THE JAMES IRVINE FOUNDATION

EXPANDING OPPORTUNITY FOR THE PEOPLE OF CALIFORNIA

ANNUAL REPORT FOR 2006
TABLE OF CONTENTS

From the President and
  Chief Executive Officer  2
2006 Grants  5

From the Chief Investment
  Officer and Treasurer  37
Independent Auditors’ Report  39
Financial Statements  40
Board of Directors and Staff  49
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.
Foundations play a vital role in the social sector by seeking opportunities to foster innovation and support new ideas. Done in the best way, foundations demonstrate a capacity to remain flexible, to stay attuned to a shifting external environment, and to refine their approaches accordingly. At its worst, however, this same adaptability can come across as fickle and arbitrary, as an inability to focus. It can send confusing and mixed signals to a foundation’s partners. Striking the right balance is both an art and a necessity.

This subject is particularly relevant to The James Irvine Foundation at this moment in our evolution. It has been just four years since Irvine adopted its current strategic directions. In 2003, we narrowed our focus from six core programs to three, out of a belief that Irvine could achieve greater impact for the people of California by concentrating its limited resources. Our resulting programs in Youth, Arts, and California Perspectives are ambitious in scope, and they require us to take a long-term view. At the same time, California continues to change, and we cannot ignore the environment in which we and our partners work.

We have sought to strike the right balance by remaining focused on our core goals while continuing to refine the specific priorities and strategies employed toward those goals. This
allows us to adapt as the circumstances around us change, as we learn more about what works and what is less successful, and as we engage more deeply with our various partners.

In 2006, Irvine took some important steps toward achieving our long-term goals, and we describe the highlights in the pages that follow. But we also recognize that much of our work remains in its early stages. In order for us to make sustained and substantive progress, it is vital that Irvine demonstrate staying power and resist the temptation to seek out the “new, new thing,” while also remaining nimble. Therein lies one of the challenges and tensions of philanthropic work.

Addressing this tension creatively requires both the understanding and support of the Board of Directors, who are ultimately the stewards of the Foundation, and we are fortunate at Irvine to have a board that embraces the approach I describe above. In that context, 2006 marked an important transition for Irvine with the retirement from our board of Patricia Salas Pineda, a practicing attorney and vice president of Toyota Motor of North America. Pat served with distinction on the Foundation’s board for a full term of 12 years, including service as the board’s Vice Chair and as Chair of our Committee on the Board, responsible for governance and nominations. Pat brought a willingness to ask the difficult question, to push hard for clarity, to encourage us to take risks, and to drive our discussions constructively and helpfully to a clear conclusion, always keeping her eye on our mission of service. In doing this, Pat represented the very best of engaged stewardship and responsible oversight of our Foundation’s obligation to serve the people of California. We will miss her very much.

We have sought to strike the right balance by remaining focused on our core goals while continuing to refine the specific priorities and strategies employed toward those goals.
As I write this, we are marking the 70th anniversary of The James Irvine Foundation. That fact reminds us of the importance of consistency and staying power as an institution. I am confident that the past several years have established a solid groundwork for the Foundation’s continued contributions to expand opportunity for the people of California, but there is much work ahead. I am persuaded that our ultimate success as an institution will depend on our capacity to remain focused on a core set of goals, to deepen and extend our early work, to learn and refine as we go, and to carry out all of our work with intelligence, graciousness, and a healthy dose of humility.

Sincerely,

James E. Canales

President and Chief Executive Officer

July 2007
THE JAMES IRVINE FOUNDATION
2006 GRANTS

In 2006, the Foundation approved 456 grants, totaling $68.9 million. That is the third largest amount in Irvine’s history, just shy of our grantmaking peak of $71.5 million in 2001.

On the pages that follow, we present a detailed list of grants approved in 2006, in four sections:

- Grants in our core program areas: Arts, California Perspectives, and Youth
- Cross-Program grants that relate to the goals of two or more programs or to the Foundation’s cross-cutting principles
- Grants in our New Connections Fund, a pilot program to fund unsolicited grant applications on a competitive basis
- Grants to intermediary organizations that regrant Irvine dollars to other nonprofit organizations in their local communities

For current information on our grantmaking programs, priorities, and funding guidelines, please visit our Web site, www.irvine.org.

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.
**ARTS**

**GOALS AND PRIORITIES**

The goal of the Arts program is to promote a vibrant and inclusive artistic and cultural environment in California. Our program promotes a healthy arts environment, which depends on the existence of strong arts organizations, a productive artistic and creative community, and the engagement of a broad cross section of Californians.

Our Arts program has three priorities:

- **Artistic Creativity**: Promoting the creation and reinterpretation of art, infusing the arts field with new ideas and methods of creative expression

- **Cultural Participation**: Supporting the active engagement of Californians from all socioeconomic and ethnic backgrounds with quality art from a variety of sources and cultures

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

In 2006, the Arts program awarded 62 grants totaling $17.9 million.

---

**Highlights of 2006**

- A major research paper, “Critical Issues Facing the Arts in California,” stimulated significant discussion among funders, policymakers, and nonprofit organizations across the state. In 2007, the Foundation will support various efforts to address the findings.

- In June, we launched the Artistic Innovation Fund to encourage innovation among California’s premier arts and cultural institutions, located in the major metropolitan areas of San Francisco, Los Angeles, and San Diego. The first set of grants was awarded to seven organizations in 2006, with a second round of grants planned for 2007.

- In October, we launched the Arts Regional Initiative to strengthen leading arts organizations located outside the state’s major metropolitan areas. The initiative started in Riverside, San Bernardino, Orange, and San Diego counties, and will expand to the Central Valley in 2007.
Artistic Creativity
Promoting the creation and reinterpretation of art, infusing the arts field with new ideas and methods of creative expression

AMERICAN COMPOSERS FORUM
OF SAN FRANCISCO
SAN FRANCISCO
For the statewide expansion of the Subito regranting program and for professional and artistic development programs for California composers.
$250,000 / 24 months

THE AMERICAN CONSERVATORY
THEATER FOUNDATION
SAN FRANCISCO
To produce the world premiere of *After the War*, and to expand the core acting company.
$400,000 / 24 months

CENTER FOR CULTURAL INNOVATION
LOS ANGELES
For a statewide initiative providing regranting, training, and project incubation to working artists in California.
$1,000,000 / 24 months

DANCE USA
WASHINGTON, D.C.
For the Irvine Dance in California Journal, a publication to document and commemorate nine years of Irvine Dance Fellowships to individual dance artists in California.
$12,000 / 6 months

DANCE USA
WASHINGTON, D.C.
For research and planning of program and technology supports to strengthen satellite office operations, professional development, information exchange, and regional networking among dance professionals in California.
$25,000 / 12 months

EAST-WEST PLAYERS
LOS ANGELES
To expand the New Works Development Program serving Asian and Pacific Islander artists and playwrights in Los Angeles.
$300,000 / 36 months

FOUNDATION-ADMINISTERED PROJECT
SAN FRANCISCO
To support research on the work life and creative development of working artists in Los Angeles and San Francisco Bay Area communities, with related dissemination activities.
$20,144 / 7 months

LA PEÑA CULTURAL CENTER
BERKELEY
For the ImaginARTe program, supporting individual artists to create new work through commissioning projects, artist residencies, and presenting partnerships.
$200,000 / 36 months

MARGARET JENKINS DANCE STUDIO
SAN FRANCISCO
For the statewide expansion of a mentorship program and leadership initiative serving California’s established and emerging choreographers.
$300,000 / 36 months

SOUTHWEST CHAMBER MUSIC SOCIETY
PASADENA
To support the creation and development of new artistic work through commissions, recording, and performances.
$200,000 / 36 months

ZEROOne: THE ART AND TECHNOLOGY NETWORK
SAN JOSE
For the presentation of the ZeroOne San Jose Festival, a multidisciplinary festival featuring national and international artists exploring the intersection of art and technology.
$50,000 / 12 months

LA PEÑA CULTURAL CENTER
BERKELEY
For the ImaginARTe program, supporting individual artists to create new work through commissioning projects, artist residencies, and presenting partnerships.
$200,000 / 36 months

MARGARET JENKINS DANCE STUDIO
SAN FRANCISCO
For the statewide expansion of a mentorship program and leadership initiative serving California’s established and emerging choreographers.
$300,000 / 36 months

SOUTHWEST CHAMBER MUSIC SOCIETY
PASADENA
To support the creation and development of new artistic work through commissions, recording, and performances.
$200,000 / 36 months

ZEROOne: THE ART AND TECHNOLOGY NETWORK
SAN JOSE
For the presentation of the ZeroOne San Jose Festival, a multidisciplinary festival featuring national and international artists exploring the intersection of art and technology.
$50,000 / 12 months
Cultural Participation
Supporting the active engagement of Californians from all socioeconomic and ethnic backgrounds with quality art from a variety of sources and cultures

Cultural Participation
Supporting the active engagement of Californians from all socioeconomic and ethnic backgrounds with quality art from a variety of sources and cultures

C A L I F O R N I A  E X H I B I T I O N  R E S O U R C E S  A L L I A N C E
O A K L A N D
For the Contemporary Art in California Communities Initiative, to increase access to contemporary California art and artists for underserved and rural communities.
$235,000 / 36 months

D E L L ' A R T E
B L U E  L A K E
For the Los Puentes Project, a multifaceted theater initiative designed to increase cultural participation opportunities in the rural North Coast region of California.
$200,000 / 27 months

H U M B O L D T  A R E A  F O U N D A T I O N
B A Y S I D E
For Indigenous Inspiration: Art Across Generations, a regranting initiative of the Native Cultures Fund, to support intergenerational training in California Native American arts and cultural traditions.
$300,000 / 36 months

K Q E D
S A N  F R A N C I S C O
To support SPARK, a weekly television series, educational outreach program, and Web site showcasing artists and arts organizations in the areas of Northern California and the Central Coast.
$450,000 / 36 months

L I B R A R Y  F O U N D A T I O N
O F  L O S  A N G E L E S
L O S  A N G E L E S
To support the expansion of the public outreach and exhibition program at the Central Library, strengthening the organization's role as a multifaceted cultural resource center in Los Angeles.
$400,000 / 36 months

L O S  A N G E L E S  C O U N T Y  M U S E U M  O F
N A T U R A L  H I S T O R Y  F O U N D A T I O N
L O S  A N G E L E S
To transform educational programming based on partnerships with educators and arts organizations.
$400,000 / 36 months

N I N T H  S T R E E T  M E D I A  C O N S O R T I U M
S A N  F R A N C I S C O
To cultivate and develop audiences for independent film, with a specific focus on youth and culturally specific communities.
$150,000 / 24 months

P A L M  S P R I N G S  A R T  M U S E U M
P A L M  S P R I N G S
For a multitiered audience development project aimed at increasing participation in museum programming among college-age and working adults, teens, and Latino audiences.
$400,000 / 36 months

S A N  F R A N C I S C O  J A Z Z  O R G A N I Z A T I O N
S A N  F R A N C I S C O
To support the SFJAZZ Collective and related audience development efforts.
$350,000 / 36 months

M U S E U M  O F  A R T  A S S O C I A T I O N
S A N  J O S E
For an audience development initiative to expand participation and deepen audience engagement through exhibition-centered activities that demonstrate the significance and relevance of contemporary California art.
$375,000 / 36 months

S H A K E S P E A R E  F E S T I V A L  L A
L O S  A N G E L E S
For Will Power to Youth, a youth development and education enrichment program for at-risk youth in Los Angeles through direct participation in the theatrical process.
$150,000 / 24 months

W O L F B R O W N
F A I R F I E L D ,  C O N N.
To conduct a study of patterns of cultural participation, including informal arts participation, in the Inland Empire and San Joaquin Valley.
$300,000 / 12 months
Arts Leadership
Fostering an environment in which arts and culture flourish in California through support of the state’s premier cultural institutions and of leading arts organizations in the nonmetropolitan areas of California

ARTISTIC INNOVATION FUND
Supporting the state’s premier cultural institutions as they advance their artistic vision and deliver innovative, aspirational programming

ARMAND HAMMER MUSEUM OF ART AND CULTURAL CENTER
LOS ANGELES
To support artistic, programmatic, and institutional changes that incorporate the perspectives of contemporary artists.
$700,000 / 36 months

