. Irvine’s Indenture of Trust, which established the Foundation in 1937, we are restricted to making grants to programs and organizations that directly benefit the people of California. Mr. Irvine also stipulated that grants from the Foundation “shall be used for such charities as do not enjoy substantial support through taxation.” Based on this restriction, we refrain from making grants to public agencies or organizations that receive more than 50 percent of their revenue from government sources.

For current information about our grantmaking guidelines, please visit our Web site at www.irvine.org.
The goal of the Arts program is to promote a vibrant and inclusive arts and cultural environment in California.

We believe that a healthy arts system in today’s environment should consist of arts organizations that support the creation and presentation of art, connect art to diverse communities, explore artistic innovation and risk-taking, and provide leadership for the field and in their communities. This holistic approach, which considers diverse arts disciplines, audiences, and regions, as well as a broad range of the state’s artistic and cultural organizations, leads us to organize our grantmaking along the following priority areas:

**Artistic Creativity**
Promote the creation and reinterpretation of art, infusing the arts field with new ideas and methods of creative expression.

**Connection Through Cultural Participation**
Support the active engagement of Californians from all socioeconomic and ethnic backgrounds with quality art from a variety of sources and cultures.

**Arts Leadership**
Foster an environment in which arts and culture flourish in California through support to the state’s largest premier cultural institutions and leading arts organizations in the nonmetropolitan areas of California.

**Did You Know?**
Nonprofit arts organizations in California contribute $5.4 billion to the state’s economy, create more than 160,000 jobs, and generate nearly $300 million in state and local taxes.

**ARTS Grants Approved in 2004: Arts Leadership**

- **San Francisco Chanticleer, Inc.**
  - San Francisco: Support for professional development and a new staff position.
  - $250,000 / 3 years

- **Gladstone Community Foundation**
  - San Francisco: Support for collaborative initiatives, including special and arts education.
  - $200,000 / 2 years

- **Brooke Institute**
  - Berkeley: To build organizational capacity.
  - $115,000 / 2 years

- **L.A. Expresswaves**
  - Los Angeles: Support a free, live-media festival.
  - $30,000 / 2 years

- **Movimiento de Arte y Cultura Latino Americana de San Jose, Inc.**
  - San Jose: Support for cultural exchange and community outreach.
  - $100,000 / 2 years

- **The Sundance Institute**
  - Beverly Hills: To support Sundance’s new music composition.
  - $150,000 / 2 years

- **Chanticleer Foundation**
  - San Francisco: Support for new work by independent artists.
  - $100,000 / 2 years

- **San Jose Symphony Association**
  - San Jose: Support for the presentation of original work from writers and performers in California as part of the annual Living Word Festival.
  - $125,000 / 3 years

**Did You Know?**
California is home to almost 90,000 arts-related businesses, and more than 516,000 Californians are employed by creative industries, more than in any other state in the nation.

**ARTS Grants Approved in 2004: Artistic Creativity**

- **Theatreworks, Inc.**
  - Palo Alto: To support the expansion of the New Works Initiative, a musical theatre development program.
  - $550,000 / 3 years

- **Walter and Elise Haas Fund**
  - San Francisco: Support for the Creative Work Fund, a grantmaking initiative enabling artists to create new work through collaborative projects.
  - $1,050,000 / 3 years

- **Youth Speaks, Inc.**
  - San Francisco: To support the presentation of original work from writers and performers in California as part of the annual Living Word Festival.
  - $225,000 / 3 years

**Did You Know?**
Nearly 3 billion dollars in arts-related expenditures were generated in California in 2003, more than in any other state in the nation.

**ARTS Grants Approved in 2004: Connection Through Cultural Participation**

- **San Francisco Grand Performances**
  - Los Angeles: Support for Los Angeles’ largest free outdoor music festival.
  - $150,000 / 2 years

- **Silicon Valley Cultural Initiatives**
  - San Jose: Support for the 2005 World Festival of Sacred Music in Los Angeles and the development of sustainability plans for future festivals.
  - $100,000 / 2 years
The goal of the Arts program is to promote a vibrant and inclusive artistic and cultural environment in California.

We believe that a healthy arts system in today’s environment should consist of arts organizations that support the creation and presentation of art, connect art to diverse communities, explore artistic innovation and risk-taking, and provide leadership for the field and in their communities. This holistic approach, which considers diverse arts disciplines, audiences, and regions, as well as a broad range of the state’s artistic and cultural organizations, leads us to organize our grantmaking along the following priority areas:

**Artistic Creativity**
Promote the creation and reinterpretation of art, infusing the arts field with new ideas and methods of creative expression.

**Connection Through Cultural Participation**
Support the active engagement of Californians from all socioeconomic and ethnic backgrounds with quality art from a variety of sources and cultures.

**Arts Leadership**
Foster an environment in which arts and culture flourish in California through support to the state’s largest premier cultural institutions and leading arts organizations in the nonmetropolitan areas of California.

**Did You Know?**
Nonprofit arts organizations in California contribute $5.5 billion to the state’s economy, create more than 160,000 jobs, and generate nearly $300 million in state and local taxes.

**ARS**

**Did You Know?**
California is home to almost 90,000 arts-related businesses, and more than 516,000 Californians are employed by creative industries, more than in any other state in the nation.
**Did You Know?**

California’s nonprofit arts annualized budget is more than $77 million. volunteer participants, who, in addition to admission fees, contribute more than $1 billion each year to the state’s economy.

**Arts Grants Approved in 2004: Leaders in the Arts**

- **San Diego Foundation**
  - San Diego, CA: $250,000 / 3 years

- **San francisco Conservatory of Music**
  - San francisco, CA: $200,000 / 2 years

- **San francisco Ballet**
  - San francisco, CA: $75,000 / 1 year

- **San francisco Symphonic Society**
  - San francisco, CA: $160,000 / 2 years

- **San francisco Opera**
  - San francisco, CA: $300,000 / 3 years

- **San francisco Bay Area Arts Fund**
  - San francisco, CA: $25,000 / 1 year

**Did You Know?**

Four of the nation’s 10 largest metropolitan areas with the highest concentration of arts activities are in California: Los Angeles (ranked first), San Francisco, Oakland, and Orange County (seventh), and San Diego (ninth).

**Arts Grants Approved in 2004: Communities Advancing the Arts**

- **Community Foundation for Monterey County**
  - Monterey, CA: $300,000 / 3 years

- **Community Foundation for Orange County**
  - Santa Ana, CA: $300,000 / 3 years

- **California Association of Arts and Culture**
  - Los Angeles, CA: $1,000,000 / 3 years

- **California Arts Council**
  - Sacramento, CA: $1,000,000 / 3 years

- **California Association of Museums**
  - San francisco, CA: $25,000 / 1 year

**Did You Know?**

San francisco is a three-year, $4.25 million grant to build new, sustainable funding streams for the arts in California.

**Arts Grants Approved in 2004: Special Projects in the Arts**

- **Los Angeles County Regional Arts Grants**
  - Los Angeles, CA: $100,000 / 1 year

- **Orange County Arts Council**
  - Santa Ana, CA: $90,000 / 2 years

- **Saratoga Performing Arts Center**
  - Saratoga Springs, NY: $300,000 / 3 years

- **PASADENA CONSERVATORY OF MUSIC AND COLEGE**
  - Pasadena, CA: $75,000 / 3 years

- **PASADENA THEATRE CENTER**
  - Pasadena, CA: $50,000 / 1 year

- **PALM SPRINGS DESERT MUSEUM**
  - Palm Springs, CA: $600,000 / 3 years

- **PASADENA CONSERVATORY OF MUSIC AND COLEGE**
  - Pasadena, CA: $75,000 / 3 years

- **PASADENA THEATRE CENTER**
  - Pasadena, CA: $50,000 / 1 year
Did You Know? California’s nonprofit arts annually attract more than 37 million attendees. Did you know that participants, who, in addition to admission fees, contribute more than $1 billion each year to the state’s economy.

Did You Know? Four of the nation’s 10 largest metropolitan areas with the highest concentration of artists are in California: Los Angeles (ranked first), San Francisco, Oakland, and Orange County (seventh), and San Diego (ninth).
The goal of the California Perspectives program is to inform public understanding, engage Californians, and improve decision-making on significant issues of long-term consequence to the state. The California Perspectives program is at this time addressing the issue of effective governance at the state and local levels in California. In order to promote more effective governance, we have identified three priority areas for funding. Within these priorities we support a range of activities, including policy research and analysis, strategic communications, public outreach and education, and advocacy. These priorities are:

**Informing Californians**

Inform public understanding about state and local governance issues and other significant issues of long-term consequence to the state.

**Mobilizing Californians**

Promote greater and broad-based civic engagement in public policy formation and decision-making processes.

**Infusing New Ideas and Perspectives for Effective Governance**

Support the development of new policy ideas and information about public preferences to advance state and local governance reforms.

---

**California Perspectives Grants Approved in 2004**

**Informing Californians**

**California Budget Project (Sacramento)**

For support to undertake fiscal policy analysis and public education efforts aimed at improving the social and economic well-being of low- and middle-income Californians, and to encourage informed and effective participation in budget and policy debates.

**$200,000 / 2 years**

**Community Television of Southern California/ECET (Los Angeles)**

To support production of California Connected, a television and radio show designed to inform Californians regarding critical state issues.

**$1,250,000 / 1 year**

**KEDG, Inc. (San Francisco)**

To support statewide radio news coverage of governance issues and their impact on Californians throughout the state.

**$600,000 / 2 years**

**Literacyworks (Eneryville)**

For support of a companion guide to educate voters on the electoral process.

**$200,000 / 2 years**

**Southern California Public Radio (Pasadena)**

To expand KPCC’s coverage of governance and politics in Los Angeles and Orange counties, add a new reporting presence in Sacramento and the Inland Empire, and develop programming that facilitates civic action among KPCC’s listeners.

**$300,000 / 2 years**

**Townhall Los Angeles (Los Angeles)**

For a planning grant to facilitate the development of a program plan and a strategic plan.

**$75,000 / 5 months**

**California Perspectives Grants Approved in 2004**

**Mobilizing Californians**

**Alliance for a Better Community, Inc. (Los Angeles)**

To provide opportunities for Los Angeles residents to engage with public officials to promote local education and housing reforms.

**$250,000 / 2 years**

**California Clean Money Campaign (Los Angeles)**

To support the first year of outreach activities designed to involve the Latino community in a campaign finance reform project.

**$75,000 / 1 year**

**Center for Community Action and Environmental Justice (Riverside)**

To connect residents in Riverside and San Bernardino counties with public officials in efforts to achieve a healthy regional environment.

**$150,000 / 18 months**

**Central American Resource Center – Carecen of California (Los Angeles)**

To increase the number of informed and active immigrant Latino voters in Los Angeles.

**$50,000 / 12 months**

To increase the knowledge and skills of new Latino immigrants regarding civic participation and provide opportunities for their civic involvement.

**$300,000 / 2 years**

**Imigrant Legal Resource Center (San Francisco)**

To conduct voter education activities within immigrant communities in the Central Valley.

**$103,000 / 2 years**

**LATINO CENTER FOR PREVENTION & ACTION IN HEALTH & WELFARE (Santa Ana)**

To provide low-income residents in Santa Ana with training regarding civic participation and opportunities to engage in civic activities designed to improve their quality of life.

