

JOHN S. AND JAMES L. KNIGHT FOUNDATION

2000 Annual Report

*A **N**ew **A**pproach*

Statement of Purpose

The John S. and James L. Knight Foundation was established in 1950 as a private foundation independent of the Knight brothers' newspaper enterprises. It is dedicated to furthering their ideals of service to community, to the highest standards of journalistic excellence and to the defense of a free press.

In both their publishing and philanthropic undertakings, the Knight brothers shared a broad vision and uncommon devotion to the common welfare. It is those ideals, as well as their philanthropic interests, to which the Foundation remains faithful.

To heighten the impact of our grant making, Knight Foundation's trustees have elected to focus on two signature programs, Journalism and Knight Community Partners, each with its own eligibility requirements. A third program, the National Venture Fund, supports innovative opportunities and initiatives at the national level that relate directly or indirectly to Knight's work in its 26 communities.

In a rapidly changing world, the Foundation also remains flexible enough to respond to unique challenges, ideas and projects that lie beyond its identified program areas, yet would fulfill the broad vision of its founders.

None of the grant making would be possible without a sound financial base. Thus, preserving and enhancing the Foundation's assets through prudent investment management continues to be of paramount importance.

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Knight Foundation's basic mission remains unchanged. We are committed to promoting excellence in journalism worldwide and to investing in communities where Jack and Jim Knight owned newspapers.

At the same time, a new strategic plan provides a fundamentally different approach to grant making. We will be partners in community-driven, outcomes-based funding efforts to improve the quality of life. We want to produce measurable results, but only if they have real impact on real people. With greater resources from the Foundation directed over time to a selected list of local priorities, we hope to help the 26 Knight communities meet their own definitions of community vitality.



W. Gerald Austen, M.D.

Knight Foundation's 50th anniversary year coincides with the ending of one millennium and the beginning of another.

The year 2000 included many reminders of just how far we've come in the past half-century. I think back to a rainy June afternoon in Akron, standing in the impressive sculpture garden of the Akron Art Museum. Director Mitchell Kahan had just detailed for us the museum's plans to expand the building it had outgrown. When Akron was home to the Knight brothers, the building that currently houses the museum was the city's main post office. Now, with a bold vision and funding from Knight Foundation and others, the Akron Art Museum will soon expand and continue to serve as a magnet of culture, education and imagination for generations of Akron's residents and visitors.

The previous evening, we had the privilege of gathering with Akron colleagues, friends and family in the city where the Knight brothers not only began their storied journalism careers but also their philanthropic ventures. We were joined by several hundred people of many backgrounds, varied interests, different faiths and passions. In the weeks and months before that June gathering, a group of us spent a great deal of time with those citizens and leaders, reacquainting ourselves with Akron's priorities, needs and opportunities. It is our hope that the grants we made that evening to 17 nonprofit organizations in the Summit County region will help Akron thrive and grow stronger over time, serving as an example of our enduring commitment to vital communities.

From humble beginnings in Akron – an initial corpus of \$9,047 – Knight Foundation has grown into a considerable institution that paid some \$448 million in grants in its first 50 years.

Our evolution over five decades has been guided by a series of increasingly focused strategic plans. In 2000, the Knight Foundation trustees and staff participated in a planning exercise to set our course over the next five years. We were well prepared for the task through intensive advance work by our officers, staff and consultants who made the case that we could be far more effective by working toward specific outcomes that define success.

It was an invigorating exercise, and much credit goes to Vice Chairman Jill Ker Conway for her leadership as head of the planning and program committee. All were in agreement that we should focus on our two signature programs. We will continue to promote journalism of excellence by supporting the education of current and future journalists and by defending a free press worldwide. We will increase our investment in the vitality of the communities where the Knight brothers published newspapers by developing a newly minted Knight Community Partners Program. We believe, more than ever, that Knight Foundation occupies a unique niche in philanthropy, given the advantage of its enduring ties with these 26 cities and towns.

We also want to consider promising new approaches, take some risks and experiment through our new National Venture Fund. The fund will enable the Foundation to be responsive to innovative opportunities and initiatives at the national level that relate directly or indirectly to Knight's work in its 26 communities.