EMC ARTS
NEW YORK, N.Y.
To design and plan an evaluation and organizational learning process for the Artistic Innovation Fund.
$135,000 / 5 months

JAPANESE AMERICAN NATIONAL MUSEUM
LOS ANGELES
To support a model program for how culturally specific arts organizations can adapt to increasingly multiethnic audiences.
$800,000 / 36 months

MUSEUM ASSOCIATES, LOS ANGELES COUNTY MUSEUM OF ART
LOS ANGELES
To create a multimedia museum experience that extends the visitor’s experience beyond the museum walls.
$900,000 / 36 months

OAKLAND MUSEUM OF CALIFORNIA FOUNDATION
OAKLAND
To reinstall and enhance the Gallery of California Art and art programming.
$700,000 / 36 months

SAN DIEGO OPERA ASSOCIATION
SAN DIEGO
To engage new audiences and deepen the participation of traditional opera attendees through relationship marketing and enhanced theatricality.
$600,000 / 36 months

SAN FRANCISCO SYMPHONY
SAN FRANCISCO
To use innovative cultural participation strategies to engage new audiences in the southern San Francisco Peninsula.
$800,000 / 36 months

THEATRE AND ARTS FOUNDATION OF SAN DIEGO COUNTY
LA JOLLA
To develop a production and audience development model for new theater work.
$700,000 / 36 months

ARTS REGIONAL INITIATIVE
Enabling leading arts organizations outside of the major metropolitan areas of Los Angeles, San Francisco, and San Diego to build their capacity to improve their artistic products, financial stability, management, governance, and growth

CHARLES W. BOWERS MUSEUM
SANTA ANA
To support organizational capacity-building and sustainability through a strategic planning process leading to organizational and audience development efforts.
$400,000 / 36 months

THE LAGUNA PLAYHOUSE
LAGUNA BEACH
To support expanded repertoire and a strategic communications program to achieve cultural participation goals.
$400,000 / 48 months
Oceanside Museum of Art
Oceanside
To initiate a new strategic plan and strengthen the organization’s outreach to its regional audience.
$350,000 / 48 months

Opera Pacific
Santa Ana
To strengthen leadership, planning, and cultural participation to build a sustainable organization.
$400,000 / 48 months

Orange County Museum of Art
Newport Beach
To create a new strategic plan, strengthen staff and board leadership, and develop audiences.
$400,000 / 36 months

Ramona Pageant Association
Hemet
To develop a strategic plan, increase board leadership, and develop audiences.
$200,000 / 36 months

Redlands Community Music Association
Redlands
To increase sustainability by increasing revenue, and strengthening operations and communications.
$300,000 / 48 months

Redlands Symphony Association
Redlands
To increase organizational capacity and expand outreach and programs to diversify audiences.
$300,000 / 36 months

Riverside Art Museum
Riverside
To develop a strategic plan and new programs to raise the visibility of the museum.
$300,000 / 36 months

Riverside County Philharmonic Association
Riverside
To support strategic planning, develop new marketing and programmatic strategies, and build board leadership.
$300,000 / 48 months

Saint Joseph Ballet Company
Santa Ana
To support capacity-building and resource and technology development.
$350,000 / 36 months

San Bernardino Symphony Association
San Bernardino
To develop and implement a capacity-building plan for future stability and success.
$350,000 / 36 months

TCC Group
New York, N.Y.
To conduct an evaluation of the Arts Regional Initiative.
$90,000 / 18 months

TCC Group
New York, N.Y.
For regranting, assessment, and capacity-building activities for midsize arts organizations in Riverside, San Bernardino, Orange, and San Diego counties.
$165,000 / 16 months

Special Projects

Aea Consulting
New York, N.Y.
To conduct an exploratory assessment of key issues and potential strategies to finance and sustain a vibrant cultural sector in California.
$25,000 / 6 months

Arts Council Silicon Valley
San Jose
To promote the future viability of the San Jose Repertory Theatre through a comprehensive organizational restructuring.
$50,000 / 13 months

Asian Art Museum Foundation of San Francisco
San Francisco
For an audience research project to inform a multiyear strategic planning effort.
$50,000 / 6 months

The Bay Area Video Coalition
San Francisco
To support an executive transition and strategic planning.
$35,000 / 12 months

Center for Cultural Innovation
Los Angeles
For the study of a possible strategic alliance between the Center for Cultural Innovation and Leveraging Investments in Creativity.
$50,000 / 6 months
East-West Players
Los Angeles
To support a strategic and facilities planning process.
$26,000 / 6 months

Foundation-Administered Project
San Francisco
To support financial analysis and related technical assistance for nonprofit arts organizations as a precautionary measure against fiscal crisis.
$30,000 / 12 months

Heiday Institute
Berkeley
To support a strategic and business planning process to promote organizational sustainability and financial health.
$35,000 / 6 months

Oakland Ballet Association
Oakland
To support the dissolution of assets and closure of operations.
$15,000 / 6 months

San Diego Symphony Orchestra Association
San Diego
To support information technology enhancements to improve organizational capacity.
$450,000 / 24 months

San Francisco Chanticleer
San Francisco
To assess the feasibility of a major campaign and other fund development strategies to enhance the organization’s access to working capital funds and fiscal stability.
$25,000 / 6 months

San Francisco Opera Association
San Francisco
To support repertoire-broadening collaborations with Bay Area theater organizations designed to reach new audiences in new venues.
$600,000 / 24 months

Santa Monica Museum of Art
Santa Monica
For a long-range strategic planning process and related organizational development efforts.
$100,000 / 18 months

The Ruth & Sherman Lee Institute for Japanese Art
At the Clark Center
Hanford
For a long-range strategic planning process and related organizational development efforts.
$55,000 / 7 months

Theatreworks
Palo Alto
For board assessment and development.
$25,000 / 7 months

Communities
Advancing the Arts
To build new sustainable funding streams for the arts in California through community foundations

The San Francisco Foundation
San Francisco
For a regranting and donor-development initiative among the San Francisco, East Bay, and Marin community foundations to increase arts-related philanthropy in the San Francisco Bay Area.
$125,000 / 14 months

62 Grants totaling $17,928,144
The goal of the California Perspectives program is to improve decision making on significant state issues by informing public understanding, promoting broader civic participation, and encouraging more effective state governance.

Our California Perspectives program has four priorities:

- **Infusing New Ideas and Perspectives**: Improving the responsiveness and effectiveness of state and local governments through the development and dissemination of promising governance reforms
- **Informing Californians**: Disseminating information and analyses about significant state issues and highlighting solutions to important public concerns
- **Mobilizing Californians**: Fostering dialogues between underrepresented communities and public officials on issues of concern and encouraging higher voter participation
- **The James Irvine Foundation Leadership Awards**: Recognizing California leaders who are advancing innovative and effective solutions to significant state issues

In 2006, the California Perspectives program awarded 47 grants totaling $12.0 million.
Infusing New Ideas and Perspectives
Improving the responsiveness and effectiveness of state and local governments through the development and dissemination of promising governance reform

**CENTER FOR GOVERNMENTAL STUDIES**
**LOS ANGELES**
To develop and promote nonpartisan governance reforms on redistricting, the ballot initiative process, and the campaign finance system.
$500,000 / 24 months

**RESOURCES LEGACY FUND**
**SACRAMENTO**
To complete a feasibility plan, with PolicyLink, for a multiyear campaign to achieve a set of state fiscal and governance reforms.
$25,000 / 2 months

**COMMON CAUSE EDUCATION FUND**
**LOS ANGELES**
To develop and promote nonpartisan governance reforms on redistricting, the ballot initiative process, and the campaign finance system.
$500,000 / 24 months

**INSTITUTE FOR LOCAL GOVERNMENT**
**SACRAMENTO**
To provide information and assistance to local governments so as to promote more inclusive governing processes.
$450,000 / 36 months

**CALIFORNIA BUDGET PROJECT**
**SACRAMENTO**
To inform budget and policy debates through analyses and briefings, and to explore proposals to increase transparency and accountability within the state budget process.
$300,000 / 24 months

**COMMON CAUSE EDUCATION FUND**
**LOS ANGELES**
To develop and advance ideas for a redistricting process that maximizes fair representation for Californians.
$100,000 / 12 months

**THE CSLA FOUNDATION**
**LOS ANGELES**
For the Pat Brown Institute to share information and facilitate dialogues about critical public policy issues in California.
$250,000 / 24 months

**CENTER FOR GOVERNMENTAL STUDIES**
**LOS ANGELES**
To host two regional conferences for local public officials and community leaders about campaign finance reform issues.
$50,000 / 8 months

**KQED**
**SAN FRANCISCO**
To support statewide radio news coverage of significant policy and governance issues for California.
$750,000 / 36 months

**CENTER FOR GOVERNMENTAL STUDIES**
**LOS ANGELES**
To develop a campaign to improve the performance, transparency, representativeness, and accountability of state government.
$77,000 / 4 months

**PACIFIC NEWS SERVICE**
**SAN FRANCISCO**
To support professional development workshops on state policy reporting, lawmaker briefings, and multilingual polling.
$1,000,000 / 24 months

**CENTER FOR GOVERNMENTAL STUDIES**
**LOS ANGELES**
To develop and promote nonpartisan governance reforms on redistricting, the ballot initiative process, and the campaign finance system.
$500,000 / 24 months

**REGENTS OF THE UNIVERSITY OF CALIFORNIA**
**OAKLAND**
For the Institute of Governmental Studies to produce and disseminate research on the effects of “nesting” state assembly and senate seats through redistricting.
$80,000 / 6 months

**REGENTS OF THE UNIVERSITY OF CALIFORNIA**
**OAKLAND**
To conduct a study examining group disparities in civic and political participation in Riverside and San Bernardino counties.
$170,000 / 24 months

**Informing Californians**
Disseminating information and analyses about significant state issues and highlighting solutions to important public concerns
Mobilizing Californians
Fostering dialogues between underrepresented communities and public officials on issues of concern and encouraging higher voter participation

**CENTRAL COAST ALLIANCE UNITED FOR A SUSTAINABLE ECONOMY**
VENTURA
To increase civic engagement and participation in local decision-making processes among low-income communities in the Central Coast region.
$250,000 / 24 months

**CHINESE AMERICAN VOTERS EDUCATION COMMITTEE**
SAN FRANCISCO
To increase civic and voter participation among Asian Americans.
$160,000 / 24 months

**COMMUNITIES FOR A BETTER ENVIRONMENT**
HUNTINGTON PARK
To provide opportunities for southeast Los Angeles and Los Angeles Harbor area residents to engage with public officials on land use and environmental policy issues.
$300,000 / 24 months

**COMMUNITY PARTNERS**
LOS ANGELES
To conduct trainings and discussions, through immigrant hometown associations, that foster greater civic engagement among Latino immigrants in Los Angeles, Riverside, and San Bernardino counties.
$150,000 / 18 months

**EAST L.A. COMMUNITY CORPORATION**
LOS ANGELES
To facilitate the participation of low-income residents in decision making about land use and economic development.
$150,000 / 18 months

---

**POLICYLINK**
OAKLAND
To provide information and analyses that inform civic engagement efforts in low-income communities related to housing, school facilities, and other issues.
$500,000 / 24 months

**PUBLIC POLICY INSTITUTE OF CALIFORNIA**
SAN FRANCISCO
To conduct the “California State Budget” and “Californians and Their Government” survey series and to produce an edited volume by expert authors on “California’s Policymaking Constraints.”
$1,000,000 / 24 months

**PUBLIC POLICY INSTITUTE OF CALIFORNIA**
SAN FRANCISCO
To conduct four statewide surveys related to the November election and to cohost a post-election event to discuss survey findings and the state’s future.
$300,000 / 9 months

**RADIO BILINGÜE**
FRESNO
For an evaluation of Radio Bilingüe’s environmental affairs desk.
$40,000 / 12 months

**WHITE ASH BROADCASTING**
FRESNO
To support a public affairs radio program for the Central Valley.
$150,000 / 24 months
**ENVIRONMENTAL HEALTH COALITION**  
**National City**  
To provide opportunities for San Diego County residents to engage with public officials on land use policies in low-income urban neighborhoods.  
$300,000 / 24 months

**FOUNDATION-ADMINISTERED PROJECT**  
**San Francisco**  
To support assessment and related convening activities to increase the organizational effectiveness and sustainability of grantees funded through Irvine’s priority area of Mobilizing Californians.  
$6,775 / 12 months