**$200,000 / 2 years**

**Liberty Hill Foundation (San Francisco)**

To support community-based organizations promoting economic equity and civic rights through grantmaking.

**$1,500,000 / 3 years**

**NARAL Educational Fund (Los Angeles)**

To support community-based organizations promoting economic equity and civic rights through grantmaking.

**$600,000 / 2 years**

**Southwest Voter Registration Education Project (Los Angeles)**

To increase civic participation among Latinos in California’s Central Valley, Greater Los Angeles, and the counties of San Bernardino and Riverside.

**$125,000 / 4 months**

To conduct voter education and mobilization activities in Latino communities throughout the Central Valley, Inland Empire, and Los Angeles County.

**$400,000 / 2 years**
The California Perspectives program is at this time addressing the issue of effective governance at the state and local levels in California. In order to promote more effective governance, we have identified three priority areas for funding. Within these priorities we support a range of activities, including policy research and analysis, strategic communications, public outreach and education, and advocacy. These priorities are:

**Informing Californians**

- Improve public understanding about state governance issues and improve decision-making on significant issues of long-term consequence to the state.
- Informing Californians and advocacy. These priorities are:
  - Support the development of new policy ideas and information about formation and decision-making processes.
  - Promote greater and broad-based civic engagement in public policy.
  - Mobilizing Californians to provide low-income residents in Santa Ana with training regarding civic participation and opportunities to engage in civic activities designed to improve their quality of life.
  - Did You Know? Latinos who are likely voters are split among those who say they are politically liberal (37 percent), conservative (34 percent), and others who say their politics are “middle-of-the-road” (29 percent).
The Youth program seeks to increase the number of low-income youth in California who complete high school on time and attain a postsecondary credential by the age of 25.

Through the Youth program, the Foundation seeks to address the achievement gap for low-income youth in California in secondary and postsecondary education and career training, placing special emphasis on youth whose life circumstances further diminish their opportunities for success. To achieve these goals, the Youth program is currently focusing on grantmaking strategies that achieve the following:

- Promote academically challenging career and technical education in California high schools;
- Improve instruction and support services in high schools and community colleges;
- Promote innovative educational alternatives to the traditional high school; and
- Increase parent and family knowledge for student success (through the New Connections Fund).

In 2004, the Youth program priorities were: academic engagement and success; college knowledge, transitions, and completion; and special projects. These priorities were refined in early 2005, as presented above. In addition, Youth grants were approved in 2004 in support of two concluding initiatives, Communities Organizing Resources to Advance Learning (CORAL) and the Campus Diversity Initiative.
Through the Youth program, the Foundation seeks to address the achievement gap for low-income youth in California in secondary and postsecondary education and career training, placing special emphasis on youth whose life circumstances further diminish their opportunities for success. To achieve these goals, the Youth program is currently focusing on grantmaking strategies that achieve the following:

- Promote academically challenging career and technical education in California high schools;
- Improve instruction and support services in high schools and community colleges;
- Promote innovative educational alternatives to the traditional high school; and
- Increase parent and family knowledge for student success (through the New Connections Fund).

In 2004, the Youth program priorities were: academic engagement and success; college knowledge, transitions, and completion; and special projects. These priorities were refined in early 2005, as presented above. In addition, Youth grants were approved in 2004 in support of two concluding initiatives, Communities Organizing Resources to Advance Learning (CORAL) and the Campus Diversity Initiative.
EXCELLENT EDUCATION DEVELOPMENT SANTA MONICA

To provide business expertise and new financial models to support existing and emerging charter schools in low-income communities in Los Angeles.

$25,000 / 1 year

GATEWAY CITIES PARTNERSHIP, INC PARACHUTE

To provide information technology training, professional certification, and college-level credits to low-income youth in pursuit of higher education and employment in technology fields.

$200,000 / 2 years

HIGH TECH HIGH COMMUNITIES SAN DIEGO

To support the creation of High Tech High Communities, a charter management organization overseeing the replication of the High Tech High small-school model in California.

$400,000 / 2 years

KERN HIGH SCHOOLS DISTRICT EDUCATIONAL FOUNDATION BAKERSFIELD

To establish education-career academies at 10 high schools in Kern County to academically prepare 300 students for admission to college and careers in the field of education.

$250,000 / 2 years

LOS ANGELES TRANSITION CORPORATION LOS ANGELES

For The ACME Network, to expand educational and career opportunities for low-income youth in high school and college.

$100,000 / 2 years

MPR ASSOCIATES, INC VICEROY

To improve career and technical education in California to promote high school completion and post-secondary and career transition.

$200,000 / 6 months

OAKLAND COMMUNITY ORGANIZATIONS, INC OAKLAND

To engage students, parents, and community leaders in advocating for expanded and academically rigorous educational options for Oakland’s high school age youth.

$100,000 / 3 years

PUENTE LEARNING CENTER LOS ANGELES

For the Options for Youth program, to support integrated delivery of academic and career preparation to low-income youth ages 14 to 24 in South and East Los Angeles.

$30,000 / 1 year

REWARDS OF THE UNIVERSITY OF CALIFORNIA OAKLAND

For the Career Academy Support Network (CASN) at UC Berkeley’s Graduate School of Education, focused on providing support for the structural transformation of high schools into effective, small learning environments for low-income youth.

$400,000 / 6 months

To support the Career Academy Support Network (CASN) in demonstrating a new strategy to increase the number of California students traditionally underrepresented in higher education who meet eligibility requirements for University of California and California State University.

$300,000 / 30 months

ST. HOPPS ACADEMY FOUNDATION SACRAMENTO

To research and develop a pilot after-school program at Sacramento High School focused on academic achievement and college- and career-readiness skills.

$25,000 / 4 months

The following grants were approved to support students, families, and schools in achieving educational equity.

CAROLINA VALLEY EDUCATION FOUNDATION THERMAL

To support the Coachella Valley program, established to promote a college-going culture within the Coachella Valley.

$150,000 / 2 years

THE COMMUNITY FOUNDATION RIVERSIDE

To develop and implement a pilot model to assist low-income students in making successful transitions from high school to postsecondary options and/or higher waged, higher-skilled employment.

$250,000 / 2 years

EASTSIDES COLLEGE PREPARATORY SCHOOL, INC EAST PALO ALTO

To support the establishment of an Alumni Network for graduates of Eastside College Preparatory School.

$150,000 / 3 years

FULFILLMENT FUND LOS ANGELES

To support comprehensive academic programs and services for economically disadvantaged and ethnically diverse students in Los Angeles.

$200,000 / 1 year

UNIVERSITY OF CALIFORNIA, RIVERSIDE FOUNDATION RIVERSIDE

To improve student achievement in secondary mathematics through professional development for teachers.

$150,000 / 2 years

OAKLAND COLLEGE OPPORTUNITY CAMPAIGN FOR EDUCATION FUND OAKLAND

To sustain the growth and development of the Posse Los Angeles Program in order to increase opportunities for urban youth to access and succeed in higher education.

$250,000 / 2 years

STANFORD UNIVERSITY STANFORD

To design a research study to inform the successful transition to and experience in community college for California students, particularly those from cultural- and linguistic-minority backgrounds.

$100,000 / 1 year

THE TAMAS RIVERA POLICY INSTITUTE LOS ANGELES

To increase understanding among policymakers of the critical role precollege academic programs play in promoting equity of access and enrollment in higher education for California’s low-income, minority youth.

$25,000 / 2 years

Did You Know?

More than a quarter of California’s residents (27 percent) are under the age of 18, and more than a third (37 percent) are under the age of 24.

Approximately 71% of high schools in California have a graduation rate of 80% or higher.

Graduate School of Education, University of California, and researchers.

CATHOLIC CHARITIES OF SAN JOSE SAN JOSE

For continued implementation of the Communities Organizing Resource to Advance Learning (CORAL) Initiative in San Jose.

$1,600,000 / 1 year

FRESNO CORAL, INC. FRESNO

For continued implementation of the Communities Organizing Resource to Advance Learning (CORAL) Initiative in Fresno.

$1,600,000 / 1 year

NEW VISION PARTNERS, INC PASADENA

For continued implementation of the Communities Organizing Resource to Advance Learning (CORAL) Initiative in Pasadena.

$1,600,000 / 1 year

THE TOMAS RIVERA POLICY INSTITUTE SAN FRANCISCO

For a Foundation-Administered Project to research and assess the role of philanthropy in supporting and sustaining California’s college outreach and school-to-career efforts.

$15,471 / 3 years

Youth Grants Approved in 2004: Communities Organizing Resources to Advance Learning (CORAL) Initiative

To increase participation by California colleges and universities at the AACC’S 2004 Conferences, Diversity and Learning: Democracy’s Compelling Interest.

$80,000 / 3 months

FUNDATION-ADMINISTERED PROJECT SAN FRANCISCO

For a Foundation-Administered Project to support the implementation of the Counseling Wizard, an online counseling system, throughout the West Contra Costa Unified School District.

$75,000 / 1 year

UHRTIE EDUCAATIONAL FOUNDATION SAN FRANCISCO

For the TechPrepnet program, to support the implementation of the Counseling Wizard, an online counseling system, throughout the West Contra Costa Unified School District.

$75,000 / 1 year

OMEGA BOYS CLUB OF SAN FRANCISCO SAN FRANCISCO

For the Omega Leadership Academy, an academic program that promotes high school graduation, college preparation, and transition.

$200,000 / 2 years
Did You Know? More than a quarter of California’s residents (27 percent) are under the age of 18, and more than a third (37 percent) are under the age of 24.

Benefits of the University of California, Oakland
San Francisco
For the Strategic Literacy Initiative, to increase access to high-level academic literacy for diverse populations of adolescents.
$750,000 / 3 years

Youth Grants Approved in 2004: College Knowledge, Transitions, and Completion

California for Justice Education Fund OAKLAND
To support the Campaign for Quality Education, involving youth and parents in Fresno, Long Beach, Oakland, San Diego, and San Jose.
$130,000 / 1 year

The Community Foundation RIVERSIDE
To develop and implement a pilot model to assist low-income students in making successful transitions from high school to postsecondary options and/or higher-wage, higher-skilled employment.
$25,000 / 2 years

Successes

Excellence in Education Development SANTA MONICA
To provide business expertise and new financial models to support existing and emerging charter schools in low-income communities in Los Angeles.
$25,000 / 1 year

Gateway Cities Partnership, Inc. PARAMOUNT
To provide information technology training, professional certification, and college-level credits to low-income youth in pursuit of higher education and employment in technology fields.
$200,000 / 2 years

High Tech High Communities SAN DIEGO
To support the creation of High Tech High Communities, a charter management organization overseeing the replication of the High Tech High school model in California.
$400,000 / 2 years

Los Angeles Transition Corporation LOS ANGELES
For The ACME Network, to expand educational and career opportunities for low-income youth in high school and college.
$100,000 / 3 years

Mpr Associates, Inc. BERKELEY
To improve career and technical education in California to promote high school completion and post-secondary and career transition.
$200,000 / 6 months

Kern High School District EDUCATIONAL FOUNDATION BAKERSFIELD
To establish education-career academies at 10 high schools in Kern County to academically prepare 300 students for admission to college and careers in the field of education.
$230,000 / 2 years

Did You Know? Approximately 31 percent of California’s students complete high school within four years. For African American and Latino students, the completion rates are 50 percent and 57 percent, respectively.