We believe our Journalism Program will continue to advance the field across all forms of media, and we expect to invest more than \$100 million in it over the next five years. Very significantly, in creating the new Knight Community Partners Program, we have agreed to approach local grant making in a way that asks our communities to envision the kinds of places they wish to be in the future, and to work with us toward their own self-determined priorities. We will seek partners in each community and will commit considerable resources to a limited number of goals, hoping to have a greater, long-term impact on real community needs.

| The Year in Review | Jan. 1, 2000 – Dec. 31, 2000 |
|-------------------------|------------------------------|
| Assets: | \$2.199 billion |
| Grants paid out: | \$70 million |
| Proposals received: | 1,370 |
| New grants approved: | \$93.4 million (356 grants) |
| Average grant approved: | \$262,263 |



Paul S. Grogan

Our work will be guided by the following operating assumptions for 2001–2005:

- In strengthening our partner communities, our grant making will have as a major focus *those individuals most in*

need of assistance, i.e., those least able to help themselves.

- These communities will be considered *laboratories*, where high-risk and experimental ventures are tested and approaches that have been demonstrated to work are implemented and nurtured.

- In each of the 26 communities, we will *establish its program priorities* in consultation with local residents.

- We will work to *replicate successful initiatives* and distribute information on best practices identified through formal evaluation.

- A key feature of our grant making will be *collaboration* with local and national funders, local and national nonprofit organizations and funding intermediaries.

- Our programs will aim to be *reflective of the populations* the Foundation serves.

- We will provide resources to promote the growth and vitality and *build the capacity* of civic institutions, infrastructure and leadership.

In the following pages are reports on our other activities in 2000, including the re-emergence of the Knight Commission on Intercollegiate Athletics. You will read about our significant investments in re-energizing high school journalism and continuing a demonstrably successful international journalism fellowship program. Take a look at some of the photos from the National Millennium Survey; we hope you will be reminded that you were a part of the America this project documents. Please also note the descriptions of our pilot efforts to introduce our community-driven, outcomes-based Knight Community Partners Program.

You'll see an investment report that describes the status of a \$2.2 billion asset base that makes this grant making possible. I'm reminded that only a decade ago, our annual report noted that we'd just reached the \$100 million mark in grant

making through our first 40 years. Compare that to the \$93.4 million in grants approved in 2000 and know that we are well aware of the responsibility to invest wisely in the partnerships created to strengthen journalism and our communities.

Two new trustees recently joined us in this effort. We look forward to working with Paul S. Grogan, who assumes the presidency of The Boston Foundation July 1. His years of experience as head of Local Initiatives Support Corporation add significantly to what we wish to learn about community development. Also joining us is Cesar L. Alvarez who, as president and CEO of Greenberg Traurig P.A., has spearheaded the growth of that organization into one of the nation's most respected law firms. His presence at Knight Foundation deepens our ties to Miami – our headquarters as we roll out our new Knight Community Partners approach to grant making.

About the time this annual report comes out, we'll conclude our 50th anniversary celebration in Miami with a gathering much like the one in Akron in 2000. Miami is often described as the best community to view and participate in what America will become in the 21st century – a complex mix of cultures, heritages and philosophies, a place with awesome wealth and dispiriting poverty, a community in which family ties are celebrated and ethnic divisions are real.

If, in five years, we can look back in Akron and Miami and our 24 other communities and see measurable indications that Knight Foundation has contributed to a more thriving democracy through better journalism and stronger communities, we'll feel we have not wasted the opportunities put before us by Jack and Jim Knight.

W. Gerald Austen, M.D.
Chairman



Cesar L. Alvarez

While the nation was grinding its way toward the great dead heat that ended the presidential election of 2000, a result that spoke directly to and from substantial cleavages in the society as a whole, Knight Foundation was working its way toward a new five-year plan. Unlike the presidential outcome, the board's September approval of the new strategic plan was unanimous.