**IMMIGRANT LEGAL RESOURCE CENTER**  
**San Francisco**  
To conduct nonpartisan voter education activities within immigrant communities in the Central Valley.  
$300,000 / 24 months

**LATINO CENTER FOR PREVENTION & ACTION IN HEALTH & WELFARE**  
**Santa Ana**  
To provide opportunities for low-income Santa Ana residents to engage in civic activities designed to improve their quality of life.  
$300,000 / 24 months

**LATINO ISSUES FORUM**  
**San Francisco**  
To support a conference and follow-up activities designed to increase civic participation among California Latinos.  
$66,000 / 12 months

**ORANGE COUNTY CONGREGATION COMMUNITY ORGANIZATION**  
**Anaheim**  
To provide opportunities for low- and moderate-income residents in Orange County to connect to public officials on issues affecting their communities.  
$100,000 / 24 months

**PACOIMA BEAUTIFUL**  
**Pacoima**  
To provide opportunities for Pacoima residents to engage with public officials to promote a healthy and safe environment.  
$150,000 / 24 months

**RIVERSIDE AFRICAN AMERICAN HISTORICAL SOCIETY**  
**Riverside**  
To launch a Grassroots Leadership Academy to train and assist low-income, ethnic residents to be leaders in addressing community concerns.  
$90,000 / 36 months

**SAN DIEGO ORGANIZING PROJECT**  
**San Diego**  
To provide opportunities for low- and moderate-income residents in San Diego County to connect to public officials on issues affecting their communities.  
$240,000 / 24 months

**SOUTHERN ALAMEDA COUNTY SPONSORING COMMITTEE**  
**Hayward**  
To provide opportunities for low- and moderate-income residents in southern Alameda County to connect to public officials on issues affecting their communities.  
$120,000 / 24 months

**TCC GROUP**  
**New York, N.Y.**  
To conduct organizational assessments for a set of Irvine’s Mobilizing Californians grantees.  
$85,000 / 6 months

**CALIFORNIA VOTES INITIATIVE**  
Supporting organizations that encourage voter participation among infrequent voters in the San Joaquin Valley and Los Angeles, Orange, Riverside, and San Bernardino counties, including an evaluation of effective voter outreach strategies

**FOUNDATION-ADMINISTERED PROJECT**  
**San Francisco**  
To support training and informational sessions for grantee organizations associated with the California Votes Initiative.  
$14,988 / 12 months
PACIFIC INSTITUTE FOR COMMUNITY ORGANIZATION
OAKLAND
To conduct nonpartisan voter education and mobilization activities directed to low-propensity voters in the Central Valley and the counties of Los Angeles, Orange, Riverside, and San Bernardino.
$1,300,000 / 30 months

SOUTHWEST VOTER REGISTRATION EDUCATION PROJECT
LOS ANGELES
To conduct nonpartisan voter education and mobilization activities among Latinos in low-income communities in Los Angeles, Riverside and San Bernardino counties.
$400,000 / 24 months

The James Irvine Foundation Leadership Awards
Recognizing California leaders who are advancing innovative and effective solutions to significant state issues

THE ACCELERATED SCHOOL OF SOUTH LOS ANGELES
AWARD RECIPIENTS: JOHNATHAN WILLIAMS AND KEVIN SVED
LOS ANGELES
To provide after school programs, arts programs, physical education and health services to The Accelerated School’s students.
$150,000 / 12 months

ASPIRE PUBLIC SCHOOLS
AWARD RECIPIENT: DON SHALVEY
OAKLAND
To explore expansion of the Aspire Public School model in the Central Valley.
$125,000 / 12 months

FOUNDATION-ADMINISTERED PROJECT
SAN FRANCISCO
To select and recognize California leaders, and to promote effective solutions to critical issues for California’s future, through The James Irvine Foundation Leadership Awards.
$177,092 / 12 months

HEAL THE BAY
AWARD RECIPIENT: MARK GOLD
SANTA MONICA
To improve the quality of Southern California coastal waters and watersheds.
$125,000 / 12 months

LENDERS FOR COMMUNITY DEVELOPMENT
AWARD RECIPIENT: ERIC WEAVER
SAN JOSE
To provide financial services and products to low-income communities in the Bay Area.
$125,000 / 12 months

TALLER SAN JOSE
AWARD RECIPIENT: SISTER EILEEN McNERNEY
SANTA ANA
To strengthen and expand workforce development programs for at-risk youth.
$125,000 / 12 months

THE W. HAYWOOD BURNS INSTITUTE
AWARD RECIPIENT: JAMES BELL
SAN FRANCISCO
To address disproportionate minority confinement in the juvenile justice system.
$125,000 / 12 months

Special Projects

THE ADVANCEMENT PROJECT
LOS ANGELES
To promote governing systems in Los Angeles that better serve low-income residents and to conduct an organizational strategic planning process.
$400,000 / 24 months

THE COMMONWEALTH CLUB OF CALIFORNIA
SAN FRANCISCO
For strategic planning and related feasibility analysis of regional programming.
$35,000 / 6 months

CALIFORNIA PERSPECTIVES:
47 GRANTS TOTALING $11,961,855
YOUTH

GOALS AND PRIORITIES

The goal of the Youth program is 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 program targets the tens of thousands of young people from low-income families and those with limited English proficiency who, research shows, are more likely to drop out of high school unless given additional incentives and support to stay in school.

The Youth program has two priorities:

• **Multiple Pathways to College and Career**: Promoting academically rigorous career and technical education in California high schools

• **Increasing Student Success**: Improving instruction and student support services in high schools and community colleges

In 2006, the Youth program awarded 49 grants totaling $23.4 million.

Highlights of 2006

• In April, with a $6 million grant, we established ConnectEd: The California Center for College and Career. ConnectEd is a statewide nonprofit organization working to expand the role that academically rigorous career and technical education can play in preparing more young people for college and lasting success in the state’s economy.

• During the year, we fostered the development of a statewide network of model programs to test and demonstrate the most promising examples of the “multiple pathways” approach to high school education. This approach recognizes the diversity of student interests and abilities, and engages students in academically challenging work by demonstrating its relevance to the real world.

• New research commissioned by Irvine on a variety of topics – including career and technical education, multiple pathways and public school finance and governance – contributed significantly to existing knowledge and informed discussions by policymakers, education leaders, and other key stakeholders.

2006
Multiple Pathways to College and Career
Promoting academically rigorous career and technical education in California high schools

**American Youth Policy Forum**
Washington, D.C.
To develop and provide opportunities for California policymakers to learn more about comprehensive programs of academic and technical study associated with positive student outcomes.
$75,000 / 12 months

**California State University, Fresno Foundation**
Fresno
To support the Central Valley Educational Leadership Institute’s College and Career Readiness Task Force.
$100,000 / 9 months

**The Community Foundation**
Riverside
To prepare underrepresented San Bernardino County high school students for math, technology, engineering, and science-related postsecondary programs and careers.
$300,000 / 24 months

**Connected**
Berkeley
For the creation of the California Center for Professional and Technical Education to build multiple pathways to college and career for California’s students.
$6,000,000 / 36 months

**CV Economic**
Palm Desert
To support an ongoing initiative to develop new educational and career pathways for low-income youth in the Coachella Valley.
$300,000 / 24 months

**Foundation-Administered Project**
San Francisco
To support the launch of ConnectEd.
$232,446 / 12 months

**Fulfillment Fund**
Los Angeles
To support the implementation and evaluation of career-themed college preparatory programs at seven high schools in the Los Angeles Unified School District.
$200,000 / 24 months

**MDRC**
New York, N.Y.
To support an extended evaluation of the career academy model to inform high school reform efforts in California.
$150,000 / 24 months

**MPR Associates**
Berkeley
To complete essential pre-launch activities for establishing a California Center for Career and Technical Education to support the development of multiple pathways for California’s youth.
$150,000 / 3 months

**Riverside Community College District Foundation**
Riverside
To develop and test an academically rigorous career and technical education model, including internship and concurrent college enrollment opportunities, to increase high school retention and college-going rates at a high school in Riverside County.
$300,000 / 24 months

Increasing Student Success
Improving instruction and student support services in high schools and community colleges

**Avid Center**
San Diego
To pilot an extension of the AVID model to students who are English learners performing in the lowest quartile academically in a Los Angeles County school district.
$400,000 / 12 months
To pilot a model for improved subject-area instruction for English learners in high school and college in the Central Valley.
$700,000 / 24 months

To provide technical assistance to California community colleges that are supporting college bridge and career pathway programs serving disadvantaged and disconnected youth.
$300,000 / 12 months

To evaluate the differences between secondary and postsecondary academic assessments of high school students and to inform the development of an early assessment program for students preparing to enter the California community college system.
$140,000 / 5 months

For the planning and launch of two public high schools in California based on the International Schools model.
$150,000 / 18 months

To demonstrate a program for improving the academic performance of Latino English-learners and to help them complete a rigorous pre-collegiate secondary school program.
$300,000 / 24 months

For a challenge grant to increase and diversify Posse Los Angeles’ funding base.
$100,000 / 12 months

To increase the number of low-income, first generation college-going Latino high school students who pursue a postsecondary education and earn an associate’s or bachelor’s degree.
$150,000 / 12 months

To produce a statewide statistical profile of out-of-school youth, aged 14 to 22, highlighting their educational and economic condition, with a particular focus on immigrant populations.
$100,000 / 12 months

For a pilot project to provide supplementary mathematics instruction and other academic support services to increase the academic achievement and persistence of low-income, inner-city high school students in the Los Angeles Unified School District.
$300,000 / 24 months

To provide professional development to new teachers through UC Santa Cruz’s New Teacher Center in the Merced Union High School District to increase their ability to raise levels of academic literacy for English learners.
$625,000 / 24 months
UNIVERSITY OF CALIFORNIA, RIVERSIDE FOUNDATION
RIVERSIDE
To improve student achievement in mathematics, especially among high school students who are underrepresented in mathematically-based careers in Riverside and Imperial counties.
$150,000 / 24 months

THE UNIVERSITY OF TEXAS FOUNDATION
AUSTIN, TEXAS
To survey community college students and faculty in California to assess their levels of engagement in educationally purposeful activities in an effort to improve and promote student academic achievement and persistence, as part of the SSPIRE Initiative.
$250,000 / 36 months

WESTED
SAN FRANCISCO
To improve instruction and academic learning across the curriculum within five high schools in the East Side Union High School District, which has a large English learner student population.
$725,000 / 24 months

Special Projects

ASSOCIATION OF AMERICAN COLLEGES AND UNIVERSITIES
WASHINGTON, D.C.
To support participation by representatives of California colleges and universities in AAC&U’s 2006 Diversity and Learning Conference.
$30,000 / 6 months

CALIFORNIA TEACHING FELLOWS FOUNDATION
FRESNO
To build and support quality out-of-school time opportunities for high school youth in the Central Valley.
$100,000 / 24 months

CAMPAIGN FOR COLLEGE OPPORTUNITY
OAKLAND
For core operating support.
$400,000 / 24 months

THE CENTER FOR THE FUTURE OF TEACHING AND LEARNING
SANTA CRUZ
To support a strategic planning process.
$40,000 / 9 months

COLLEGE TRACK
EAST PALO ALTO
To support an executive search and transition.
$35,000 / 9 months

EASTSIDE COLLEGE PREPARATORY SCHOOL
EAST PALO ALTO
For a matching grant, to complete the second and final phase of Eastside’s capital campaign.
$350,000 / 24 months

EDSOURCE
MOUNTAIN VIEW
For core operating support.
$400,000 / 24 months

FOUNDATION FOR CALIFORNIA COMMUNITY COLLEGES
SACRAMENTO
For dissemination of the California Community College system strategic plan, to increase broad stakeholder support for reform and investment in the system.
$50,000 / 6 months

REGENTS OF THE UNIVERSITY OF CALIFORNIA
OAKLAND
To conduct a research project on the high school dropout issue in California.
$200,000 / 14 months

SAN DIEGO STATE UNIVERSITY FOUNDATION
SAN DIEGO
To conduct case studies of continuation high schools in Southern California and the Inland Empire as part of a larger study on the state’s alternative education options system.
$100,000 / 12 months

THE SAN FRANCISCO FOUNDATION COMMUNITY INITIATIVE FUNDS
SAN FRANCISCO
For the California Legislative Program, a series of information and education sessions to support quality decision-making by legislative staff on education policy issues.
$75,000 / 24 months
SEED FOUNDATION
WASHINGTON, D.C.
To support the expansion of the SEED Foundation’s urban boarding high school model in California targeting low-income and academically underperforming students.
$50,000 / 6 months

STANFORD UNIVERSITY
STANFORD
To conduct case studies of continuation high schools in Northern California as part of a larger study on the state’s alternative education options system.
$175,000 / 12 months

STANFORD UNIVERSITY
STANFORD
For a research study examining the effects of the California High School Exit Exam on student outcomes.
$300,000 / 24 months

WESTED
SAN FRANCISCO
To conduct a statewide scan and analysis of available data on California’s alternative education options system.
$175,000 / 12 months

WOMEN MAKE MOVIES
NEW YORK, N.Y.
For the production of a documentary film examining community organizing as a strategy to increase public participation in education reform, highlighting the successful work of the Oakland Community Organization.
$25,000 / 12 months

In addition to the preceding Youth program priorities, Youth grants were approved in 2006 in support of the following concluding initiative:

Communities Organizing Resources to Advance Learning (CORAL) Initiative
Increasing the academic achievement of youth (with an emphasis on elementary school students) by involving students, families, schools, and organizations in high-quality, out-of-school learning opportunities. The initiative, launched in 1999, will come to a planned conclusion in 2007.