Coaches Valley Education Foundation THERMAL
For the Career-Academy Support Network (CASN) at UC Berkley’s Graduate School of Education, focused on providing support for the structural transformation of high schools into effective, smaller learning environments for low-income youth.
$400,000 / 6 months

University of California, Riverside Foundation RIVERSIDE
To support the development and implementation of an innovative and replicable model of after-school programming for high school students at Sacramento High.
$200,000 / 3 years

University of California, Riverside Foundation RIVERSIDE
To improve student achievement in secondary mathematics through professional development for teachers.
$100,000 / 2 years

University of California, Riverside Foundation RIVERSIDE
For the Options for Youth program, to support integrated delivery of academic and career preparation to low-income youth ages 14 to 24 in South and East Los Angeles.
$300,000 / 1 year

Wasted San Francisco
For the Omega Leadership Academy, an academic program that promotes high school graduation, college preparation, and transition.
$200,000 / 2 years

Omega Boys Club of San Francisco SAN FRANCISCO
For the TalkRiters program, to support the implementation of the Counseling Wizard, an online counseling system, throughout the West Contra Costa Unified School District.
$75,000 / 1 year

Foundation-Administered Project SAN FRANCISCO
For a Foundation-Administered Project to evaluate the Campus Diversity Initiative, assist grantees in assessing their own diversity needs and efforts, and facilitate information-sharing among institutions and researchers.
$40,000 / 1 year

Youth Grants Approved in 2004: Communities Organizing Resources to Advance Learning (CORAL) Initiative

Catholic Charities of San Jose SAN JOSE
For continued implementation of the Communities Organizing Resources to Advance Learning (CORAL) Initiative in San Jose.
$160,000 / 1 year

Fresno Coral, Inc. FRESNO
For continued implementation of the Communities Organizing Resources to Advance Learning (CORAL) Initiative in Fresno.
$1,000,000 / 1 year

New Vision Partners, Inc. PASADENA
For continued implementation of the Communities Organizing Resources to Advance Learning (CORAL) Initiative in Pasadena.
$1,000,000 / 1 year

Foundation-Administered Project SAN FRANCISCO
For a Foundation-Administered Project to research and assess the role of philanthropy in supporting California’s college outreach and school-to-career efforts.
$15,471 / 5 years

Youth Grants Approved in 2004: Campus Diversity Initiative

Association of American Colleges and Universities WASHINGTON, D.C.
To increase participation by California colleges and universities at the AAC&U 2004 Conferences, Diversity and Learning: Democracy’s Compelling Interest.
$30,000 / 3 months

Foundation-Administered Project SAN FRANCISCO
For a Foundation-Managed Project to support the implementation of the Counseling Wizard, an online counseling system, throughout the West Contra Costa Unified School District.
$75,000 / 1 year

Foundation-Administered Project SAN FRANCISCO
For a Foundation-Administered Project to support the Omega Leadership Academy, an academic program that promotes high school graduation, college preparation, and transition.
$200,000 / 2 years

Omega Boys Club of San Francisco SAN FRANCISCO
For the TalkRiters program, to support the implementation of the Counseling Wizard, an online counseling system, throughout the West Contra Costa Unified School District.
$75,000 / 1 year
Did You Know?

Six of the 10 largest school districts in California graduate less than half their Latino students on time. Los Angeles, San Diego, Fresno, Oakland, Sacramento City, and San Bernardino City.

CROSS-PROGRAM

The Foundation allocates a limited portion of its grant-making budget to fund projects that relate to the goals of two or more program areas, or that relate to the Foundation’s interests in its priority regions of the Central Valley, Inland Empire (Riverside and San Bernardino counties), and Los Angeles County.

SRI INTERNATIONAL

$1,600,000 / 1 year

For continued implementation of EdSource’s programs, which provide independent, nonpartisan information on California’s public education system.

$500,000 / 2 years

EdSource, Inc.

Palo Alto

For core operating support of EdSource’s programs.

WILLIAMS GROUP

GRAND RAPIDS, MICHIGAN

To develop a plan to disseminate evaluation findings and lessons from the Museum Youth Initiative in California.

$25,000 / 4 months

To evaluate the effectiveness of the leadership programs, grantmaking activities, and regional capacity-building efforts offered by the Great Valley Center.

$60,000 / 9 months

RESOURCE CENTER FOR NONPROFIT MANAGEMENT

MORENO VALLEY

For core support during a process of executive transition and business planning.

$50,000 / 9 months

FOUNDATION-ADMINISTERED PROJECT

SAN FRANCISCO

For a Foundation-Administered Project to hire a consultant to assist the Museum Youth Initiative in California.

$60,000 / 4 months

GRAND RAPIDS, MICHIGAN

For a Foundation-Administered Project to support technical assistance, networking, evaluation, and dissemination activities of the Museum Youth Initiative.

$150,000 / 1 year

THE CALIFORNIA CENTER FOR NONPROFIT MANAGEMENT

SACRAMENTO

To support core operations of California Journal, providing citizens and policy-makers with nonpartisan, reliable reporting on California government and politics.

$150,000 / 1 year

CAUSE COMMUNICATIONS

SANTA MONICA

To support publication of a toolkit on nonprofit branding and strategic communications, with outreach to California-based organizations.

$75,000 / 1 year

PUBLIC POLICY ASSOCIATES, INC.

ANN ARBOR, MICHIGAN

To support the organization in implementing its strategic plan and developing diversified funding sources, and to continue to provide useful, credible, and sophisticated policy analysis on issues affecting the Central Valley.

$1,100,000 / 1 year

GREAT VALLEY CENTER, INC.

MILL VALLEY

To support the organization in developing its strategic plan and the implementation of its programming.

$60,000 / 6 months
To improve the quality and effectiveness of the after-school programming in the five cities of the Communities Organizing Resources to Advance Learning (CORAL) Initiative in California, $1,600,000 / 1 year

Youth Grants Approved in 2004: Special Projects

**Action Against Crime and Violence Education Fund**

**Foundation-Administered Project**

**San Francisco**

Charles and Helen Schwab Foundation

To support education, economic, and career development services of the Emancipated Foster Youth Initiative to improve outcomes for low-income youth and young adults transitioning out of foster care.

$350,000 / 2 years

**EdSource, Inc.**

For core operating support of EdSource’s programs, which provide independent, nonpartisan information on California’s public education system.

$400,000 / 2 years

**foundation-Administered project**

**Oakland**

Public development and public education efforts aimed at expanding after-school opportunities for high school students.

$250,000 / 2 years

**Marc**

For a series of conferences and publication of a research synthesis focused on promoting the use of evidence-based research in shaping high school policy reform and practice in California.

$200,000 / 2 years

**Public Education Network, Inc.**

To build a public record of citizen visions on the impact the No Child Left Behind Act has had on youth, public schools, and communities throughout California.

$120,000 / 8 months

**Did You Know?**

- Six of the 10 largest school districts in California graduate less than half their Latino students on time: Los Angeles, San Diego, Fresno, Oakland, Sacramento, and San Bernardino City.

**CROSS-PROGRAM**

The Foundation allocates a limited portion of its grantmaking budget to fund projects that relate to the goals of two or more program areas, or that relate to the Foundation’s interests in its priority regions of the Central Valley, Inland Empire (Riverside and San Bernardino counties), and Los Angeles County.

- **The Community Foundation Riverside**
  - To support organizational growth, outreach, and asset-building in Riverside and San Bernardino counties.
  - $425,000 / 2 years

- **CompassPoint Nonprofit Services**
  - To support an executive transition and business planning process for the Resource Center for Nonprofit Management in Riverside.
  - $100,000 / 9 months

**Special Opportunities**

The Foundation’s Special Opportunities Fund exists to respond to compelling one-time opportunities consistent with our mission, charter, and history.

- **The James Irvine Foundation Fund for Social Innovation**
  - $100,000 / 1 year

**The California Center for Nonprofit Advancement**

- To support core operations of California Journal magazine, providing citizens and policy-makers with nonpartisan, reliable reporting on California government and politics.
  - $150,000 / 1 year

**Cause Communications**

- To support publication of a toolkit on nonprofit branding and strategic communications, with outreach to California-based organizations.
  - $75,000 / 1 year

**San Francisco Symphony**

- To support the construction of a new facility and the expansion of arts education programming.
  - $3,000,000 / 2 years

**San Francisco Community Foundation**

- To support an executive transition and business planning process.
  - $50,000 / 9 months

**Foundation-Administered Project**

**San Francisco**

For a Foundation-Administered Project to hire a consultant to assist the Fresno Regional Foundation in its strategic planning efforts.

- $1,200,000 / 1 year

**Foundation-Administered Project**

**Sacramento**

For a Foundation-Administered Project to develop a plan to disseminate evaluation findings and lessons from the Museum Youth Initiative in California.

- $25,000 / 4 months

**CompassPoint Nonprofit Services**

- To disseminate evaluation findings and lessons from the Museum Youth Initiative in California.
  - $60,000 / 6 months

**Foundation-Administered Project**

**San Francisco**

For a Foundation-Administered Project to support technical assistance, networking, evaluation, and dissemination activities of the Museum Youth Initiative.

- $65,365 / 1 year

**Did You Know?**

- Students with four years of arts courses score higher on SAT exam than students without an arts education. In 1995, for example, SAT verbal scores averaged 599 points higher and math scores averaged 44 points higher for students with coursework in the arts.
CHRONICLE SEASON OF SHARING FUND SAN FRANCISCO
To support the 2004-05 Season of Sharing Fund campaign.
$35,000 / 1 year

INDEPENDENT SECTOR WASHINGTON, D.C.
For California activities related to the work of an independent national panel that will consider and recommend actions to strengthen good governance, ethical conduct, and effective practice of public charities and private foundations.
$75,000 / 10 months

SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION SAN LUIS OBISPO
To engage in partnership discussions with two United Way affiliates, in order to more effectively coordinate philanthropic resources and address the health and human services needs of San Luis Obispo County.
$35,000 / 8 months

CHICANA / LATINA FOUNDATION BURLINGTON
To develop a leadership performance review process, to clarify board and staff roles and responsibilities for leadership, and to integrate these roles into the organization’s strategic plan.
$6,000 / 6 months

Did You Know?
California continues to have the second highest ratio of K-12 public school students per teacher of any state—about 20.9 students to one teacher, compared to the U.S. average of 16.1 to one.

Did You Know?
Los Angeles County has the largest number of people living in poverty of any metropolitan area in the country: 1.68 million people (18 percent) in Los Angeles County live below the federal poverty level.

REGRANTING
The Foundation seeks to extend the reach and effectiveness of its grantmaking by tapping the expertise, local knowledge, and infrastructure of intermediary organizations that regrant Irvine dollars to smaller organizations. The use of intermediary organizations allows Irvine to reach a more diverse group of grantee organizations and, as a result, more effectively advance our goals.

Did You Know?
Irvine’s original grants to these intermediary organizations might have been awarded in a previous year. We present in this section regranting of Irvine dollars that took place in 2004. Regranting totals for each intermediary organization have been rounded to the nearest $1,000.