Knight Chairman Jerry Austen details the basics of the new approach in the preceding pages. As he makes clear, it rests on two fundamentals. First, a sharpened focus on the 26 Knight Foundation communities in which the Foundation has traditionally concentrated its grant making. Second, an intensified commitment to the enhancement and protection of journalism at home and abroad. We have eliminated our other national programs and added a National Venture Fund for investments in innovative programs and ideas that offer promise of benefiting our communities. Finally, and of great importance, the Foundation has tightly integrated the planning and evaluation function with all program activities.

It is tempting at moments like this to echo the words emblazoned on the Great Seal of the United States: *Novus Ordo Seclorum*, or, roughly interpreted, "a new age now begins." In our case, the temptation should be resisted. While it is not precisely a case of "the more things change, the more they stay the same" here at Knight Foundation, it is definitely true that we see our central mission as reconfigured rather than repudiated.

If that is true, why did we go through the months of intense study and deliberation that preceded the board's action? Since Knight Foundation was not broken – was indeed seen by most outside observers as doing a good job within the parameters of its existing approach – why the itch to fix it?

Again, the answer is twofold. The first involves money, as measured in both absolute and relative terms. Viewed by any objective standard, Knight's endowment is large. It has almost doubled in three years, to more than \$2 billion dollars. Our annual payout has also doubled, and will be at least \$85 million in 2001. Next year it will likely be \$100 million.

Nonetheless, those dollars do not exist in a vacuum. Do simple long division and you immediately see things in a different light. We are directly interested in 26 communities. If our annual outlays were distributed equally, each would receive about \$3.3 million.

Now consider that one of our communities, Miami-Dade County, has an annual public school budget of over \$4



Hodding Carter III

billion a year and rising. Against that backdrop, our endowment no less than our annual payout suddenly looks less imposing. Measured against annual outlays from the public, private and other philanthropic sectors in the 26 Knight cities, ours looks marginal at best.

That does not mean those funds are, or have to be, unimportant. In fact, Knight dollars can be extremely useful if deployed intelligently. And that is where the Foundation's longtime connection to its communities is of such great benefit. We already know them well. What re-

mains, and what the new Knight Community Partners approach envisions, is to deepen our knowledge and involvement.

What happens next is that each of the towns and cities will set, or further advance, a limited agenda of desired outcomes toward which Knight Foundation will help its local partners work. Once communities set their outcomes, Knight's money will be committed to these priorities for periods of no less than three years. Knight's Community Partners staff and its Program Development and Evaluation staff will function as community resources, providing connections to outside expertise, convening community participants and coordinating the flow of money and other assistance to help communities advance toward their respective goals.

In its work with its nonprofit partners, Knight Foundation will invest in both experimental and tested efforts, endeavoring to help communities learn more about what works, what doesn't and what might.

The basic decisions about which community needs should have Knight funding will be made within the communities. At the same time, they will be made against the background of the Foundation's board-determined priorities and the qualitative and quantitative data about each community's priorities included in our Community Indicators project.

The late Lee Hills, who was chairman of the board during Knight's most formative years, came up with the theme for the Foundation's strategic plan in 1992. It was simple: Sharpen the focus, heighten the impact. It could as easily be the Foundation's mantra for the next five years.

Our roots have always been in community. Our purpose is to grow them deeper.

Hodding Carter III
President and CEO

What We Value

We occupy a unique niche in philanthropy, given the advantage of having enduring ties with 26 distinct U.S. cities and towns. In each, Knight Foundation is developing a new community partners approach to funding. Trustees and staff agreed in our planning sessions that this approach required some new and clarified mandates.

Our grant making will focus on **people** – those folks in our communities least able to help themselves. We’ve been saying for years that our communities were **laboratories**. Knight has now created a structure to test high-risk and experimental ventures and to implement programs that have been demonstrated to work. We’ll consult with our 26 communities to help local residents identify local **priorities**. If we find successful approaches through funding partnerships, we’ll try to **replicate** them and share information widely with others. To leverage our limited funds, we’ll **collaborate** with local and national funders, nonprofit organizations and funding intermediaries. We’ll aim to reflect the **diverse** populations the Foundation serves. And we expect to help a variety of civic institutions, organizations and leaders grow stronger with badly needed **resources**.