CATHOLIC CHARITIES OF SANTA CLARA COUNTY
SAN JOSE
For the final year of implementation of the CORAL Initiative in San Jose.
$1,200,000 / 12 months

FRESNO CORAL
FRESNO
For the final year of implementation of the CORAL Initiative in Fresno.
$1,200,000 / 12 months

FRESNO CORAL
FRESNO
For accounting and legal assistance services.
$5,000 / 6 months

PUBLIC / PRIVATE VENTURES
PHILADELPHIA, PENN.
To improve the quality and effectiveness of the after-school programming in the five California cities of the CORAL Initiative through the provision of management, technical assistance, communications, and evaluation services.
$1,575,000 / 18 months

SACRAMENTO CHILDREN’S HOME
SACRAMENTO
For the final year of implementation of the CORAL Initiative in Sacramento.
$1,200,000 / 12 months

YOUNG MEN’S CHRISTIAN ASSOCIATION OF GREATER LONG BEACH
LONG BEACH
For the final year of implementation of the CORAL Initiative in Long Beach.
$1,200,000 / 12 months

YOUTH: 49 GRANTS TOTALING
$23,394,424
CROSS-PROGRAM & OTHER GRANTMAKING

In addition to our core programs, Irvine also allocates a limited portion of its budget to grantmaking that complements and broadens the impact of those programs, and takes advantage of compelling opportunities that are consistent with our mission. This grantmaking falls into three categories:

• Through Cross-Program Grants, we support interdisciplinary activities that advance the objectives of two or more of our program areas. We also support activities that advance our grantmaking principles of enhancing grantee effectiveness, strengthening philanthropic infrastructure, and building leadership throughout the state.

• The New Connections Fund is a pilot program designed to help us identify partners and support new approaches in our program areas, and to increase the number of new organizations in our grants portfolio. We provide funding for organizations, often new to Irvine, that have projects that are well-aligned with selected program priorities.

• Our Special Opportunities Fund is used to respond to compelling one-time opportunities consistent with our mission, charter, and history. With grants initiated by the Foundation, this Fund allows Irvine to maintain flexibility while focusing the majority of our resources on a set of targeted strategies and priorities under our three programs.
CROSS-PROGRAM

Joint Programming: Arts & California Perspectives

SOUTHERN CALIFORNIA PUBLIC RADIO
LOS ANGELES
To support news coverage of significant policy and governance issues and a weekly arts and culture program.
$325,000 / 24 months

ZÓCALO: A CULTURAL FORUM FOR THE NEW L.A.
LOS ANGELES
To support the Zócalo Public Square Lecture Series and Zócalo Radio, a weekly public radio show.
$300,000 / 24 months

Families Improving Education Initiative

To support families – particularly those in low-income, ethnic, and immigrant communities – to become involved in educational policymaking concerning their local schools

CALIFORNIA RURAL LEGAL ASSISTANCE FOUNDATION
SACRAMENTO
To engage Central Valley families in educational decision-making at the school and district levels to promote more responsive and effective educational policies.
$250,000 / 24 months

FRESNO CENTER FOR NEW AMERICANS
FRESNO
To engage Fresno families in educational decision-making at the school and district levels to promote more responsive and effective educational policies.
$250,000 / 24 months

Joint Programming: California Perspectives & Youth

ALLIANCE FOR A BETTER COMMUNITY
LOS ANGELES
To establish a network of five regional education collaboratives to engage community members on educational issues and policies.
$500,000 / 24 months

CALIFORNIANS FOR JUSTICE EDUCATION FUND
OAKLAND
To engage parents and young adults in policy discussions on K-14 education issues.
$200,000 / 24 months

THE COMMONWEALTH CLUB OF CALIFORNIA
SAN FRANCISCO
To organize a series of editorial board roundtables focusing on education reform.
$175,000 / 18 months

FAMILIES IN SCHOOLS
LOS ANGELES
To serve as a facilitator, convener, and technical assistance provider for the Central Valley Families Improving Education Initiative grantees.
$500,000 / 24 months

WESTED
SAN FRANCISCO
To support the establishment of a forum for California’s urban mayors to discuss education and increase their leadership role in education.
$300,000 / 36 months

THE COMMUNITY PARTNERSHIP FOR FAMILIES OF SAN JOAQUIN COUNTY
STOCKTON
To engage Stockton families in educational decision-making at the school and district levels to promote more responsive and effective educational policies.
$175,000 / 24 months

COMMUNITY SERVICES AND EMPLOYMENT TRAINING
VISALIA
To engage Tulare County families in educational decision-making at the school and district levels to promote more responsive and effective educational policies.
$200,000 / 24 months

FRESNO COVENANT FOUNDATION
FRESNO
To engage San Joaquin Valley families in educational decision-making at the school and district levels to promote more responsive and effective educational policies.
$250,000 / 24 months

FAMILIES IN SCHOOLS
LOS ANGELES
To serve as a facilitator, convener, and technical assistance provider for the Central Valley Families Improving Education Initiative grantees.
$500,000 / 24 months
Cross-Program
Special Initiatives

FUND FOR LEADERSHIP ADVANCEMENT
To enhance the leadership capacities of the executive directors of select grantee organizations

ANGELS GATE CULTURAL CENTER
SAN PEDRO
To enhance organizational and leadership capacities in cultural policy, fundraising, and operations.
$60,000 / 18 months

ASPIRE PUBLIC SCHOOLS
OAKLAND
To strengthen the senior management team and align organizational systems to support planned growth and program expansion.
$65,000 / 18 months

BTW CONSULTANTS
BERKELEY
To evaluate the Fund for Leadership Advancement.
$120,000 / 24 months

CALIFORNIA CHARTER SCHOOL CONSORTIUM
LOS ANGELES
To strengthen the senior management team and realign the position of the chief executive officer to focus on the organization’s strategic direction and external constituents.
$75,000 / 18 months

THE CSLA FOUNDATION
LOS ANGELES
To leverage the position of the executive director of the Pat Brown Institute and for improved strategic communications to expand its sphere of influence in the public policy arena.
$55,000 / 18 months

ENVISION SCHOOLS
SAN FRANCISCO
For improved governance, organizational structure, and communications to support institutional expansion.
$74,000 / 18 months

FOUNDATION-ADMINISTERED PROJECT
SAN FRANCISCO
For technical assistance and coaching for executive directors of organizations participating in the Fund for Leadership Advancement.
$30,940 / 12 months

GRAND PERFORMANCES
LOS ANGELES
To align organizational structure and operations to support growth and expanded programming.
$56,000 / 18 months

HIGH TECH HIGH FOUNDATION
SAN DIEGO
To strengthen executive leadership and improve organizational structures and systems to support planned growth and program expansion.
$75,000 / 18 months

MOVIMIENTO DE ARTE Y CULTURA LATINO AMERICANA DE SAN JOSE
SAN JOSE
To improve leadership capacities, executive management, and organizational systems.
$35,000 / 18 months

OTIS ART INSTITUTE
LOS ANGELES
To strengthen senior management, governance and external outreach and for improved organizational structure and culture.
$75,000 / 24 months

PACIFIC ASIA MUSEUM
PASADENA
To align organizational culture, operations, staffing, and governance with institutional strategic direction.
$60,000 / 18 months

SPRINGBOARD SCHOOLS
SAN FRANCISCO
To leverage the position of the executive director to focus on the organization’s external constituents, resource mobilization, and advocacy efforts.
$75,000 / 24 months

YOUTH SPEAKS
SAN FRANCISCO
To improve executive and senior management, governance, and financial planning.
$65,000 / 18 months
COMMUNITY FOUNDATIONS INITIATIVE II
To accelerate the growth and leadership of nine small and emerging community foundations in rural areas of California

THE COMMUNITY FOUNDATION OF MENDOCINO COUNTY
UKIAH
To enhance marketing capacity in order to reach new donors and increase philanthropic impact.
$75,000 / 20 months

FOUNDATION-ADMINISTERED PROJECT
SAN FRANCISCO
For convening, technical assistance, and information-sharing among the nine California community foundations participating in the Community Foundations Initiative II.
$187,482 / 12 months

FSG
BOSTON, MASS.
To support the design of an overarching assessment of the Community Foundations Initiative II.
$50,000 / 4 months

FSG
BOSTON, MASS.
For an overarching assessment of the Community Foundations Initiative II.
$275,000 / 24 months

LA PIANA ASSOCIATES
PIEDMONT
For continued board development consultation and training for nine California community foundations.
$200,000 / 14 months

PLACER COMMUNITY FOUNDATION
AUBURN
For legal technical assistance regarding the public support test required of community foundations.
$6,000 / 6 months

SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION
SAN LUIS OBISPO
To support an executive transition process.
$35,000 / 6 months

WILLIAMS GROUP
GRAND RAPIDS, MICH.
To create core marketing tools for and continue to build communications capacity in nine California community foundations.
$150,000 / 12 months

RESEARCH AND COMMUNICATIONS ABOUT PRIORITY REGIONS
To enhance understanding by public and private funders of key trends and issues in the Central Valley, Inland Empire, and Los Angeles County

FOUNDATION-ADMINISTERED PROJECT
SAN FRANCISCO
To document and publicize philanthropic giving in California, itemizing geographic giving trends.
$116,853 / 4 months

PUBLIC POLICY INSTITUTE OF CALIFORNIA
SAN FRANCISCO
To publish and disseminate a report on demographic and economic projections for the Inland Empire and its sub-regions, emphasizing educational attainment, migration, and civic participation.
$125,000 / 12 months

UNIVERSITY OF SAN FRANCISCO
SAN FRANCISCO
To support the publication and dissemination of two reports on the location, importance, and capacity of the nonprofit sectors in the Inland Empire and San Joaquin Valley.
$225,000 / 16 months

WILLIAMS GROUP
GRAND RAPIDS, MICH.
To build communications capacity and provide initial communications support to nine California community foundations.
$120,000 / 8 months
Special Projects

**BOARDSOURCE**
**WASHINGTON, D.C.**
To refine and test an innovative diagnostic tool to assess board behaviors, dynamics, and effectiveness, and for core operating support.
$250,000 / 24 months

**BOARDSOURCE**
**WASHINGTON, D.C.**
To support a training workshop for California nonprofits participating in a pilot test of The Source Diagnostic tool, designed to strengthen board governance and assess board effectiveness.
$35,000 / 4 months

**COMPASSPOINT NONPROFIT SERVICES**
**SAN FRANCISCO**
To support an executive transition process.
$35,000 / 6 months

**GRANTMAKERS FOR EFFECTIVE ORGANIZATIONS**
**WASHINGTON, D.C.**
For board assessment and development.
$14,000 / 7 months

**FOUNDATION-ADMINISTERED PROJECT**
**SAN FRANCISCO**
To support communications activities that advance the goals of Irvine’s grantmaking priorities.
$51,580 / 12 months

**SOUTHERN CALIFORNIA CENTER FOR NONPROFIT MANAGEMENT**
**LOS ANGELES**
For an assessment and feasibility analysis of strategic and organizational options.
$25,000 / 6 months

**TCC GROUP**
**NEW YORK, N.Y.**
To develop a briefing paper and presentation on designing and managing long-term capacity-building initiatives.
$25,000 / 18 months

**CROSS-PROGRAM:**
**46 GRANTS TOTALING $6,686,855**

**SPECIAL OPPORTUNITIES**

**HENRY E. HUNTINGTON LIBRARY AND ART GALLERY**
**SAN MARINO**
For capital costs for the new Chinese Garden, contingent upon a one-to-one matching requirement.
$2,000,000 / 12 months

**MILLS COLLEGE**
**OAKLAND**
For The James Irvine Foundation Computer Classroom and Student Lounge at the new Natural Sciences Building.
$300,000 / 12 months

**PENINSULA COMMUNITY FOUNDATION**
**SAN MATEO**
For organizational evaluation and assessment related to a CEO transition.
$100,000 / 3 months

**SILICON VALLEY COMMUNITY FOUNDATION**
**SAN MATEO**
To support integration costs related to the merger between the Peninsula Community Foundation and Community Foundation Silicon Valley.
$800,000 / 6 months

**SOUTHERN CALIFORNIA PUBLIC RADIO**
**LOS ANGELES**
For The James Irvine Foundation Studio at the new Southern California Public Radio Broadcast Center, contingent upon a one-to-one matching requirement.
$2,000,000 / 24 months

**SPECIAL OPPORTUNITIES:**
**5 GRANTS TOTALING $5,200,000**
NEW CONNECTIONS FUND
The New Connections Fund is a pilot program designed to help us identify partners and support new approaches in our program areas, and to increase the number of new organizations in our grants portfolio. We provide funding for organizations, often new to Irvine, that have projects that are well-aligned with selected program priorities.