THE COMMUNITY FOUNDATION SERVING RIVERSIDE AND SAN BERNARDINO COUNTRIES (FIREWALL RELIEF GRANT)
$170,000
Arts Council for San Bernardino County
Art Council of Big Bear Valley
Ballet Folklorico de Riverside
Beaumont Theatre/Performance Loft
Charity Communities Cultural Center
Coachella Valley Arts Alliance
Community Arts Theatre (CATS)
Dorland Mountain Arts Colony, Inc.
Huntington Archives & Culture Center
Idyllwild Master Chorale
Inland Choral Music Education, Inc.
Inland Cities Harmony Express Chorus
Inland Dance Theatre, Inc.
Mojave River Valley Museum Association
Moreno Valley Master Chorale
Moreno Valley Basin Cultural Arts Council
Music Heritage, Inc.
Rainbows Chorale
Redlands Art Association
Riverside African-American Historical Society
Riverside Arts Council
Riverside Children’s Theatre
Riverside Community Arts Association
Riverside Community Master Chorale
Riverside Dickens Festival
Sherman Oaks Youth Theatre Group

Did You Know?
California community foundations are stewards of more than $4 billion in charitable assets. They distribute more than $500 million each year to community-based organizations across a wide range of focus areas.
Did You Know?
California continues to have the second highest ratio of K-12 public school students per teacher – about 20.9 students to one teacher compared to the U.S. average of 16.1 to one.

CHRONICLE SEASON OF SHARING FUND
SAN FRANCISCO
To support the 2004-05 Season of Sharing Fund campaign.
$35,000 / 1 year

INDEPENDENT SECTOR
WASHINGTON, D.C.
For California activities related to the work of an independent national panel that will consider and recommend actions to strengthen good governance, ethical conduct, and effective practice of public charities and private foundations.
$75,000 / 10 months

UNITED WAY SILICON VALLEY
SAN JOSE
To support a collaborative effort to develop a 2-1-1 telephones-based information and referral service, directing Californians on how to locate and access health and human services.
$55,000 / 1 year

WOMEN’S FOUNDATION OF CALIFORNIA
SAN FRANCISCO
To conduct a series of statewide Listening Sessions, in order to gather information, deepen understanding, and build new partnerships that will inform the organization’s strategic planning process.
$10,000 / 1 year

PACIFIC NEWS SERVICE
SAN FRANCISCO
For strategic planning.
$40,000 / 7 months

HISPANICS IN PHILANTHROPY
SAN FRANCISCO
To support strategic communications projects that increase philanthropic support to Latino nonprofits.
$35,000 / 1 year

SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION
SAN LUIS OBISPO
To engage in partnership discussions with two United Way affiliates, in order to more effectively coordinate philanthropic resources and address the health and human services needs of San Luis Obispo County.
$33,000 / 8 months

CHICANA / LATINA FOUNDATION
BURLINGTON
To develop a leadership performance review process, to clarify board and staff roles and responsibilities for leadership, and to integrate these roles into the organization’s strategic plan.
$6,000 / 6 months

REGRANTING
The Foundation seeks to extend the reach and effectiveness of its grantmaking by tapping the expertise, local knowledge, and infrastructure of intermediary organizations that regrant Irvine dollars to smaller organizations. The use of intermediary organizations allows Irvine to reach a more diverse group of grantee organizations and, as a result, more effectively advance our goals.

Irvine’s original grants to these intermediary organizations might have been awarded in a previous year. We present in this section regranting of Irvine dollars that took place in 2004. Regranting totals for each intermediary organization have been rounded to the nearest $1,000.

THE COMMUNITY FOUNDATION SERVING RIVERSIDE AND SAN BERNARDINO COUNTIES
WILDFIRE RELIEF GRANT
$71,000
Family Service Agency
Legal Aid of San Bernardino
Lutheran Social Services of Southern California
Mary’s Mercy Center/Mary’s Table
Operation Provider
Ran Family Services
Volunteer Center of the Inland Empire

THE COMMUNITY FOUNDATION SERVING RIVERSIDE AND SAN BERNARDINO COUNTIES
ARTS BUILD CAPACITY
$170,000
Arts Council for San Bernardino County
Arts Council of Big Bear County
Ballet Folklorico de Riverside
Roadside Theatre/Performance Loft
Charity Communities Cultural Center
Coachella Valley Arts Alliance
Community Arts Theatre (CATS)
Desert Mountain Arts Colony, Inc.
Huntington Archive & Culture Center
Idyllwild Master Chorale
Inland Chorale Music Education, Inc.
Did You Know?

The nine counties of the San Francisco Bay Area and the coastal counties of Southern California together hold 93 percent of the assets of California’s foundations.

San Francisco Bay Area

- Liberty Hill Foundation
- New Vision Partners

Southern California

- California Community Foundation
- California Community Foundation - Orange County
- California Community Foundation - San Diego
- California Community Foundation - Los Angeles

Rensselaer

- Rensselaer Polytechnic Institute
- Rensselaer Polytechnic Institute - New York

Tulsa

- Golden State Foundation
- Oklahoma City University
- Oklahoma State University

Did You Know?
The Inland Empire, comprising Riverside and San Bernardino counties, holds to percent of California’s population but receives only about a percent of the state’s philanthropic resources.

SACRAMENTO VALLEY ORGANIZING COMMUNITY (CENTRAL VALLEY PARTNERSHIP FOR CIVIL RIGHTS) $1,148,000

- California Rural Legal Assistance
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Congregations
- Sacramento Area Con...
ARTS ADVANCEMENT (CALIFORNIA TRADITIONAL FUND FOR FOLK CULTURE)

$128,000

American Bosnia and Herzegovina Association

$58,000

Fresno Communities Organizing Community (Central Valley Partnership for Citizenship)

$348,000

California Rural Legal Assistance, Inc.

$116,000

SHIP for Citizenship

Did You Know?

The nine counties of the San Francisco Bay Area and the coastal counties of Southern California together hold 93 percent of the assets of California’s foundations.

Did You Know?

The Inland Empire, comprising Riverside and San Bernardino counties, home to 10 percent of California’s population but receives only about one percent of the state’s philanthropic resources.

If you're interested in helping your local community, consider volunteering or donating to organizations like the California Indian Basketweavers Center, Inc., which works to preserve and promote traditional basket-making techniques.

Please note that the information provided is a summary of the document and may not include all details. For more information, please refer to the original document.
New Connections Fund Grants Approved in 2004

Did You Know?

In California, rural communities, arts venues are essential elements in downtown revitalization, generating an impact of $120 million annually.

DANCE BRIDGES SAN FRANCISCO
To support a curated season of dance, and present and promote new dance works by emerging choreographers.
$25,000 / 1 year

FOOTHILL THEATRE COMPANY NEVADA CITY
To support the creation and presentation of a new play, using an ensemble-based creative process.
$20,000 / 1 year

SPECTORDANCE MARINA
To support the creation of a contemporary media dance work exploring concerns of Latino farm workers in California.
$30,000 / 1 year

QAM FESTIVALS LIMITED OAKLAND
To support the 2005 and 2006 QAM Festival, promoting recently composed and rarely heard works by emerging national and international artists.
$21,000 / 2 years

OTHER MINDS SAN FRANCISCO
To support the commissioning and presentation of an original composition for brass chamber music.
$7,000 / 1 year

NEW Connections Fund Grants Approved in 2004

Arts Program: Connection Through Cultural Participation

ALI AKER COLLEGE OF MUSIC SAN RAFAEL
For the Annual Indian Music and Dance Festival, to promote classical Indian music and culture through performances, lectures, and hands-on demonstrations of Indian musical instruments and crafts.
$15,000 / 1 year

SACRAMENTO PHILHARMONIC ORCHESTRA ASSOCIATION, INC.
To support the commissioning of a new orchestral work composed by André Previn in honor of Sacramento native Wayne Thiebaud.
$25,000 / 1 year

SACRAMENTO ASSOCIATION, INC.
To support the creation of a new orchestral work by Los Angeles-based artists.
$20,000 / 1 year

EDGEOF THE WORLD SAN FRANCISCO
To support an emerging group bringing together contemporary music, photography, natural science, and performance art.
$20,000 / 1 year

BAY FESTIVALS LIMITED NAPA
To support the creation of an original opera production.
$20,000 / 1 year

WESTWIND BRASS SAN DIEGO
To support the creation and presentation of an original opera composition.
$20,000 / 1 year

TARZANA MUSIC SOCIETY MARINA
For the French Film Festival, to screen critically acclaimed films produced in France and to present post-film discussions to increase understanding and appreciation of French culture.
$40,000 / 2 years

CENTER FOR ART IN TRANSLATION SAN FRANCISCO
To preserve and promote Cambodian indigenous culture through translation and performances by the cultural group and music band, Sva Sory (“Son of Rain,” in Khmer), in a range of community venues in the San Joaquin Valley.
$10,000 / 2 years

COMMUNITY PARTNERS LOS ANGELES
To produce and broadly disseminate Stories From Killing Fields, which document and explore the history, experiences, and struggles of Khmer Americans.
$20,000 / 1 year

OAKLAND AND CULTURE SOCIETY BALLET AFSANEH ARTS PROGRAM: CONNECTION THROUGH CULTURAL PARTICIPATION BALLET AFSANEH SAN FRANCISCO
To preserve and promote Oaxacan traditional dance and music.
$40,000 / 2 years

CENTRO BINACIONAL BALLET AFSANEH ARTS PROGRAM: CONNECTION THROUGH CULTURAL PARTICIPATION BALLET AFSANEH SAN FRANCISCO
To preserve and promote Oaxacan traditional dance and music.
$40,000 / 2 years

Did You Know?
The Central Valley is one of the fastest growing regions in California, with a population now more than six million – more than 30 U.S. states – and is expected to almost double by 2040.
Did You Know?
In California’s rural communities, arts venues are essential elements of downtown revitalization, generating an impact of $120 million annually.

DANCE BRIDGES
SAN FRANCISCO
To support a curated season of dance, and present and promote new dance works by emerging choreographers.
$25,000 / 1 year

FOOTHILL THEATRE COMPANY
NEVADA CITY
To support the creation and presentation of a new play, using an ensemble-based creative process.
$20,000 / 1 year

SECTORDANCE
MARINA
To support the creation of a contemporary media dance work exploring concerns of Latfoam farm workers in California.
$45,000 / 1 year

NEWTON PASADENA
FOUNDATION
ALTADENA
To support a public art project that celebrates the diversity of Pasadena residents.
$10,000 / 1 year

QSDI FESTIVALS LIMITED OAKLAND
To support the 2005 and 2006 QSDI Festival, presenting recently composed and rarely heard works by emerging national and international artists.
$25,000 / 2 years

UNDERWORLD OPERA COMPANY OAKLAND
To support the creation of an original opera production.
$20,000 / 1 year

WESTWIND BRASS SAN DIEGO
To support the commissioning and presentation of an original composition for brass chamber music.
$17,000 / 1 year

Did You Know?
The Central Valley is one of the fastest growing regions in California, its population is now more than six million – more than 30 U.S. states – and is expected to almost double by 2040.