We have developed a **National Venture Fund** to enable us to support innovative opportunities and initiatives at the national level that relate directly or indirectly to Knight’s work in its 26 communities.

We expect to invest just over \$100 million to promote **excellence in journalism** over the next five years, working with organizations that offer special promise of advancing the quality and effectiveness of a **free press** and understand its role in a thriving democratic society. We also encourage approaches to quality journalism across **all forms of media**.

In the following pages, we detail our programs and discuss the outcomes we seek in partnership with our funding partners and communities.

We are privileged to share photographs from the **National Millennium Survey**, which documented and interpreted American life at the turn of the century.



*Press Conference, Microsoft Anti-Trust Case
Washington, D.C. 1998
Stephen Shore*

Journalism Program

Knight Foundation's signature Journalism Program is international in scope. We have a 50-year track record of working in the field as a funder, investing \$153 million through 2000.

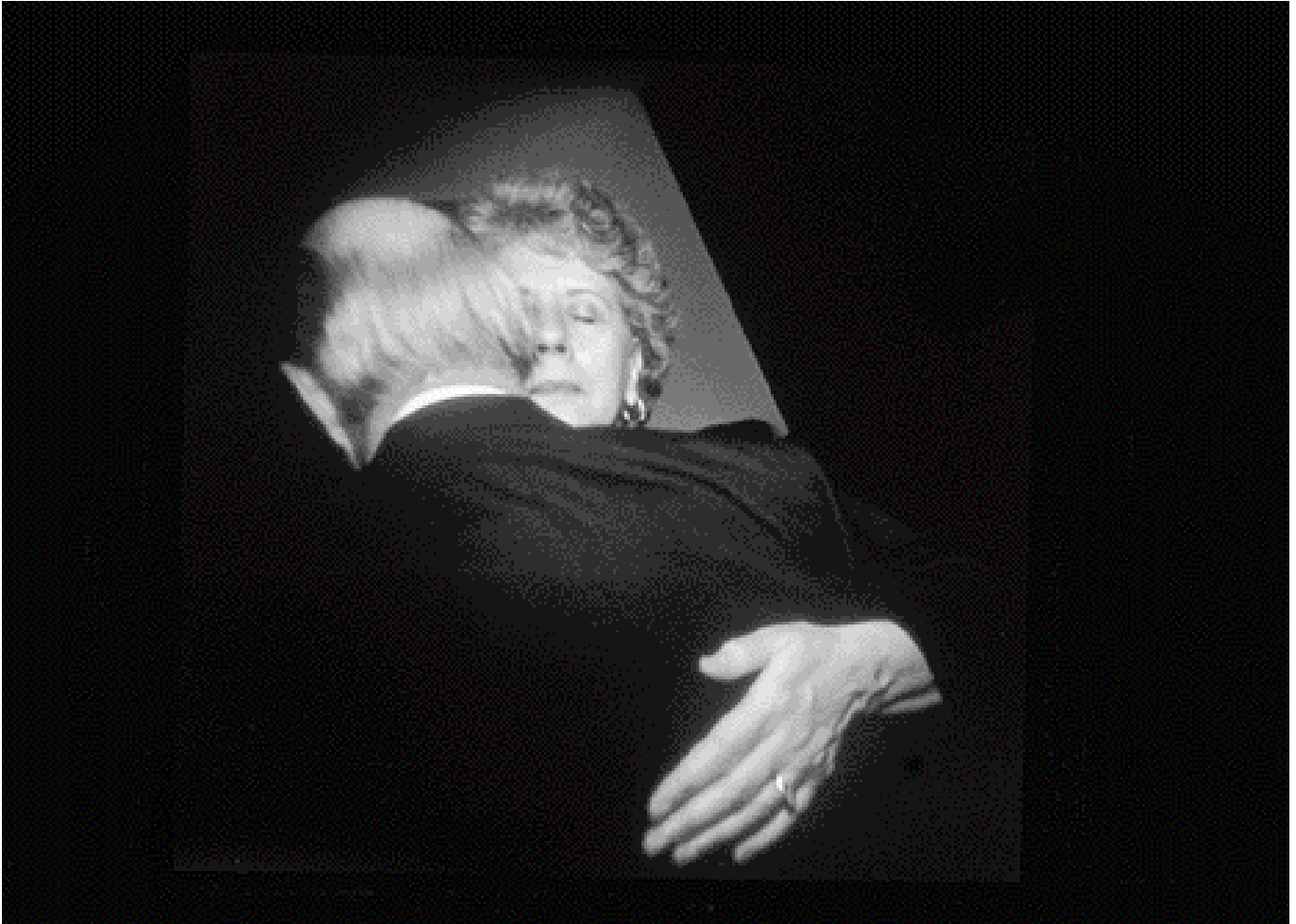
Grants are made to U.S.-based organizations and institutions that offer special promise of advancing the quality and effectiveness of a free press and understand its role in a thriving democratic society. We give particular emphasis to the education of current and future journalists, the defense of First Amendment rights and support of a free press at home and abroad. We also seek to collaborate with others to infuse the new media with the timeless, basic values of journalism.