ARTS: Artistic Creativity

DIMENSIONS DANCE THEATER
OAKLAND
For Cross Currents, a multidisciplinary collaboration between Dimensions Dance Theater and composer Anthony Brown based on African American migrations to and within the San Francisco Bay Area.
$30,000 / 12 months

EDGEEFEST
LOS ANGELES
For support of The LA History Project to bring playwrights and theater companies together to create six new plays about Los Angeles.
$30,000 / 24 months

FRIENDS, THE FOUNDATION OF THE CALIFORNIA AFRICAN AMERICAN MUSEUM
LOS ANGELES
For the commission of Emerging into Spirit, a permanent six-sculpture installation by Artis Lane and the accompanying retrospective exhibition of her work.
$40,000 / 18 months

IRVINE BARCLAY THEATRE OPERATING COMPANY
IRVINE
To expand the artistic scope and public visibility of the New World Flamenco Festival, Fronteras, through the commissioning and presentation of international flamenco companies and a collaboration by Yaelisa Petlin and tap master Savion Glover.
$35,000 / 12 months

KEARNY STREET WORKSHOP
SAN FRANCISCO
For the Intergenerational Writers Lab, connecting established and emerging writers to develop new work.
$14,000 / 24 months

LA POCHA NOSTRA
SAN FRANCISCO
To support La Nostalgia/Nostegee, a new performance piece by Guillermo Gómez-Peña and James Luna.
$17,000 / 12 months

LAXART
LOS ANGELES
To support two projects by Los Angeles-based artists, including a site-specific exhibition and public project by Ruben Ochoa in 2006 and a publication by Rodney McMillan in 2007.
$40,000 / 24 months

LOS ANGELES CHILDREN’S CHORUS
PASADENA
For the world premiere production of an original children’s opera, Keepers of the Night.
$50,000 / 12 months

MARIN THEATRE COMPANY
MILL VALLEY
To provide commissioning and production support for a new play by emerging playwright Marisela Treviño, created in partnership with immigrant teens from the Canal Alliance in San Rafael.
$50,000 / 24 months

MONTEREY JAZZ FESTIVAL
MONTEREY
For the Commissioned Artist Program, providing commissioning and performance support for Cannery Row Suite by Dave Brubeck in 2006 and a new work by Gerald Wilson in 2007.
$50,000 / 24 months
SANTA CRUZ COUNTY SYMPHONY  
SANTA CRUZ  
To support the creation of a new orchestral work, geared toward youth and family audiences and focused on the culture and environment of the Americas.  
$20,000 / 24 months  

SEQUOIA AND KINGS CANYON NATIONAL PARK FOUNDATION  
VISALIA  
For Artists in the Backcountry, a one-week summer artist residency program in the Sequoia and Kings Canyon National Parks.  
$30,000 / 24 months  

SOUTHERN CALIFORNIA LIBRARY  
FOR SOCIAL STUDIES & RESEARCH  
LOS ANGELES  
For the development and production of Los Trez, a graphic novel exploring the roots of community conflict in South Los Angeles.  
$50,000 / 24 months  

ARTS: Connection Through Cultural Participation  
THE AJA PROJECT  
SAN DIEGO  
To support Journey, a participatory photography project providing refugee youth in San Diego with opportunities for artistic expression and connection to older generations.  
$50,000 / 24 months  

ARTS COUNCIL OF KERN  
BAKERSFIELD  
For the Arts Ambassadors program, providing new audiences with access to artistic presentations in non-traditional venues throughout Kern County.  
$45,000 / 12 months  

BAKERSFIELD ART FOUNDATION  
BAKERSFIELD  
To support Senior Wednesday, a program designed to reach mature audiences and engage them in the Bakersfield Art Museum’s programming through tailored cultural activities.  
$9,000 / 24 months  

BLACK ROCK ARTS FOUNDATION  
SAN FRANCISCO  
To fund expansion of the Civic Arts program, which supports the creation and presentation of public interactive artworks, to new communities in California.  
$50,000 / 24 months  

CALIFORNIA INDIAN BASKETWEAVERS ASSOCIATION  
WOODLAND  
To support the association’s 2007 and 2008 annual gatherings, presenting and promoting the art and cultural traditions of Native American basketweaving.  
$36,000 / 24 months  

CAMBODIAN COMMUNITY DEVELOPMENT  
OAKLAND  
To preserve and promote traditional Cambodian art forms through intergenerational workshops and community performances, exhibitions, and recordings.  
$20,000 / 12 months  

CENTRAL SIERRA ARTS COUNCIL  
SONORA  
To support the Foothill Farmlands Arts Festival, promoting multicultural arts, sustainable agriculture, and agricultural tourism in Tuolumne County.  
$33,000 / 24 months  

CHILDREN’S MUSICAL THEATREWORKS OF FRESNO  
FRESNO  
To support a comprehensive marketing campaign to increase the number of season-ticket holders and promote greater donor participation.  
$40,000 / 24 months  

CHITRESH DAS DANCE COMPANY  
SAN FRANCISCO  
For Kathak at the Crossroads, an international festival and symposium on classical dance from North India.  
$30,000 / 12 months  

COMMUNITY PARTNERS  
LOS ANGELES  
To support LA Commons’ community-based art projects involving local residents in the Los Angeles neighborhoods of MacArthur Park, East Hollywood, Sylmar, and Highland Park.  
$15,000 / 12 months  

EARPLAY  
SAN FRANCISCO  
To broaden and diversify audiences for chamber music through the presentation of Post-Colonial Discontinuum, a new work by Guillermo Galindo, at non-traditional music venues in Tulare, Nevada, San Francisco, and Sonoma counties.  
$25,000 / 24 months  

FRESNO PHILHARMONIC ASSOCIATION  
FRESNO  
To launch the Basically Beethoven festival and related outreach activities designed to expand and reach new audiences through broadcasts, workshops, and public events at unique locations.  
$24,000 / 12 months
Friends of the Children’s Museum at La Habra
La Habra
To support Hmong at Heart, a five-part cultural outreach, education, and participation project that will draw on a national touring exhibition about Hmong culture to develop and diversify the museum’s audience.
$50,000 / 24 months

Intersection
San Francisco
To support outreach and educational programming associated with Criminal, an interdisciplinary project investigating the theme of incarceration within California’s criminal justice system.
$50,000 / 24 months

Los Angeles Contemporary Exhibitions
Hollywood
To support the development of a mobile public art project, entitled Karaoke Ice, in tandem with an ongoing Listening Party series aimed at broadening and diversifying audiences.
$50,000 / 24 months

Los Angeles Latino International Theatre Festival
Los Angeles
For the production of Mexico en Los Angeles, promoting awareness of contemporary Mexican theater and culture to diverse Los Angeles audiences.
$30,000 / 24 months

The Luther Burbank Memorial Foundation
Santa Rosa
To expand outreach and services provided to the Latino community in Santa Rosa through community roundtables, performances, and a regional festival.
$50,000 / 24 months

Lux Art Institute
Encinitas
To support Family Days, a biannual community outreach event involving the commission of new work, hands-on art workshops, and artist talks.
$20,000 / 24 months

Madera County Arts Council
Madera
To present a year-long multicultural film festival aimed at broadening audiences and promoting greater cultural inclusion through related events and community partnerships.
$15,000 / 12 months

Modesto Symphony Orchestra
Modesto
To continue and enhance the partnership between the Modesto Symphony Orchestra and leaders of the Hispanic community in Stanislaus County through a series of special events, performances, and interactive programs developed to engage new audiences.
$50,000 / 12 months

Museum of Latin American Art
Long Beach
To support a comprehensive audience development and outreach strategy aimed at broadening and diversifying participation in museum activities.
$30,000 / 12 months

Pasadena Playhouse
State Theater of California
Pasadena
To expand the New Generations program, providing at-risk youth with opportunities for mentorship, artist interaction, and attendance at live theater performances.
$45,000 / 18 months

The Pasadena Symphony Association
Pasadena
To present Latino Sinfonica, a series of 10 concerts featuring Latin pop and classical music designed to promote greater participation among diverse Latino audiences.
$50,000 / 24 months

Rural Media Arts and Education Project
Mariposa
To support World Cinema, a curated film series designed to provide greater access to foreign and domestic independent films in rural communities.
$30,000 / 24 months

Sacramento Theatre Company
Sacramento
To enhance the theatre’s capacity to diversify and attract a greater number of patrons in the 25-40 year age range through a targeted audience development campaign.
$50,000 / 24 months

San Diego Theatre Scene
San Diego
To produce and tour a play about the Rwanda genocide and provide related educational activities in partnership with local community organizations.
$15,000 / 24 months

Sinfonia Mexicana
San Bernardino
For the presentation of two concerts, Classics Revisited, featuring 20th century Mexican classical composers, and a children’s holiday concert featuring mariachi music and ballet folklorico.
$45,000 / 24 months
Stern Grove Festival Association
San Francisco
To support education and community outreach activities complementing the festival’s free concerts featuring a range of culturally and ethnically diverse music styles and traditions.
$50,000 / 24 months

Youth Movement
Oakland
To support Sound of Change, an after-school program focused on providing youth with the skills to produce original music recordings, videos, and high-quality concerts.
$50,000 / 24 months

CALIFORNIA PERSPECTIVES: Mobilizing Californians

Asian Health Services
Oakland
To support dialogue among low-income Asian residents and public officials on health care issues.
$50,000 / 24 months

Berkeley Organizing Congregations for Action
Berkeley
To support dialogue among low-income Berkeley residents and public officials on education and other local issues.
$25,000 / 24 months

Cabrillo Economic Development Corporation
Santa Cruz
To support dialogue among low-income residents in Santa Barbara and Ventura counties and public officials on community development issues.
$50,000 / 24 months

Camptonville Community Partnership
Camptonville
To facilitate communication among rural Yuba County residents and public officials on issues of concern.
$22,500 / 24 months

Center for Asian Americans United for Self-Empowerment
Pasadena
To conduct a series of forums with Asian Pacific Americans and public officials and to disseminate a set of recommendations to policymakers.
$28,000 / 24 months

Center for Investigative Reporting
Berkeley
To conduct a series of community forums to discuss gang violence prevention and disseminate promising strategies and recommendations to policymakers.
$50,000 / 12 months

Community Partners
Los Angeles
To engage parents and school officials in dialogue about school policies.
$50,000 / 12 months

Just Cause Oakland
Oakland
To involve residents in discussions with public officials on city planning and housing issues.
$36,500 / 24 months

Korean American Coalition
Los Angeles
To support dialogue among Los Angeles’ Koreatown residents and public officials on issues of concern.
$35,000 / 18 months