NEW CONNECTIONS FUND
The James Irvine Foundation seeks to develop meaningful, long-term partnerships with many of our grantees. At the same time, we recognize the benefits of seeking out smaller, and often younger, nonprofit organizations that align with our mission. To address this need, the Foundation launched a pilot program in 2004 called The New Connections Fund. This pilot program allows grantseekers to apply directly to the Foundation for grants of less than $50,000 for a maximum of two years.
NEW CONNECTIONS FUND
Grants Approved in 2004
Youth Program: Academic Engagement
California Academy of Sciences
San Francisco
To increase understanding of the electoral process and motivate higher voting rates in traditionally lower voting communities in the Bay Area.
$45,000 / 8 months

NEW CONNECTIONS FUND
Grants Approved in 2004
Youth Program: College Knowledge
Advance Through Opportunity and Knowledge, Inc.
Los Angeles
To increase the capacity of community-based organizations in the Bay Area and Los Angeles to conduct voter education and mobilization activities.
$50,000 / 8 months

Did You Know?
Fewer than 60 percent of Californians speak English at home, which is the second most common language used (26 percent of the population), followed by Chinese (2 percent).

MISSION IWW FOUNDATION
SERCISDO
For the Generation Project, engaging new immigrant communities from Central and South America with artists to explore issues related to cultural adaptation and preservation through video, recording oral histories, and related publications.
$30,000 / 1 year

RURAL MEDIA ARTS AND EDUCATION PROJECT
MARTIPA
To present narrative films, documentaries, and children’s films and facilitate post-film community discussions that serve to increase awareness and understanding of diverse cultures and traditions.
$20,000 / 2 years

VENTURA COUNTY BALLET COMPANY
VENTURA
For the Spring Classical Ballet to increase appreciation of ballet as an art form among underserved and diverse populations throughout Ventura County.
$12,500 / 1 year

NEW CONNECTIONS FUND
Grants Approved in 2004
California Perspectives Program
Multilingual California
ASIAN PACIFIC ENVIRONMENTAL NETWORK
OAKLAND
To increase understanding of the electoral process and motivate higher voting rates among Asian Pacific Islanders.
$47,500 / 2 years

RIVERSIDE COUNTY PHILARMONIC ASSOCIATION, INC.
RIVERSIDE
To develop and present an annual summer pops series, Pop, People, and Pizazz, to attract and serve a broader and more diverse audience in Riverside County.
$25,000 / 1 year

CITY OF HUNTINGTON BEACH
MUNICIPAL ART CENTER
HUNTINGTON BEACH
To present an exhibition of contemporary artists.
$25,000 / 1 year

BROOKLYN ARTS ALLIANCE
FONOMA
To promote college orientation and completion by providing college counseling and financial resources related to college expenses for low-income high schools and college students.
$25,000 / 1 year

CENTRAL CITY LUTHERAN MISSION
SAN BERNARDINO
For an academic support program in training and helping high school students to prepare them for a four-year college.
$25,000 / 1 year

COALITION FOR THE ARTS PROGRAM, INC.
NEW YORK, NEW YORK
To support the SeaTech career and workplace training program, building participants’ competence in ocean research and technology and success in postsecondary opportunities.
$45,000 / 1 year

CUESTA COLLEGE FOUNDATION
SAN LUIS OBISPO
To cover tutoring, monitoring, and college counseling to low-income high school and college students to ensure they become the first in their families to graduate from college.
$20,000 / 1 year

ONE VOICE SANTA MONICA
To support low-income high school students from Los Angeles County in the process of applying to and securing financial aid from the colleges of their choice.
$25,000 / 1 year

MISSION INN FOUNDATION
SERCISDO
For the exhibit My California: Views from the Golden State, to facilitate post-film community discussions that serve to increase awareness and understanding of diverse cultures and traditions.
$20,000 / 2 years

CHINESE FOR REFERENCE ACTION
SAN FRANCISCO
To foster a civically active Asian Pacific American (APA) community by providing information on critical issues to APA organizations statewide and facilitating opportunities to connect with elected officials.
$30,000 / 1 year

DOMESTIC WORKERS
ELDERLY AND DISABLED HOME CARE CENTER
SAN DIEGO
To increase understanding of the electoral process and motivate higher voting rates in traditionally disengaged communities in San Diego County.
$35,000 / 9 months

IMMIGRANT LEGAL RESOURCE CENTER
SAN FRANCISCO
To increase the capacity of community-based organizations in the Bay Area and Los Angeles to conduct voter education and mobilization activities.
$50,000 / 8 months

ROSA FOUNDATION
FOR COMMUNITIES AND THE ENVIRONMENT
OAKLAND
To engage young people in voter education activities and increase voting rates among newly registered voters in low-income, ethnic communities in the East Bay.
$50,000 / 4 months
Did You Know? Fewer than 60 percent of Californians speak English at home, which is the second most common language used (26 percent of the population), followed by Chinese (2 percent).
I n 2004, total financial assets in the Foundation’s endowment increased 13.0 percent, to more than $1.54 billion, primarily because of strong returns from the domestic equity market, especially during the fourth quarter of the year, and from private equity investments held by the Foundation. The total endowment earned 17.0 percent for the year. Total grants approved were $53.8 million, up 6.5 percent from the prior year, while our grantmaking program expenses totaled $5.6 million for the year, a decrease of 12.4 percent from the prior year. Graph 1 provides a 10-year history of year-end assets and net grantmaking for the Foundation. We are pleased to report that our grantmaking to nonprofit organizations throughout California by more than 13 percent in 2005.

The Foundation maintains a long-term view with respect to managing its endowment, with the objective of earning at least 5.5 percent on an annual basis, after inflation and investment fees. Our strategy for achieving this goal is to invest our assets according to a carefully structured allocation model, illustrated in Graph 2, that is designed to reflect the appropriate balance of risk and return over time. The Board of Directors adopted a new asset allocation plan for the Foundation in 2003, and we focused on the transition to this plan during 2004. Specifically, the new asset allocation policy added private real estate and absolute return strategies as new asset classes within our portfolio.

The addition of these two asset classes permits us to expand the opportunity set of investments that can be made within the portfolio, thus increasing returns and reducing the volatility of those returns. Private real estate is a significant investment opportunity that allows superior investment managers to produce excellent returns driven by local, sometimes property-specific conditions and not by the national or global economic conditions that drive most of our other investment returns. Similarly, our absolute return strategies portfolio offers us the ability to partner with the best investment managers who can use their skill and judgment to produce returns that are not unduly dependent on the performance of the public debt and equity markets. While the endowment’s returns will continue to be driven largely by the global public equity and debt markets, these new asset classes represent meaningful efforts to diversify the endowment’s portfolio and produce a more stable earnings stream over time.

Graph 3 shows how our assets were invested as of December 31, 2004. While our transition to absolute return strategies is now complete, we have not yet achieved our investment objectives in real estate. Given market conditions and limited opportunities to invest quickly in this segment, we are being patient in entering this market, although we remain committed to the long-term advantages of investing in this asset class.

Because of the strong performance of our investment portfolio in the past two years, and our continued discipline in managing our administrative expenses, we expect to increase total grants in 2005 by 13.4 percent, to approximately $61 million. However, it is important to recognize that, for the Foundation’s endowment, returns in the near future will likely not match the strong returns of 2003 and 2004. As support for this cautionary note, through May 2005, the financial markets were essentially flat for the year, producing no return at all. As a result, we remain cautious in managing our expectations.

The Foundation’s investment program is designed to maximize our financial resources in support of our mission to expand opportunity for the people of California. These annual updates offer an opportunity to reflect on our progress, to communicate recent developments in our investment program, and, most importantly, to demonstrate our ongoing commitment to transparency in all aspects of the Foundation’s operations.

John R. Jenks, CFA
Chief Investment Officer and Treasurer
July 2005
In 2004, total financial assets in the Foundation’s endowment increased 13.0 percent, to more than $1.54 billion, primarily because of strong returns from the domestic equity market, especially during the fourth quarter of the year, and from private equity investments held by the Foundation. The total endowment earned 17.0 percent for the year. Total grants approved were $538.8 million, up 6.5 percent from the prior year, while our grantmaking program expenses totaled $56 million for the year, a decrease of 12.4 percent from the prior year. Graph 1 provides a 10-year history of year-end assets and net grantmaking for the Foundation. We are pleased to report that our grantmaking to nonprofit organizations throughout California by more than 13 percent in 2005.

The Foundation maintains a long-term view with respect to managing its endowment, with the objective of earning at least 5.5 percent on an annual basis, after inflation and investment fees. Our strategy for achieving this goal is to invest our assets according to a carefully structured allocation model, illustrated in Graph 2, that is designed to reflect the appropriate balance of risk and return over time. The Board of Directors adopted a new asset allocation plan for the Foundation in 2003, and we focused on the transition to this plan during 2004. Specifically, the new asset allocation policy added private real estate and absolute return strategies as new asset classes within our portfolio.

The addition of these two asset classes permits us to expand the opportunity set of investments that can be made within the portfolio, thus increasing returns and reducing the volatility of those returns. Private real estate is a significant investment opportunity that allows superior investment managers to produce excellent returns driven by local, sometimes property-specific conditions and not by the national or global economic conditions that drive most of our other investment returns. Similarly, our absolute return strategies portfolio offers us the ability to partner with the best investment managers who can use their skill and judgment to produce returns that are not unduly dependent on the performance of the public debt and equity markets. While the endowment’s returns will continue to be driven largely by the global public equity and debt markets, these new asset classes represent meaningful efforts to diversify the endowment’s portfolio and produce a more stable earnings stream over time.

Graph 3 shows how our assets were invested as of December 31, 2004. While our transition to absolute return strategies is now complete, we have not yet achieved our investment objectives in real estate. Given market conditions and limited opportunities to invest quickly in this segment, we are being patient in entering this market, although we remain committed to the long-term advantages of investing in this asset class.

Because of the strong performance of our investment portfolio in the past two years, and our continued discipline in managing our administrative expenses, we expect to increase total grants in 2005 by 13.4 percent, to approximately $61 million. However, it is important to recognize that, for the Foundation’s endowment, returns in the near future will likely not match the strong returns of 2003 and 2004. As support for this cautionary note, through May 2005, the financial markets were essentially flat for the year, producing no return at all. As a result, we remain cautious in managing our expectations.

The Foundation’s investment program is designed to maximize our financial resources in support of our mission to expand opportunity for the people of California. These annual updates offer an opportunity to reflect on our progress, to communicate recent developments in our investment program, and, most importantly, to demonstrate our ongoing commitment to transparency in all aspects of the Foundation’s operations.

John R. Jenks, CFA
Chief Investment Officer and Treasurer
July 2005
We have audited the accompanying financial statements of The James Irvine Foundation (the “Foundation”) as of December 31, 2004 and 2003, and the related statements of activities and changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards 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 considering, 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2004 and 2003, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

May 31, 2005

See notes to financial statements.