We aim to develop partnerships with other funders to maximize the impact of our journalism grants. Since 1982, the Foundation has made a series of major grants to support mid-career education for journalists and media executives, primarily journalism fellowship programs at such universities as Columbia, Harvard, Maryland, MIT, Michigan, Northwestern, Stanford, Southern California/California-Berkeley and Yale.

In 1990, we developed a national Knight Chair in Journalism Program and have endowed tenured teaching positions for working journalists at 16 well-regarded U.S. schools of journalism and public policy.

How to Apply

Interested organizations should check our web site for details and submit a brief letter of inquiry to the Foundation.



Dancing in Queens
1996
Sylvia Plachy

Knigh t Community Partners Program

We seek to help enhance the quality of life in 26 U.S. communities where the Knight brothers owned newspapers. The new Knight Community Partners Program honors the values they brought to their business and their philanthropy. At its heart, the program seeks to **improve the lives of individuals**.

The approaches we use will be as varied and complex as the places themselves. Citizens in Gary, Ind., may not have the advantages of the residents of San Jose's Silicon Valley, but they do have a powerful belief that they can make a difference. Miami and Philadelphia are complex urban centers and regional hubs, but they're as different in tone and tenor as Benjamin Franklin and Gloria Estefan. While Boulder and Tallahassee are homes to major state universities, the former is Western, the latter distinctly Southern.

Each community has its own set of issues and opportunities. In each Knight town and city, we want people to join together to help define priorities. In addition to grant making, we'll convene, serve as facilitators, help evaluate and disseminate what we learn together. Our objective is to collaborate with organizations and individuals to work **toward a limited number of clearly defined goals**.

Our notion of quality of life includes numerous components, and we are open to local ideas that may not fit within our preferences. In general, we believe the Knight community partnerships should foster a strong public education system, a housing and community development network that is available to everyone who needs it, ample assistance for children and families, citizen engagement in civic and democratic life, a vital and multifaceted cultural life, and positive human relations across lines of race, ethnicity and class. Underlying everything is an economy that offers employment opportunities to all who seek work.

As we see it, the Knight Community Partners Program can best succeed by recommending long-term strategies focused on **a few critical priorities**. The Foundation will be working with local advisory committees throughout 2001 to craft **customized strategies** and **desired outcomes** for each Knight community, drawn heavily from the six priority areas detailed in the following pages.

Priority Areas

Education

Well-being of children and families

Housing and community development

Economic development

Civic engagement and positive human relations

Vitality of cultural life

How to Apply

Interested organizations should check our web site for details and submit a brief letter of inquiry to the Foundation.