Korean Immigrant Workers Advocates of Southern California
Los Angeles
To organize a community town hall and related activities to facilitate discussions among low-income residents and public officials on issues of concern.
$50,000 / 12 months

National Housing Law Project
Oakland
To empower low-income, federally-assisted housing residents in effective dialogue with housing authority officials.
$50,000 / 24 months
A NEW WAY OF LIFE FOUNDATION  
LOS ANGELES  
To foster dialogue among formerly incarcerated women and public officials on criminal justice and re-entry policy issues.  
$50,000 / 24 months

NORTH SAN DIEGO COUNTY SPONSORING COMMITTEE  
ESCONDIDO  
To involve San Diego residents in discussions with public officials on affordable housing issues.  
$50,000 / 24 months

PROYECTO PASTORAL  
LOS ANGELES  
To support Comunidad en Movimiento’s civic education, engagement, and leadership development efforts in Boyle Heights.  
$50,000 / 12 months

SACRAMENTO MUTUAL HOUSING ASSOCIATION  
SACRAMENTO  
To support dialogue among low-income residents and public officials on affordable housing issues.  
$50,000 / 24 months

UNION DE VecINOS DE PICO ALISO  
LOS ANGELES  
To involve East Los Angeles residents in discussions with public officials on redevelopment issues.  
$50,000 / 24 months

YOUTH: College Knowledge

B. A. Y. FUND  
SAN FRANCISCO  
To provide low-income youth and their families direct academic support and sustained guidance in preparation for college enrollment and matriculation.  
$50,000 / 24 months

BIG BROTHERS BIG SISTERS OF GREATER LOS ANGELES  
LOS ANGELES  
To provide low-income youth and their families with information about postsecondary opportunities and offer sustained guidance in preparation for college enrollment.  
$50,000 / 24 months

COMMUNITY COLLABORATIVE FOR YOUTH  
CHICO  
To support educational counseling and college preparation activities for low-income youth who are in alternative educational settings and are the first in their families to seek higher education.  
$25,000 / 24 months

EDUCATING YOUNG MINDS  
LOS ANGELES  
To support educational counseling and college preparation activities for low-income African American and Hispanic youth in Los Angeles.  
$50,000 / 24 months

FOUNDER FOR A COLLEGE EDUCATION  
EAST PALO ALTO  
To promote college preparation and planning for low-income and first-generation college-going youth in East Palo Alto.  
$25,000 / 12 months

HEART OF LOS ANGELES YOUTH  
LOS ANGELES  
To prepare low-income Latino and African American youth in Los Angeles for postsecondary advancement by providing academic support and assistance with college entrance and financing requirements.  
$25,000 / 12 months

MAKING WAVES EDUCATION PROGRAM  
RICHMOND  
To promote college preparation and planning for low-income and first generation college-going youth who attend Title 1 high schools in Richmond and San Francisco.  
$35,000 / 12 months

THE MAR VISTA INSTITUTE  
CULVER CITY  
To assist first generation college-going youth and their families in Los Angeles to plan and prepare for higher education.  
$35,000 / 24 months

MARCUS A. FOSTER EDUCATIONAL INSTITUTE  
OAKLAND  
To assist first generation college-going youth and their families in Oakland to plan and prepare for postsecondary education.  
$25,000 / 12 months

OPERATION JUMP START  
LONG BEACH  
To prepare low-income youth in Long Beach for postsecondary education by promoting academic persistence and assisting with college preparation and enrollment.  
$20,000 / 12 months
**ORANGE COUNTY BAR FOUNDATION**  
**SANTA ANA**  
For a program to promote academic persistence and postsecondary enrollment of low-income Latina high school students in Santa Ana.  
$25,000 / 12 months

---

**P E A C E 4 K I D S**  
**C O M P T O N**  
For educational and support services to assist foster youth and youth emancipated from the foster care system in maintaining educational progress toward high school completion, G.E.D. attainment or postsecondary education.  
$45,000 / 12 months

---

**THINK TOGETHER**  
**SANTA ANA**  
To provide educational services and guidance to low-income youth and their families to plan and prepare for postsecondary education.  
$50,000 / 12 months

---

**YOUTH:**  
**Dropout Prevention**

**BOYS AND GIRLS CLUBS**  
**OF GREATER SACRAMENTO**  
**SACRAMENTO**  
To support young people who have dropped out or who are at imminent risk of dropping out of high school with comprehensive services that promote academic persistence and success.  
$50,000 / 24 months

**THE CENTER FOR**  
**YOUNG WOMEN’S DEVELOPMENT**  
**SAN FRANCISCO**  
To provide low-income young women who are currently or formerly incarcerated or homeless, with direct academic support and sustained guidance in preparation for G.E.D. attainment, high school completion and/or college enrollment.  
$36,500 / 24 months

**COMMUNITY PARTNERS**  
**LOS ANGELES**  
To support low-income young women emerging from the probationary or juvenile justice system with educational counseling and links to county and district educational services.  
$31,000 / 12 months

**J E R E M I A H ’ S  P R O M I S E**  
**P A L O  A L T O**  
To support young people who have emancipated from the foster care system with comprehensive services that promote enrollment and persistence in community college.  
$20,000 / 12 months

---

**SACRAMENTO CHILD ADVOCATES**  
**SACRAMENTO**  
To provide a comprehensive system of support to assist low-income youth from the foster care and probationary systems with postsecondary preparation, enrollment, and persistence.  
$32,500 / 12 months

---

**SALVADORAN AMERICAN LEADERSHIP AND EDUCATIONAL FUND**  
**LOS ANGELES**  
To support college preparation and success of low-income, first generation college-going youth in Los Angeles.  
$43,500 / 24 months

---

**W A L D E N  F A M I L Y  S E R V I C E S F O U N D A T I O N**  
**S A N  D I E G O**  
To support low-income youth in the foster care system in Riverside to complete high school, and to promote academic persistence in postsecondary settings.  
$26,500 / 24 months

---

**S A N  B E R N A R D I N O**  
To provide low-income youth in San Bernardino who are at imminent risk of dropping out, or who have already dropped out of high school, with opportunities to attain a G.E.D. and earn college credit.  
$30,000 / 24 months

---

80 GRANTS TOTALING $2,965,000

---

32 THE NEW CONNECTIONS FUND 2006 GRANTS APPROVED
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 2006. Regranting totals for each intermediary organization have been rounded to the nearest $1,000.

Alliance for California Traditional Arts
$72,500
Agua Caliente Museum
Association for the Advancement of Filipino American Arts & Culture (FilAm ARTS)
California Association for Music Education
Center for Bridging Communities
City of San Fernando
Ke Po’okela Cultural Foundation
Pacific Islander Cultural Center
San Jose Museum of Quilts and Textiles
Teatro de la Tierra
World Beat Center
Yuval Ron Music

Alliance of Artists Communities
$227,830
18th Street Arts Center
Djerassi Resident Artists Program
Exploratorium
Headlands Center for the Arts
Kala Art Institute
Montalvo Arts Center

American Composers Forum
$2,300
Left Coast Chamber Ensemble
San Francisco Tape Music Festival

Asian Pacific American Legal Center
$128,500
Center for Asian Americans United for Self Empowerment
Filipino American Service Group
Khmer Girls in Action
Korean American Coalition-Los Angeles
Korean Resource Center
Organization of Chinese Americans
Search to Involve Pilipino Americans
South Asian Network

Catholic Charities of San Jose
$145,612
Arte Flamenc o
Ballet Folklorico
CLAP
Fun Math
Girl Scouts
Tech Challenge
Kidsportz
MACLA
San Jose Multicultural Artist Guild
San Jose Museum of Art
Schmal Science
Tapestry Arts
The First Tee of San Jose

The Community Foundation
$90,000
Broadway High Children’s Theatre Arts Academy
Cathedral City Public Arts Commission
Coachella Valley Symphony
Dorland Mountain Arts Colony
Golden Valley Music Society
Indio Performing Arts Center
Inland Valley Symphony
La Quinta Playhouse
Mexican Cultural Institute
Murrieta Repertory Theatre
Musicians Workshop
Scrap Gallery
Temecula Valley Art League
The Steinway Society
Virginia Waring International Piano Competition
THE COMMUNITY FOUNDATION OF MENDOCINO COUNTY
$56,400
Anderson Valley School District
Mendocino College Library
Partners Gallery

COMMUNITY FOUNDATION FOR MONTEREY COUNTY
$59,800
Alisal Center for the Fine Arts
Arts Council for Monterey County
Big Sur Arts Initiative
California State University, Monterey Bay
Camerata Singers
Carmel Bach Festival
Dixieland Monterey
Monterey Bay Symphony Association
Monterey Bay Women’s Caucus for Art
Monterey County Symphony
Monterey Jazz Festival
Monterey Museum of Art
National Steinbeck Center
Pacific Grove Art Center
Pacific Repertory Theatre
SpectorDance
Youth Arts Collective
Youth Music Monterey

COMMUNITY FOUNDATION OF SONOMA COUNTY
$49,855
Arts Council of Sonoma County
Sonoma State University

COMMUNITY FOUNDATION OF THE NAPA VALLEY
$59,094
Angwin Community Teen Center
Big Brothers Big Sisters of Marin and Napa Counties
Boys & Girls Club of Napa Valley
Boys & Girls Clubs of St. Helena and Calistoga
Calistoga Family Center
Community Presbyterian Church
Legal Aid of Napa
Napa Valley Cinco de Mayo
Napa Valley Economic Development Corp.
Napa Valley Heritage Fund
North Bay Sponsoring Committee
Our Lady of Perpetual Help Catholic Church
Pop Warner Little Scholars Inc – American Canyon Patriots
St. Helena Family Center
St. Helena High Ag Boosters
St. Helena Hospital Foundation
Summer Search Foundation Napa-Sonoma
The After School of Rock
Tucker Farm Center

CULTURAL COUNCIL OF SANTA CRUZ COUNTY
$33,710
Dante Alighieri Society of Santa Cruz
Esperanza Del Valle
Japanese Cultural Fair
Mountain Parks Foundation
Santa Cruz Indian Council
Watsonville Taiko Group

KERN COUNTY
COMMUNITY FOUNDATION
$50,000
Bakersfield Association for Retarded Citizens
Boys & Girls Clubs of Kern County
CSU Bakersfield Foundation
Girl Scouts - Joshua Tree Council
Junior Achievement of Bakersfield
Probation Auxiliary of Kern/Take Away
Tatoos Program

MDRC
$738,779
American River College
College of Alameda
De Anza College
Merced College
Mount San Antonio College
Pasadena City College
Santa Ana College
Taft College
Victor Valley Community College

NEW VISION PARTNERS
$251,000
BRITE
Hathaway-Sycamores
NUFC
YWCA

ORANGE COUNTY
COMMUNITY FOUNDATION
$100,450
Anaheim Ballet
Children’s Museum of La Habra
Ektaa Center
Festival Ballet Theatre
Huntington Beach Arts Center
Irvine Barclay Theater
Laguna Art Museum
North County Community Concerts Association
Orange County High School of the Arts Foundation
Orange County Museum of Art
Orange County Women’s Chorus
Pacific Chorale
Shakespeare Orange County
Stop-Gap
The Chance Theatre
PLACER COMMUNITY FOUNDATION
$28,750
Arts Council of Placer County
Nonprofit Resource Center
Arts Council of Placer County
Auburn Placer Performing Arts Center
Lincoln Arts & Culture Foundation
Music Talk
South Placer Heritage Foundation
Magic Circle Theatre