<table>
<thead>
<tr>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td></td>
</tr>
<tr>
<td>Cash – Interest-bearing deposits</td>
<td>$14,551</td>
</tr>
<tr>
<td>Receivable from Sales of Securities</td>
<td>1,090,762</td>
</tr>
<tr>
<td>Interest and Dividends Receivable</td>
<td>3,338,831</td>
</tr>
<tr>
<td>Investments:</td>
<td></td>
</tr>
<tr>
<td>Short-term, fixed-income</td>
<td>35,387,330</td>
</tr>
<tr>
<td>Equity securities</td>
<td>943,715,579</td>
</tr>
<tr>
<td>Alternative investments</td>
<td>292,569,332</td>
</tr>
<tr>
<td>Fixed-income securities</td>
<td>264,227,302</td>
</tr>
<tr>
<td>Total investments</td>
<td>1,535,899,543</td>
</tr>
<tr>
<td>Property and Equipment – Net</td>
<td>1,113,502</td>
</tr>
<tr>
<td>Prepaid Excise Taxes and Other</td>
<td>366,320</td>
</tr>
<tr>
<td>Total</td>
<td>$1,542,049,509</td>
</tr>
<tr>
<td>LIABILITIES AND NET ASSETS</td>
<td></td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
</tr>
<tr>
<td>Payable for purchases of securities</td>
<td>$1,109,148</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>2,557,620</td>
</tr>
<tr>
<td>Grants payable – net</td>
<td>312,537,958</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>41,556,476</td>
</tr>
<tr>
<td>Net Assets – Unrestricted</td>
<td>1,500,493,033</td>
</tr>
<tr>
<td>Total</td>
<td>$1,542,049,509</td>
</tr>
</tbody>
</table>
Board of Directors

THE JAMES IRVINE FOUNDATION
San Francisco, California

We have audited the accompanying statements of financial position of The James Irvine Foundation (the “Foundation”) as of December 31, 2004 and 2003, and the related statements of activities and changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2004 and 2003, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

May 31, 2005

R4_JAM_Fin_Mech_07.07.indd   40-41
7/30/05   5:05:19 AM

Board of Directors

THE JAMES IRVINE FOUNDATION
San Francisco, California

The James Irvine Foundation

independent auditors’ report

Statement of Financial Position

December 31, 2004 and 2003

As of December 31, 2004 and 2003, The James Irvine Foundation (the “Foundation”) had the following assets:

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash – Interest-bearing deposits</td>
<td>$14,551</td>
<td>$62,649</td>
</tr>
<tr>
<td>Receivable from Sales of Securities</td>
<td>1,060,762</td>
<td>529,566</td>
</tr>
<tr>
<td>Interest and Dividends Receivable</td>
<td>3,338,831</td>
<td>3,892,570</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term, fixed-income</td>
<td>31,187,330</td>
<td>27,481,268</td>
</tr>
<tr>
<td>Equity securities</td>
<td>943,715,579</td>
<td>859,045,484</td>
</tr>
<tr>
<td>Alternative investments</td>
<td>292,569,332</td>
<td>149,536,416</td>
</tr>
<tr>
<td>Fixed-income securities</td>
<td>264,227,302</td>
<td>312,778,252</td>
</tr>
<tr>
<td>Total investments</td>
<td>1,535,899,543</td>
<td>1,358,841,520</td>
</tr>
<tr>
<td>Property and Equipment – Net</td>
<td>1,113,502</td>
<td>1,200,493</td>
</tr>
<tr>
<td>Prepaid Excise Taxes and Other</td>
<td>366,320</td>
<td>394,153</td>
</tr>
<tr>
<td>Total</td>
<td>$1,542,049,509</td>
<td>$1,364,920,951</td>
</tr>
</tbody>
</table>

See notes to financial statements.

Liabilities and Net Assets

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable for purchases of securities</td>
<td>$1,100,148</td>
<td>$6,332,268</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>2,117,020</td>
<td>2,053,843</td>
</tr>
<tr>
<td>Grants payable – net</td>
<td>37,862,718</td>
<td>35,835,279</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>41,056,876</td>
<td>44,221,352</td>
</tr>
<tr>
<td>Net Assets – Unrestricted</td>
<td>1,500,493,033</td>
<td>1,321,661,259</td>
</tr>
<tr>
<td>Total</td>
<td>$1,542,049,509</td>
<td>$1,364,920,951</td>
</tr>
</tbody>
</table>

See notes to financial statements.
THE JAMES IRVINE FOUNDATION
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years ended December 31, 2004 and 2003

Investment Income:

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>$13,854,835</td>
<td>$14,803,140</td>
</tr>
<tr>
<td>Dividends</td>
<td>$18,481,944</td>
<td>$13,621,673</td>
</tr>
<tr>
<td>Operating loss from alternative investments</td>
<td>($4,430,369)</td>
<td>($4,392,323)</td>
</tr>
<tr>
<td>Fee income</td>
<td>$234,610</td>
<td>$236,422</td>
</tr>
</tbody>
</table>

Investment income before net realized and unrealized gains on investments

<table>
<thead>
<tr>
<th>Investment income before net realized and unrealized gains on investments</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,222,200</td>
<td>$24,358,904</td>
<td></td>
</tr>
</tbody>
</table>

Net realized and unrealized gains on investments

<table>
<thead>
<tr>
<th>Net realized and unrealized gains on investments</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$216,404,531</td>
<td>$273,091,409</td>
<td></td>
</tr>
</tbody>
</table>

Total investment income

<table>
<thead>
<tr>
<th>Total investment income</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$246,526,731</td>
<td>$297,450,313</td>
<td></td>
</tr>
</tbody>
</table>

Investment Expenses

<table>
<thead>
<tr>
<th>Investment Expenses</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$6,201,289</td>
<td>$6,097,415</td>
<td></td>
</tr>
</tbody>
</table>

Net Investment Gain Before Federal Excise Taxes

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$249,325,442</td>
<td>$211,352,898</td>
<td></td>
</tr>
</tbody>
</table>

Federal Excise Taxes

<table>
<thead>
<tr>
<th>Federal Excise Taxes</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,674,665</td>
<td>$546,266</td>
<td></td>
</tr>
</tbody>
</table>

Net Investment Gain

<table>
<thead>
<tr>
<th>Net Investment Gain</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$237,650,777</td>
<td>$210,806,532</td>
<td></td>
</tr>
</tbody>
</table>

Expenses:

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants approved by the Board of Directors</td>
<td>$52,773,884</td>
<td>$50,530,557</td>
</tr>
<tr>
<td>Conditional grant activity and other—net</td>
<td>$1,233,997</td>
<td>$925,086</td>
</tr>
</tbody>
</table>

Grant expense—net

<table>
<thead>
<tr>
<th>Grant expense—net</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$52,537,807</td>
<td>$31,452,243</td>
<td></td>
</tr>
</tbody>
</table>

Program administration expenses

<table>
<thead>
<tr>
<th>Program administration expenses</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,441,494</td>
<td>$6,438,259</td>
<td></td>
</tr>
</tbody>
</table>

Total expenses

<table>
<thead>
<tr>
<th>Total expenses</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$58,279,299</td>
<td>$57,890,542</td>
<td></td>
</tr>
</tbody>
</table>

Change in Net Assets—Unrestricted

<table>
<thead>
<tr>
<th>Change in Net Assets—Unrestricted</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$278,311,774</td>
<td>$232,931,592</td>
<td></td>
</tr>
</tbody>
</table>

Net Assets—Unrestricted:

<table>
<thead>
<tr>
<th>Net Assets—Unrestricted</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>$1,321,381,239</td>
<td>$1,088,205,668</td>
</tr>
<tr>
<td>End of year</td>
<td>$1,500,493,033</td>
<td>$1,321,381,239</td>
</tr>
</tbody>
</table>

See notes to financial statements.

THE JAMES IRVINE FOUNDATION
STATEMENTS OF CASH FLOWS
Years ended December 31, 2004 and 2003

Cash Flows from Operating Activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets—unrestricted</td>
<td>$179,211,774</td>
<td>$232,015,110</td>
</tr>
</tbody>
</table>

Adjustments to reconcile change in net assets—unrestricted to net cash and cash equivalents used in operating activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortization</td>
<td>$487,960</td>
<td>$554,673</td>
</tr>
<tr>
<td>Property and equipment write-offs</td>
<td>$4,481</td>
<td>$96,218</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>$(216,404,531)</td>
<td>$(273,091,409)</td>
</tr>
<tr>
<td>Operating loss from alternative investments</td>
<td>$2,036,869</td>
<td>$27,032,322</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities: Interest and dividends receivable</td>
<td>$333,770</td>
<td>$609,080</td>
</tr>
<tr>
<td>Prepaid excise taxes and other</td>
<td>$27,883</td>
<td>$(212,004)</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>$512,776</td>
<td>$(2,308,932)</td>
</tr>
<tr>
<td>Grants payable</td>
<td>$2,334,209</td>
<td>$(4,356,271)</td>
</tr>
</tbody>
</table>

Net cash and cash equivalents used in operating activities

<table>
<thead>
<tr>
<th>Net cash and cash equivalents used in operating activities</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(19,758,841)</td>
<td>$(14,401,032)</td>
<td></td>
</tr>
</tbody>
</table>

Cash Flows from Investing Activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets—unrestricted</td>
<td>$179,211,774</td>
<td>$232,015,110</td>
</tr>
</tbody>
</table>

Purchases of investments | $997,143,899 | $(803,845,383) |
Proceeds from sales, maturities, and distributions from investments | $1,016,175,394 | $886,980,467 |
| Principal repayments from Program Related Investment Fund loan recipients | | $(413,480) |

Net cash and cash equivalents provided by investing activities

<table>
<thead>
<tr>
<th>Net cash and cash equivalents provided by investing activities</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$28,616,585</td>
<td>$34,307,938</td>
<td></td>
</tr>
</tbody>
</table>

(Decrease) Increase in Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>(Decrease) Increase in Cash and Cash Equivalents</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(1,464,628)</td>
<td>$11,847,293</td>
<td></td>
</tr>
</tbody>
</table>

Cash and Cash Equivalents—Beginning of year

<table>
<thead>
<tr>
<th>Cash and Cash Equivalents—Beginning of year</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$37,544,107</td>
<td>$24,696,722</td>
<td></td>
</tr>
</tbody>
</table>

Cash and Cash Equivalents—End of year

<table>
<thead>
<tr>
<th>Cash and Cash Equivalents—End of year</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35,601,481</td>
<td>$37,544,107</td>
<td></td>
</tr>
</tbody>
</table>

Supplemental Disclosure of Cash Flow

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal excise taxes paid</td>
<td>$2,330,000</td>
<td>$701,510</td>
<td></td>
</tr>
</tbody>
</table>

See notes to financial statements.
### THE JAMES IRVINE FOUNDATION

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

Year ended December 31, 2004 and 2003

<table>
<thead>
<tr>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Income:</strong></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>$13,656,815</td>
</tr>
<tr>
<td>Dividends</td>
<td>18,681,944</td>
</tr>
<tr>
<td>Operating loss from alternative investments</td>
<td>(4,430,069)</td>
</tr>
<tr>
<td>Fee income</td>
<td>214,010</td>
</tr>
<tr>
<td><strong>Investment income before net realized and unrealized gains on investments</strong></td>
<td>$30,122,200</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>216,404,531</td>
</tr>
<tr>
<td><strong>Total investment income</strong></td>
<td>$246,526,731</td>
</tr>
<tr>
<td><strong>Investment Expenses</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$6,201,289</td>
</tr>
<tr>
<td><strong>Net Investment Gain Before Federal Excise Taxes</strong></td>
<td>$240,325,442</td>
</tr>
<tr>
<td><strong>Federal Excise Taxes</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$3,674,665</td>
</tr>
<tr>
<td><strong>Net Investment Gain</strong></td>
<td>$236,650,777</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
</tr>
<tr>
<td>Grants approved by the Board of Directors</td>
<td>52,773,804</td>
</tr>
<tr>
<td>Conditional grant activity and other—not</td>
<td>(123,007)</td>
</tr>
<tr>
<td><strong>Grant expense—net</strong></td>
<td>$31,537,807</td>
</tr>
<tr>
<td>Program administration expenses</td>
<td>5,434,996</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$38,231,803</td>
</tr>
<tr>
<td><strong>Change in Net Assets—Unrestricted</strong></td>
<td></td>
</tr>
<tr>
<td>Net Assets—Unrestricted:</td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>1,321,181,259</td>
</tr>
<tr>
<td>End of year</td>
<td>$1,500,493,033</td>
</tr>
</tbody>
</table>

See notes to financial statements.
1. ORGANIZATION

The James Irvine Foundation (the “Foundation”) is a private foundation dedicated to expanding opportunity for the people of California to participate in a vibrant, successful and inclusive society. The Foundation’s grantmaking is organized around these program areas: Arts, Youth, and California Perspectives. The Foundation focuses on increasing public understanding of critical issues facing the state and refining new ideas into the policy development process.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying financial statements are presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets. At December 31, 2004 and 2003, the Foundation had no temporarily or permanently restricted net assets. At December 31, 2004 and 2003, the Foundation presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets. At December 31, 2004 and 2003, the Foundation had no temporarily or permanently restricted net assets. At December 31, 2004 and 2003, the Foundation presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets.

Cash and cash equivalents consist of cash and short-term, fixed-income investments with maturities of three months or less at date of purchase as follows at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, interest-bearing deposits</td>
<td>$14,551</td>
<td>$61,649</td>
</tr>
<tr>
<td>Short-term, fixed-income investments</td>
<td>$37,481,368</td>
<td>$37,481,368</td>
</tr>
<tr>
<td>Total</td>
<td>$37,544,017</td>
<td>$37,544,017</td>
</tr>
</tbody>
</table>

Investments are stated at quoted market prices or estimated fair values, which are based on independent valuations. Investment expenses include investment management fees, custodial fees and an allocation of the Foundation’s operating expenses. The Foundation maintains the following categories of investments:

- Short-term, fixed income investments include commercial paper, demand notes, foreign currency and corporate and government bonds. For statement of cash flows presentation purposes, these securities are considered to be cash equivalents as such securities have original maturities of three months or less.
- Equity securities primarily consist of investments in both domestic and foreign corporate common stock securities.
- Alternative investments represent investments in limited partnerships, hedge funds, and other non-public investments.
- Fixed-income securities include holdings in corporate and municipal bonds, as well as U.S. government securities, various mortgage and asset-backed bonds, and convertible corporate debentures.
- Program Related Investment Fund Loan — The Foundation had a program related investment fund loan which was repaid during 2003. Such loan had an interest rate of 2.9 percent.
- Other investments include nonmarketable and restricted investment securities whose values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. The carrying amount of amounts payable approximates fair value because such liabilities are recorded at estimated net present value based on anticipated future cash flows.

Concentrations of Credit Risk — Financial instruments, which potentially subject the Foundation to credit risk, consist primarily of cash, cash equivalents, and investments. The Foundation maintains cash and cash equivalents with major financial institutions. At times, such amounts may exceed Federal Deposit Insurance Corporation limits. The Foundation’s investments have been placed with high-quality counter parties. The Foundation closely monitors these investments and has not experienced significant credit losses.

Tax Exempt Status — The Foundation is a private foundation and is exempt from federal income taxes under Section 501(c)(3) of the Code and from California franchise and/or income taxes under Section 23701(d) of the Revenue and Taxation Code.
2. SIGNIFICANT ACCOUNTING POLICIES

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying financial statements are presented on the basis of unrestricted, temporarily restricted, and permanently restricted net assets. As of December 31, 2004 and 2003, the Foundation had no temporarily or permanently restricted net assets. At December 31, 2004 and 2003, the Foundation had no temporarily or permanently restricted net assets.

Cash and cash equivalents consist of cash and short-term, fixed-income investments with maturities of three months or less at date of purchase as follows at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, interest-bearing deposits</td>
<td>$35,401,881</td>
<td>$37,544,017</td>
</tr>
<tr>
<td>Short-term, fixed-income investments</td>
<td>$14,551</td>
<td>$62,649</td>
</tr>
<tr>
<td>Total</td>
<td>$35,556,432</td>
<td>$37,606,660</td>
</tr>
</tbody>
</table>

Investments are stated at quoted market prices or estimated fair values, which are based on independent valuations. Investment expenses include investment management fees, custodial fees and an allocation of the Foundation’s operating expenses. The Foundation maintains the following categories of investments:

- Short-term, fixed-income investments include commercial paper, demand notes, foreign currency and corporate and government bonds.
- Cash and cash equivalents with maturities of three months or less.
- Equity securities primarily consist of investments in both domestic and foreign corporate common stock securities.
- Alternative investments represent investments in limited partnerships, hedge funds, and other non-public investments.
- Fixed-income securities include holdings in corporate and municipal bonds, as well as U.S. government securities, various mortgage and asset-backed bonds, and convertible corporate debentures.

Program Related Investment Fund Loan — The Foundation had a program related investment fund loan which was repaid during 2003. Such investments have been placed with high-quality counter parties. The Foundation’s investment custodian. This program permits the custodian to loan certain of the Foundation’s stocks and bonds included in its investment portfolio. The Foundation’s investment custodian has indemnified the Foundation against the counterparty risk and the Foundation receives a fee from the custodian related to securities loaned under the program.

Grants are expensed when the unconditional promise to give is approved by the Board of Directors. Conditional promises to give, consisting primarily of grants with matching requirements, are recognized as grant expense in the period in which the recipient meets the terms of the condition. Such conditions may also include other requirements, such as the requirement for a newly formed organization to successfully establish its 501(c)(3) status before the grant becomes unconditional. Grant refunds are recorded as a reduction of grant expense at the time the Foundation becomes aware the grant will be refunded.

Functional Expense Allocations — Expenses, such as salaries and payroll taxes, travel and meeting expenses, depreciation and amortization, and rent, are allocated among investment expenses and program administration expenses based on employee ratios and estimates made by the Foundation’s management.

Pension Plans — The Foundation provides a defined contribution pension plan for all its employees. The plan is funded by the Foundation and maintained by an independent trustee. Contributions to the plan were approximately $545,000 and $545,000 in 2004 and 2003, respectively.

Estimated Fair Value of Financial Instruments — The carrying amounts of cash, receivable from sales of securities, interest and dividends receivable, accounts payable and other accrued liabilities, and payable for purchases of securities approximate fair value because of the short maturity of these financial instruments. Investments are held at estimated fair value. The alternative investments represent investments in limited partnerships, hedge funds, and other non-public investments, which include nonmarketable and restricted investment securities whose values have been estimated by the general partner of the limited partnership or the managing member of the corporation in the absence of readily ascertainable market values. Because of the inherent uncertainty of valuation of nonmarketable and restricted investments, these estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

Concentrations of Credit Risk — Financial instruments, which potentially subject the Foundation to credit risk, consist primarily of cash, cash equivalents, and investments. The Foundation maintains cash and cash equivalents with major financial institutions. At times, such amounts may exceed Federal Deposit Insurance Corporation limits. The Foundation’s investments have been placed with high-quality counter parties. The Foundation closely monitors these investments and has not experienced significant credit losses.

Tax Exempt Status — The Foundation is a private foundation and is exempt from federal income taxes under Section 501(c)(3) of the Code and from California franchise and/or income taxes under Section 23701(d) of the Revenue and Taxation Code.
3. The Foundation made capital contributions totaling $108,313,105 and $81,353,072 in 2004 and 2003, respectively, to alternative investments as called for by the investment agreements. As of December 31, 2004, the Foundation has commitments under various investment agreements to make additional capital contributions of $153,800,449.

The Foundation has an investment in a limited partnership, which was valued at approximately $11,443,059 and $9,353,000 as of December 31, 2004 and 2003, respectively, in which a member of the Foundation’s Board of Directors, through June 2003, was a managing director. As of December 31, 2004, the Foundation has commitments under this partnership agreement to make additional capital contributions of $5,008,034, which is included in the amount disclosed in the preceding paragraph.

4. Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant accounting estimates reflected in the Foundation’s financial statements include the determination of the fair value of investments (including alternative investments), the discount on grants payable, the calculation of federal income taxes expense, and the functional expense allocation. Actual results could differ from these estimates.

Reclassifications — Certain reclassifications have been made to the 2003 Statement of Cash Flows to conform with the 2004 presentation. These reclassifications had no effect on the change in cash and cash equivalents in 2003 or cash balances at December 31, 2003.

In the Foundation’s financial statements include the determination of the fair value of investments (including alternative investments), the discount on grants payable, the calculation of federal income taxes expense, and the functional expense allocation. Actual results could differ from those estimates.

Investments are stated at quoted market prices or estimated fair values, which are based on independent valuations. The net realized and unrealized gains on investments are comprised as follows for the years ended December 31, 2004 and 2003:

<table>
<thead>
<tr>
<th>Year</th>
<th>Net realized gains on investments</th>
<th>Net unrealized gains on investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$518,438,721</td>
<td>97,984,700</td>
</tr>
<tr>
<td></td>
<td>$31,353,072</td>
<td>214,723,831</td>
</tr>
</tbody>
</table>

Property and equipment as of December 31 consists of:

<table>
<thead>
<tr>
<th>Year</th>
<th>Office furniture and equipment</th>
<th>Leasehold improvements</th>
<th>Construction in progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$2,105,347</td>
<td>2,305,314</td>
<td>238,741</td>
</tr>
<tr>
<td>2003</td>
<td>$2,233,180</td>
<td>2,378,353</td>
<td>–</td>
</tr>
</tbody>
</table>

5. The following table summarizes the Foundation’s grant activity for the years ended December 31:

<table>
<thead>
<tr>
<th>Year Ending December 31</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$25,137,887</td>
</tr>
<tr>
<td>2003</td>
<td>$21,452,243</td>
</tr>
</tbody>
</table>

Future minimum grant disbursements are scheduled as follows as of December 31, 2004:

<table>
<thead>
<tr>
<th>Year Ending December 31</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$30,159,871</td>
</tr>
<tr>
<td>2006</td>
<td>6,071,365</td>
</tr>
<tr>
<td>2007</td>
<td>1,072,683</td>
</tr>
<tr>
<td>2008</td>
<td>408,825</td>
</tr>
<tr>
<td>2009</td>
<td>387,845</td>
</tr>
</tbody>
</table>

The Foundation leases its facilities under long-term non-cancelable operating leases. Approximate future minimum lease payments, subject to adjustments based on changes in real property taxes and maintenance expenses, are as follows as of December 31, 2004:

<table>
<thead>
<tr>
<th>Year Ending December 31</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$1,172,683</td>
</tr>
<tr>
<td>2006</td>
<td>1,072,683</td>
</tr>
<tr>
<td>2007</td>
<td>408,825</td>
</tr>
<tr>
<td>2008</td>
<td>387,845</td>
</tr>
<tr>
<td>2009</td>
<td>1,011,634</td>
</tr>
</tbody>
</table>

Rental expense was approximately $803,000 and $740,000 in 2004 and 2003, respectively.