POETS & WRITERS
$56,000
African American Writers & Artists
Alameda County Library Juvenile Hall
All For You Community Youth Service
Amp Press
Arcade Poetry Project
Art Foundry Gallery
Arte Americas
Benicia Public Library
Bottled Poetry
California Lectures
California Rodeo Salinas
California Writers Club
Campbell Branch Library
Casa Romantica
Center for the Art of Translation
Central California Writers
Centro Cultural de la Raza
Citrus College
College of the Sequoias
Cowboy Cultural Committee
CSU Long Beach
CSU Sacramento
dA Center for the Arts
Fresno Poets’ Association
Friends of AK Press
Friends of Coast Community Library
Friends of the Memorial Library
Friends of the Sunland-Tujunga Branch Library
Frontier Pack Train
Fullerton College
Galeria de la Raza
Gneiss Poetry Series
Gold Rush Writers
Grossmont College
Headquarters for the Arts
Henry Miller Library
Heyday Books
Highways Performance Space
Hodges Community Center
Holy Family Catholic Church
Intercultural Community Center
Kearny Street Workshop
Lake County Arts Council
Levantine Cultural Center
Literature Alive!
Los Angeles Poetry Festival
Manic D Press
Marin Poetry Center
Mendocino College Library
Miramar College
Modesto Junior College
Monterey Cowboy Poetry & Music Festival
Moorpark College
Mount Shasta Writers Series
Mountain Oak Productions
Museum of Contemporary Art, Los Angeles
Napa Valley Writers’ Conference
National Park Service
Nevada County Library
Nevada County Poetry Series
On the Rock Productions
Oxnard College
Pacific Asia Museum
Palm Springs Desert Museum
Palm Springs Public Library
Pan Valley Institute
Petaluma Poetry Walk
Placentia Library District
Pleasanton Public Library
Poet Laureate Committee of Ukiah
Poetry Center San Jose
Poetry Santa Cruz
Poetry Unplugged
Red Hen Press
Rhythm & Words Poetry Series
Riverside City College
Roseville Public Library
Ruskin Art Club
San Buenaventura Artists’ Union
San Carlos Library
San Diego Writers, Ink
San Francisco Jung Institute Library Journal
San Luis Obispo Poetry Festival
Santa Rosa Junior College
Sebastopol Center for the Arts
San Francisco Center for the Book
Sierra Valley Grange
Skyline College
Smell Last Sunday Reading Series
Solana Beach Branch Library
Solo Press
Some Local Poets
Sonoma State University
South Pasadena Public Library
South Placer Heritage Foundation
Southwestern College Reading Series
Tebot Bach
The Beat Museum
The Book Works
The Fort Preservation Society
The Gathering
The Performance Loft
Third Thursday Poets
Tropico de Nopal
UC Berkeley Lunch Poems
UC Davis Arboretum
UC Davis Gneiss Poetry Series at Plaza Roberge
UC Irvine
UC Santa Cruz Creative Writing
Ululate Productions
University of California, Riverside
University of San Francisco
Villa Aurora
Watershed Poetry Festival
Waverley Writers Group
Westmont College
Whittier College
Will & Ariel Durant Branch Library
Wittman Village Community Center
Writers Read
Zoey’s Café Spoken Word Salon

SAN FRANCISCO FOUNDATION
$64,000
American Composers Forum
Berkeley Richmond Jewish Community Center
Digital Community Website
Dream Dance Company
MAC Capacity Building
Moving Arts Dance
Pacific Chamber Symphony
Shotgun Players
Theater Bay Area
World Arts West
Youth Speaks

SHASTA REGIONAL COMMUNITY FOUNDATION
$18,000
Shasta County Arts Council
Shasta Mountain Playhouse
Siskiyou Arts Council
Turtle Bay Exploration Park

SAN LUIS OBISPO COMMUNITY FOUNDATION
$55,000
Arts Obispo
Atascadero Community Link
Big Brothers Big Sisters
San Luis Obispo Art Center
San Luis Obispo International Film Festival
San Luis Obispo Little Theatre
San Luis Obispo Mozart Festival
San Luis Obispo Symphony

SILICON VALLEY COMMUNITY FOUNDATION
$113,000
California Youth Symphony
City Lights Performance Group of San Jose
Northside Theatre Company
Palo Alto Art Center Foundation
Palo Alto Chamber Orchestra
Peninsula Women’s Chorus
Peninsula Youth Orchestra
Peninsula Youth Theatre
San Jose Children’s Musical Theater
San Jose Multicultural Artists Guild
San Jose Museum of Quilts and Textiles
Stanford Jazz Workshop
Triton Museum of Art
Young Audiences of Northern California

TCC GROUP
$120,000
Oceanside Museum of Art
Opera Pacific
Orange County Museum of Art
Ramona Pageant Association
Redlands Community Music Association
Redlands Symphony Association
Riverside Art Museum
Riverside County Philharmonic
Saint Joseph Ballet
San Bernardino Symphony Orchestra
The Bowers Museum of Cultural Art
The Laguna Playhouse

THE WALTER AND ELISE HAAS FUND
$153,000
American Conservatory Theater
Center for Sex and Culture
Center for the Art of Translation
Circuit Network
Circus Center and Bay Area Video Coalition
CounterPULSE
Dancer’s Group
DeafHope
Dimensions Dance Theater
George Mark Children’s House
Jewish Music Festival, Berkeley Richmond
Jewish Community Center
Legion of Graduate Students of the San Francisco Art Institute and Anthology Film Archives
LifeFlow
Magic Theatre
Musical Traditions/Paul Dresher Ensemble
New Hope Covenant Church
Oakland East Bay Symphony
Oakland Museum of California
ODC Theater
San Francisco Jazz Organization
Southern Exposure
FROM THE CHIEF INVESTMENT OFFICER AND TREASURER

During 2006, the Foundation’s endowment earned 15.2 percent to end the year at more than $1.8 billion, establishing a new all-time high for the endowment. This result was due to strong returns from the equity markets, especially the international equity markets, and from private equity investments held by the Foundation. On the grantmaking side, total grants approved in 2006 were $68.9 million, up 12.3 percent from the previous year. Graph 1 provides a 10-year history of year-end assets and net grantmaking for the Foundation. We are pleased to report that 2006 marked the fourth consecutive year of recovery for our endowment, an increase in assets that permits us to expand our grantmaking to nonprofit organizations in California by another 9 percent in 2007.

As in previous years, I would like to use this letter to review the Foundation’s approach to its investment activities and to focus on some changes we are implementing consistent with a new asset allocation plan described in previous annual reports.

The Foundation maintains a long-term view, 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 2006, and so we focused on beginning the implementation of this more diversified portfolio last year. One critical element to successfully executing this investment strategy is to attract and retain the right people, and during 2006 we added a Director of Investments to the team and intend to add another position this year.

During 2006, we increased our investments in private equity, real assets, special situations, private real estate, and absolute return strategies. This group of investments is commonly referred to as “alternative investments.” 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.

As we continue this transition in our asset allocation, however, it’s important to recognize that we are not the only investors moving in this direction. Many university endowments and some foundations have already made similar
transitions. In doing so, they have met the capital needs of many of the best investment management firms in these areas. With many very large investors seeing the value and opportunities in alternative investments, there is considerable competition for the best opportunities in alternative investments. As a consequence, our ability to move resources to these areas is more difficult. We must first identify the best investment opportunities, and then we must gain access. Often the second challenge is more difficult than the first.

Over the Foundation’s long history in private equity markets, we have learned that investing with the most skilled investment managers is critical. We subscribe to that same approach in all of our investments, but it is particularly important for success in the alternative investment area. The end result of this environmental challenge is to slow the pace of transition to our new asset allocation. Graph 3 shows how our assets were invested as of December 31, 2006. While it may take five years to realize the transition fully, we will be patient, knowing that the Foundation and the needs it seeks to address will exist for the long term.

For the period of January through mid-June 2007, the financial markets have performed fairly well but have experienced several significant price declines. This underscores once again why a diversified portfolio is essential to our long-term investment strategy.

While managing the Foundation’s investment program is an exciting and rewarding task, the investment team at Irvine takes special pride in knowing that its work happens for the sole purpose of maximizing Irvine’s financial resources to support our mission of expanding opportunity for the people of California. These annual updates seek to describe our progress in this regard, to share recent developments in our investment program, and to continue to demonstrate our commitment to transparency in all aspects of the Foundation’s operations.

John R. Jenks, CFA
Chief Investment Officer and Treasurer
July 2007
INDEPENDENT AUDITORS’ REPORT

We have audited the accompanying statements of financial position of The James Irvine Foundation (the “Foundation”) as of December 31, 2006 and 2005, 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, 2006 and 2005, 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.

As discussed in Note 2, the financial statements include investments valued at $525,851,740 (30% of net assets) and $335,381,937 (21% of net assets) as of December 31, 2006 and 2005, respectively, whose fair values have been estimated by management in the absence of readily determinable fair values. Management’s estimates are based on information provided by the fund managers or the general partners.

Deloitte & Touche LLP

June 4, 2007
San Francisco
California
# STATEMENTS OF FINANCIAL POSITION

As of December 31, 2006 and 2005

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash—Interest-bearing deposits</td>
<td>$21,748</td>
<td>$21,572</td>
</tr>
<tr>
<td>Receivable from Sales of Securities</td>
<td>892,312</td>
<td>1,886,135</td>
</tr>
<tr>
<td>Interest and Dividends Receivable</td>
<td>4,150,349</td>
<td>3,670,236</td>
</tr>
</tbody>
</table>

Investments:

<table>
<thead>
<tr>
<th>Type</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term, fixed-income</td>
<td>60,299,714</td>
<td>54,597,374</td>
</tr>
<tr>
<td>Equity securities</td>
<td>963,077,383</td>
<td>945,977,402</td>
</tr>
<tr>
<td>Alternative investments</td>
<td>525,851,740</td>
<td>335,381,937</td>
</tr>
<tr>
<td>Fixed-income securities</td>
<td>253,376,931</td>
<td>266,868,948</td>
</tr>
<tr>
<td>Total investments</td>
<td>1,802,605,768</td>
<td>1,602,825,661</td>
</tr>
</tbody>
</table>

Property and Equipment—Net

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,112,001</td>
<td>1,216,435</td>
</tr>
</tbody>
</table>

Other Assets

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,074,340</td>
<td>860,281</td>
</tr>
</tbody>
</table>

Total

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,810,856,518</td>
<td>$1,610,480,320</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
</tr>
</thead>
</table>

Liabilities:

<table>
<thead>
<tr>
<th>Type</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable for purchases of securities</td>
<td>$2,512,309</td>
<td>$1,771,861</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>3,495,478</td>
<td>5,162,784</td>
</tr>
<tr>
<td>Deferred federal excise taxes</td>
<td>6,568,056</td>
<td>4,663,170</td>
</tr>
<tr>
<td>Grants payable—net</td>
<td>46,552,975</td>
<td>24,953,794</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>59,128,818</td>
<td>36,551,609</td>
</tr>
</tbody>
</table>

Net Assets—Unrestricted

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,751,727,700</td>
<td>1,573,928,711</td>
</tr>
</tbody>
</table>

Total

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,810,856,518</td>
<td>$1,610,480,320</td>
</tr>
</tbody>
</table>

See notes to financial statements.
## STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the years ended December 31, 2006 and 2005

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>$15,168,215</td>
<td>$13,230,921</td>
</tr>
<tr>
<td>Dividends</td>
<td>20,004,957</td>
<td>18,709,422</td>
</tr>
<tr>
<td>Operating gains from alternative investments</td>
<td>785,716</td>
<td>485,018</td>
</tr>
<tr>
<td>Fee income</td>
<td>356,873</td>
<td>396,128</td>
</tr>
<tr>
<td>Investment income before net realized and unrealized gains on investments</td>
<td>36,315,761</td>
<td>32,821,489</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>225,618,140</td>
<td>124,331,553</td>
</tr>
<tr>
<td><strong>Total investment income</strong></td>
<td><strong>261,933,901</strong></td>
<td><strong>157,153,042</strong></td>
</tr>
<tr>
<td><strong>Investment Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Expenses</td>
<td>8,007,723</td>
<td>8,260,726</td>
</tr>
<tr>
<td><strong>Net Investment Gain Before Excise and Income Taxes</strong></td>
<td>253,926,178</td>
<td>148,892,316</td>
</tr>
<tr>
<td><strong>Excise and Income Taxes</strong></td>
<td>3,579,520</td>
<td>2,601,988</td>
</tr>
<tr>
<td><strong>Net Investment Income</strong></td>
<td><strong>250,346,658</strong></td>
<td><strong>146,290,328</strong></td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants approved by the board of directors</td>
<td>68,860,108</td>
<td>61,329,247</td>
</tr>
<tr>
<td>Conditional grant activity and other – net</td>
<td>(2,067,287)</td>
<td>(887,074)</td>
</tr>
<tr>
<td>Grant expense – net</td>
<td>66,792,821</td>
<td>60,442,173</td>
</tr>
<tr>
<td>Program administration expenses</td>
<td>5,754,848</td>
<td>6,691,707</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>72,547,669</td>
<td>67,133,880</td>
</tr>
<tr>
<td><strong>Change in Net Assets—Unrestricted before cumulative effect of change in accounting for deferred federal excise taxes</strong></td>
<td>177,798,989</td>
<td>79,156,448</td>
</tr>
<tr>
<td>Cumulative effect of change in accounting for deferred federal excise taxes</td>
<td>–</td>
<td>(5,720,770)</td>
</tr>
<tr>
<td><strong>Change in Net Assets—Unrestricted</strong></td>
<td><strong>177,798,989</strong></td>
<td><strong>73,435,678</strong></td>
</tr>
<tr>
<td><strong>Net Assets—Unrestricted:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>1,573,928,711</td>
<td>1,500,493,033</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$1,751,727,700</td>
<td>$1,573,928,711</td>
</tr>
</tbody>
</table>