In August 2004, the Foundation entered into a ten-year lease for its new office space at 375 Market Street. The move into this new office was completed March 2005. The above schedule includes lease commitments for this space as well as the remaining lease payments on the former office space at One Market Street. Any potential rent offsets from subleases are not reflected here.
Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant accounting estimates reflected in the Foundation’s financial statements include the determination of the fair value of investments (including alternative investments), the discount on grants payable, the calculation of federal excise taxes expense, the fair value of investments (including alternative investments), the discount on grants payable, the calculation of federal excise taxes expense, and the functional expense allocation. Actual results could differ from these estimates.

Reclassifications — Certain reclassifications have been made to the 2003 Statement of Cash Flows to conform with the 2004 presentation. These reclassifications had no effect on the change in cash and cash equivalents in 2003 or cash balances at December 31, 2003.

4. INVESTMENTS

Investments are stated at quoted market prices or estimated fair values, which are based on independent valuations. The net realized and unrealized gains on investments are comprised as follows for the years ended December 31, 2004 and 2003:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net realized gains on investments sold</td>
<td>$118,439,792</td>
<td>$31,365,308</td>
</tr>
<tr>
<td>Net unrealized gains on investments</td>
<td>97,984,370</td>
<td>214,723,801</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>$216,404,531</td>
<td>$273,091,409</td>
</tr>
</tbody>
</table>

The Foundation made capital contributions totaling $108,333,105 and $46,353,372 in 2004 and 2003, respectively, to alternative investments as called for by the investment agreements. As of December 31, 2004, the Foundation has commitments under various investment agreements to make additional capital contributions of $153,800,849.

The Foundation has an investment in a limited partnership, which was valued at approximately $11,443,059 and $9,353,000 as of December 31, 2004 and 2003, respectively, in which a member of the Foundation’s Board of Directors, through June 2003, was a managing director. As of December 31, 2004, the Foundation has commitments under this partnership agreement to make additional capital contributions of $5,008,034, which is included in the amount disclosed in the preceding paragraph.

5. GRANTS

The following table summarizes the Foundation’s grant activity for the years ended December 31:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants approved by the Board of Directors</td>
<td>$53,775,984</td>
<td>$30,268,137</td>
</tr>
<tr>
<td>Add (debits)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conditional grants made</td>
<td>(441,964)</td>
<td>(148,300)</td>
</tr>
<tr>
<td>Condition met on conditional grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>made in prior years</td>
<td>50,300</td>
<td>756,300</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention of grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in discount on multi-year grants</td>
<td>(144,393)</td>
<td>(34,042)</td>
</tr>
<tr>
<td>Matching gifts program</td>
<td>142,383</td>
<td>332,430</td>
</tr>
<tr>
<td>Grants refunded</td>
<td>(345)</td>
<td>(6,382)</td>
</tr>
<tr>
<td>Conditional grant activity and other</td>
<td>(1,235,897)</td>
<td>931,686</td>
</tr>
<tr>
<td></td>
<td>$25,537,807</td>
<td>$23,452,243</td>
</tr>
</tbody>
</table>

Future minimum grant disbursements are scheduled as follows as of December 31, 2004:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unconditional</td>
<td>$106,538,671</td>
<td>$37,900,071</td>
</tr>
<tr>
<td>Conditional</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$275,000</td>
<td>$275,000</td>
</tr>
<tr>
<td></td>
<td>$6,071,165</td>
<td>$6,071,165</td>
</tr>
<tr>
<td></td>
<td>1,750,000</td>
<td>1,618,654</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,868,654</td>
</tr>
<tr>
<td></td>
<td>38,229,836</td>
<td>16,141,664</td>
</tr>
<tr>
<td></td>
<td></td>
<td>39,072,500</td>
</tr>
<tr>
<td>Less discounts on multi-year grants</td>
<td>(349,124)</td>
<td>(349,124)</td>
</tr>
<tr>
<td></td>
<td>$37,880,708</td>
<td>$39,331,374</td>
</tr>
</tbody>
</table>

6. FEDERAL EXCISE TAXES

In accordance with the applicable provisions of the Code, the Foundation is subject to an excise tax of 2 percent (1 percent if minimum payout requirements prescribed by the Code are met) on its net investment income, excluding unrealized gains, as defined. The Foundation was subject to the 2 percent rate in 2004 and the 1 percent rate in 2003. In addition, the Code requires that certain minimum distributions be made in accordance with a specified formula. At December 31, 2004 and 2003, the Foundation had made the required minimum distributions.

7. LEASE COMMITMENTS

The Foundation leases its facilities under long-term non-cancelable operating leases. Approximate future minimum lease payments, subject to adjustments based on changes in real property taxes and maintenance expenses, are as follows as of December 31, 2004:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Thereafter</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,072,863</td>
<td>$1,072,863</td>
<td>$408,825</td>
<td>$408,825</td>
<td>397,845</td>
<td>1,519,556</td>
<td>$3,162,735</td>
</tr>
</tbody>
</table>

Rental expense was approximately $803,000 and $740,000 in 2004 and 2003, respectively.

In August 2004, the Foundation entered into a ten-year lease for its new office space at 375 Market Street. The move into this new office was completed March 2005. The above schedule includes lease commitments for this space as well as the remaining lease payments on the former office space at One Market Street. Any potential rent offsets from a sublease are not reflected here.
BOARD OF DIRECTORS
July 2005

Officers
Peter W. Stanley
Chair
Gary B. Pruitt
Vice Chair and Chair-Elect
James E. Canales
President and Chief Executive Officer
John R. Jenks
Chief Investment Officer, Treasurer, and Corporate Secretary

Directors
Greg Avis
Palo Alto
James E. Canales
San Francisco
Frank H. Cruz
Laguna Niguel
David Mas Masumoto
Del Rey
Regina Liang Muehlhauser
Pleasanton
Molly Munger
Los Angeles
Patricia S. Pineda
Lafayette
Gary B. Pruitt
Sacramento
Toby Rosenblatt
San Francisco
Steven A. Schroeder
San Francisco
Peter W. Stanley
Old Saybrook, Connecticut
Peter J. Taylor
Los Angeles

Finance and Administration
John R. Jenks
Chief Investment Officer, Treasurer, and Corporate Secretary
Jeff Kumataka
Director of Finance and Administration

Accounting and Investments
Colette Clark
Accounting Manager
Anne A. Matlock
Investment Analyst
Ferdie Sarmiento
Staff Accountant
Lavinia Tiu-Mondala
Staff Accountant

Grants Administration
Kelly Martin
Grants Manager
Robert Oliver
Grants Administrator

Information Technology
Jeff Brandenburg
Manager of Information Technology
Gerald Spica
Information Technology/Web Specialist

Operations
Ann K. Gomes
Operations Manager
Dion S. Hudson
Human Resources Manager
Micky Shirley
Administrative Assistant
Angie Aguilar
Receptionist and Administrative Assistant
Evan Carlson
Los Angeles Office Manager and Administrative Assistant

STAFF
July 2005

Executive Office
James E. Canales
President and Chief Executive Officer
Kristin Nelson
Executive Assistant

Program
Martha S. Campbell
Vice President for Programs
Marcelle Hinand Cady
Program Director, Arts*
Amy Dominguez-Arms
Program Director, California Perspectives
John Orders
(Acting) Program Director, Arts**
Anne B. Stanton
Program Director, Youth
Jorge Ruiz de Velasco
Senior Program Officer, Youth
Latonya Slack
Senior Program Officer, California Perspectives
Rogéair Parnell
Program Officer, Youth
Jeanne Sakamoto
Program Officer, Arts
Anne K. Vally
Special Initiatives Officer and Assistant Corporate Secretary
Jason Torres Hancock
Program Associate, Arts
Sarah Ihn
Program Associate, California Perspectives
Kenji Treanor
Program Associate, Youth
Drusilla Jones
Administrative Assistant

Communications
Diane J. Olberg
Director of Communications
Mark E. Pothier
Communications Manager
Dana Brownfield
Communications Associate

*Effective September 2005
**Through September 2005
that capture the history and culture of the Hmong people.

As part of Project Common Thread, Ms. Vang helped to establish a Hmong girls choir, which has been well received in the community, and she continues to teach traditional songs to preserve and promote the cultural arts of the Hmong in the San Joaquin Valley.

ABOUT THE COVER

Katia Vang is a second-generation Californian of Hmong descent and a nursing student at California State University, Fresno. Ms. Vang is also a volunteer at Stone Soup Fresno, a community center that serves the large and growing Southeast Asian refugee population in the San Joaquin Valley. She is pictured in traditional Hmong costume, standing before a tapestry that depicts the story of the Hmong fleeing their native country of Laos following the Vietnam War.

In 2004, with a grant from Irvine, Stone Soup Fresno developed Project Common Thread, a program designed to preserve and promote the cultural arts of the Hmong and foster cross-cultural awareness in the San Joaquin Valley. As part of Project Common Thread, Ms. Vang helped to establish a Hmong girls choir, which has been well received in the community, and she continues to teach traditional songs that capture the history and culture of the Hmong people.

T A B L E O F C O N T E N T S

From the President and Chief Executive Officer 2
Investing in Youth 4
Advancing the Arts 8
Building a Better California 12
2004 Grants 16
Grantseeker Guidelines 17
From the Chief Investment Officer and Treasurer 38
Independent Auditors’ Report 40
Financial Statements 41
Board of Directors and Staff 48
References 49

R E F E R E N C E S  D I D Y O U K N O W ?

PAGES 19-20

PAGES 21-22
Humphrey Institute of Public Affairs, Project on Regional and Industrial Economics: The Artists Divided Dividend (March 2004)

PAGE 23 (LEFT)
Ramesh, S. & Chua, J., “Economic Impact of the Artist Industry” (February 2005)

PAGE 23 (RIGHT)
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGE 24 (LEFT)
Public Policy Institute of California: “Just the Facts: The Arts” (September 2004)

PAGE 24 (RIGHT)

PAGES 25-26
Just the Facts: The Age Gap in California Politics (October 2004)

PAGE 26 (LEFT)
U.S. Census Bureau, American Community Survey: Public Use Microdata Sample 2000

PAGE 26 (RIGHT)
Harvard University, The Civil Rights Project: “Confronting the Graduation Rate Crisis in California” (March 2003)

PAGE 27
Community College League of California: California Community College Pocket Proﬁ le (2004)

PAGE 28 (LEFT)
Harvard University, The Civil Rights Project: “Confronting the Graduation Rate Crisis in California” (March 2003)

PAGE 28 (RIGHT)
California Community Colleges Chancellor’s Ofﬁ ce (2005)

PAGES 29-30

PAGES 30 (LEFT)
RAND Corporation: California’s K-12 Public Schools: How Are They Doing? (2005)

PAGES 30 (RIGHT)

PAGE 31
League of California Community Foundations

PAGE 32

PAGE 33

PAGE 34

PAGES 35-36
Public Policy Institute of California: “Just the Facts: Latino Voters in California” (October 2004)

PAGES 37-38

PAGES 39-40

PAGES 41-42

PAGE 43
California Community Colleges Chancellor’s Office (2005)

PAGES 44-45

PAGES 46-47

PAGES 48-49