See notes to financial statements.
## STATEMENTS OF CASH FLOWS

For the years ended December 31, 2006 and 2005

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flows from Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets—unrestricted</td>
<td>$177,798,989</td>
<td>$73,435,678</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets—unrestricted to net cash and cash equivalents used in operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulative effect of change in accounting principle for deferred federal excise taxes</td>
<td>–</td>
<td>5,720,770</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>181,195</td>
<td>346,144</td>
</tr>
<tr>
<td>Property and equipment write-offs</td>
<td>2,200</td>
<td>429,851</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>(225,618,140)</td>
<td>(124,331,553)</td>
</tr>
<tr>
<td>Operating gain from alternative investments</td>
<td>(785,716)</td>
<td>(485,018)</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividends receivable</td>
<td>(480,113)</td>
<td>(111,405)</td>
</tr>
<tr>
<td>Other assets</td>
<td>(1,214,059)</td>
<td>(493,961)</td>
</tr>
<tr>
<td>Accounts payable and other accrued liabilities</td>
<td>(1,667,306)</td>
<td>2,605,164</td>
</tr>
<tr>
<td>Deferred federal excise taxes</td>
<td>1,904,886</td>
<td>(1,057,600)</td>
</tr>
<tr>
<td>Grants payable</td>
<td>21,599,181</td>
<td>(12,935,914)</td>
</tr>
<tr>
<td>Net cash and cash equivalents used in operating activities</td>
<td>(28,278,883)</td>
<td>(56,877,844)</td>
</tr>
</tbody>
</table>

### Cash Flows from Investing Activities:

| Purchases of investments         | (798,524,789) | (777,096,172) |
| Proceeds from sales, maturities, and distributions from investments | 832,585,150    | 854,070,009   |
| Purchases of property and equipment | (78,962)      | (878,928)     |

| Net cash and cash equivalents provided by investing activities | 33,981,399     | 76,094,909    |

### Increase in Cash and Cash Equivalents

| 5,702,516          | 19,217,065 |

### Cash and Cash Equivalents—Beginning of year

| 54,618,946 | 35,401,881 |

### Cash and Cash Equivalents—End of year

| $ 60,321,462  | $54,618,946 |

### Supplemental Disclosure of Cash Flow

| Information—Federal excise taxes paid | $3,289,165 | $1,764,588 |

See notes to financial statements.
NOTES TO FINANCIAL STATEMENTS
As of and for the years ended December 31, 2006 and 2005

NOTE 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 three program areas: Arts, Youth, and California Perspectives, which focuses on increasing public understanding of critical issues facing the state and infusing new ideas into the policy development process.

NOTE 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, 2006 and 2005, the Foundation had no temporarily or permanently restricted net assets.

Cash and Cash Equivalents — Cash and cash equivalents consist of cash and short-term, fixed-income investments with maturities of three months or less at date of purchase at December 31, 2006 and 2005, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash — interest-bearing deposits</td>
<td>$21,748</td>
<td>$21,572</td>
</tr>
<tr>
<td>Short-term, fixed-income investments</td>
<td>$60,299,714</td>
<td>$54,597,374</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$60,321,462</strong></td>
<td><strong>$54,618,946</strong></td>
</tr>
</tbody>
</table>

Investments — 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 the 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 nonpublic investments. The fair values of alternative investments estimated by management are based on information provided by the fund managers or general partners.

• 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.
NOTES TO FINANCIAL STATEMENTS
As of and for the years ended December 31, 2006 and 2005

Property and Equipment — Property and equipment is stated at cost and depreciated using the straight-line method over estimated useful lives of the assets ranging from 3 to 10 years. Leasehold improvements are amortized over the lesser of the asset’s useful life or the lease term.

Fee Income — A securities lending program is managed by 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 related to securities loaned under the program.

Grants — 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 expense, 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 Plan — 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 $698,000 and $607,000 in 2006 and 2005, respectively.

Effective April 1, 2006, the The James Irvine Foundation adopted a deferred compensation plan for a select group of highly compensated or management employees under Internal Revenue Code Section 457(b). Subject to statutory limits, the Foundation contributes to the plan on behalf of eligible employees that did not receive their full contribution to the James Irvine Foundation Money Purchase Plan due to the IRS limits covering that plan. In addition, employees with an annual base salary of $150,000 or above are eligible to make voluntary contributions.
NOTES TO FINANCIAL STATEMENTS
As of and for the years ended December 31, 2006 and 2005

**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 nonpublic 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, those 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. The carrying amount of grants 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.

**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
NOTES TO FINANCIAL STATEMENTS
As of and for the years ended December 31, 2006 and 2005

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, and the functional expense allocation. Actual results could differ from those estimates.

Change in Accounting Policy — In 2005, The Foundation changed its method of accounting for federal excise taxes to include a provision for deferred federal excise taxes. This method was adopted to recognize a preferable method of accounting for federal excise taxes (see Note 6).

Note 3. 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 for the years ended December 31, 2006 and 2005, are comprised as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net realized gains on investments sold</td>
<td>$128,010,937</td>
<td>$176,442,454</td>
</tr>
<tr>
<td>Net unrealized gains (losses) on investments</td>
<td>97,607,203</td>
<td>(52,110,901)</td>
</tr>
<tr>
<td>Net realized and unrealized gains on investments</td>
<td>$225,618,140</td>
<td>$124,331,553</td>
</tr>
</tbody>
</table>

The Foundation made capital contributions totaling $157,141,123 and $100,748,108 in 2006 and 2005, respectively, to alternative investments as called for by the investment agreements. As of December 31, 2006, the Foundation has commitments under various investment agreements to make additional capital contributions of $349,155,857.

Note 4. Property and Equipment
Property and equipment as of December 31, 2006 and 2005, consists of:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office furniture and equipment</td>
<td>$1,097,106</td>
<td>$1,143,595</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>862,931</td>
<td>862,931</td>
</tr>
<tr>
<td>Total</td>
<td>1,960,037</td>
<td>2,006,526</td>
</tr>
<tr>
<td>Accumulated depreciation and amortization</td>
<td>(848,036)</td>
<td>(790,091)</td>
</tr>
<tr>
<td>Property and equipment—net</td>
<td>$1,112,001</td>
<td>$1,216,435</td>
</tr>
</tbody>
</table>
NOTES TO FINANCIAL STATEMENTS
As of and for the years ended December 31, 2006 and 2005

NOTE 5. GRANTS

The following table summarizes for the years ended December 31, 2006 and 2005, the Foundation’s grant activity:

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants approved by the board of directors</td>
<td>$68,860,108</td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
</tr>
<tr>
<td>Conditional grants made</td>
<td>(4,435,000)</td>
</tr>
<tr>
<td>Conditions met on conditional grants made in prior years</td>
<td>2,420,664</td>
</tr>
<tr>
<td>Recision of conditional grants</td>
<td>–</td>
</tr>
<tr>
<td>Change in discounts on multiyear grants – net</td>
<td>(298,401)</td>
</tr>
<tr>
<td>Matching gifts program</td>
<td>245,450</td>
</tr>
<tr>
<td>Conditional grant activity and other – net</td>
<td>(2,067,287)</td>
</tr>
<tr>
<td>Grant expense – net</td>
<td>$66,792,821</td>
</tr>
</tbody>
</table>

Future minimum grant disbursements as of December 31, 2006, are scheduled as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unconditional</th>
<th>Conditional</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$38,874,114</td>
<td>$2,597,500</td>
</tr>
<tr>
<td>2008</td>
<td>8,109,800</td>
<td>2,000,000</td>
</tr>
<tr>
<td>2009</td>
<td>198,000</td>
<td>–</td>
</tr>
<tr>
<td>Total</td>
<td>47,181,914</td>
<td>4,597,500</td>
</tr>
<tr>
<td>Less discounts on multiyear grants</td>
<td>(628,939)</td>
<td>–</td>
</tr>
<tr>
<td>Grants payable – net</td>
<td>$46,552,975</td>
<td>$4,597,500</td>
</tr>
</tbody>
</table>

NOTE 6. EXCISE TAXES

In accordance with the applicable provisions of the Code, the Foundation is subject to an excise tax of 2% (1% if minimum payout requirements prescribed by the Code are met) on its net investment income, excluding unrealized gains, as defined, and is subject to corporate income tax rates on unrelated business income. The Foundation was subject to the 2% rate in 2006 and 1% rate in 2005. In addition, the Code requires that certain minimum distributions be made in accordance with a specified formula. At December 31, 2006 and 2005, the Foundation had made the required minimum distributions.
Deferred excise taxes arise primarily from unrealized gains on investments. At December 31, 2006, deferred federal excise tax is estimated at 2%, which is the maximum rate payable.

The provision for current and deferred federal excise and income taxes for the year ended December 31, 2006 and 2005, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>$1,674,634</td>
<td>$3,659,588</td>
</tr>
<tr>
<td>Deferred</td>
<td>1,904,886</td>
<td>(1,057,600)</td>
</tr>
<tr>
<td>Excise and income tax expense</td>
<td><strong>$3,579,520</strong></td>
<td><strong>$2,601,988</strong></td>
</tr>
</tbody>
</table>

As of January 1, 2005, the Foundation changed its method of accounting for federal excise taxes to include a provision for deferred federal excise taxes. This method was adopted as a more conservative presentation of the Foundation’s available resources. The cumulative effect of the change in accounting is a decrease in net assets of $5,720,770 as of January 1, 2005.

The Foundation leases its facilities under long-term noncancelable 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, 2006:

<table>
<thead>
<tr>
<th>Year Ending December 31</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$408,825</td>
</tr>
<tr>
<td>2008</td>
<td>408,825</td>
</tr>
<tr>
<td>2009</td>
<td>387,845</td>
</tr>
<tr>
<td>2010</td>
<td>358,473</td>
</tr>
<tr>
<td>2011</td>
<td>358,473</td>
</tr>
<tr>
<td>Thereafter</td>
<td>1,194,910</td>
</tr>
<tr>
<td>Total</td>
<td>$3,117,351</td>
</tr>
</tbody>
</table>

Rental expense was approximately $447,000 and $910,000 in 2006 and 2005, respectively.
BOARD OF DIRECTORS
July 2007

Gary B. Pruitt (Chair)
Chairman, President, and Chief Executive Officer
The McClatchy Company
Sacramento

Toby Rosenblatt (Vice Chair)
President
Founders Investments Ltd.
San Francisco

James E. Canales
President and Chief Executive Officer
The James Irvine Foundation
San Francisco

Gregory M. Avis
Founding Managing Partner
Summit Partners
Palo Alto

Jane W. Carney
Partner
Carney & Delany LLP
Riverside

Paula A. Cordeiro
Dean
School of Leadership and Education Sciences
University of San Diego
San Diego

Frank H. Cruz
President
Cruz and Associates
Laguna Niguel

David Mas Masumoto
Farmer and author
Del Rey

Regina Liang Muehlhauser
President (retired)
Bank of America San Francisco
Pleasanton

Molly Munger
Co-Founder and Partner
English, Munger & Rice
Los Angeles

Steven A. Schroeder
Distinguished Professor of Health and Health Care
Department of Medicine
University of California, San Francisco
San Francisco

Isaac Stein
Founder and President
Waverley Associates, Inc.
Menlo Park

Peter J. Taylor
Managing Director
Lehman Brothers, Inc.
Los Angeles

Lydia M. Villarreal
Judge
California Superior Court, Monterey County
Salinas

CORPORATE OFFICERS

Gary B. Pruitt
Chair

Toby Rosenblatt
Vice Chair

James E. Canales
President and Chief Executive Officer

John R. Jenks
Chief Investment Officer and Treasurer

Daniel Olias Silverman
Director of Communications and Corporate Secretary