*Cleveland School of the Arts
May 1998
Larry Fink*

Education

*In our
partnerships,
we share
opportunities
and obligations:*

*To help all residents gain the **knowledge** and **skills** necessary to reach economic self-sufficiency, remain active **learners**, be good parents and effective **citizens** in a democracy.*

*To provide an environment in which talented individuals refine and develop their **interests** and **abilities**.*



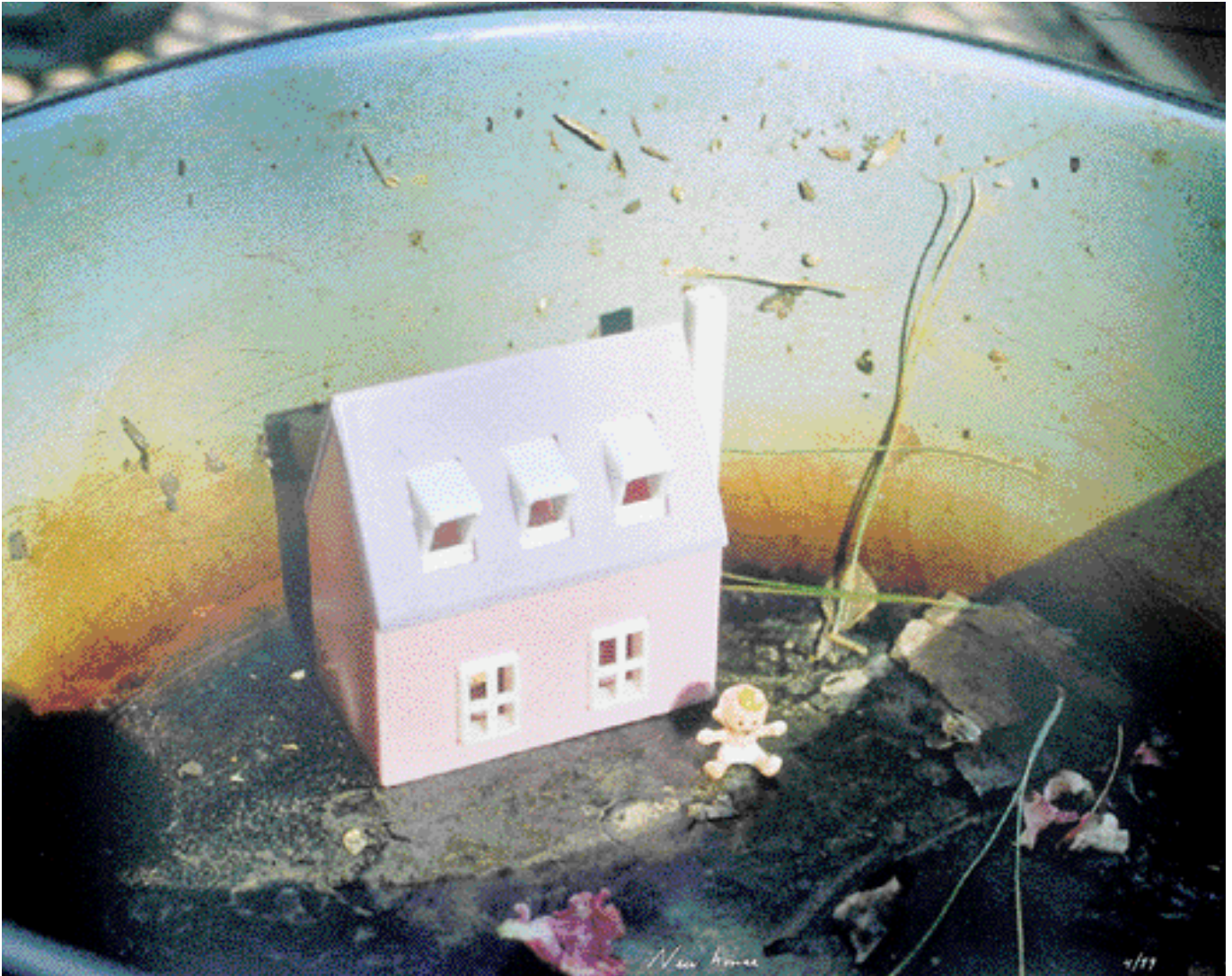
*The Nobles' Porch
Lost Creek, Kentucky 1999
Shelby Lee Adams*

*Well-Being of **C**hildren and **F**amilies*

*In our
partnerships,
we share
opportunities
and obligations:*

*To provide all **children** and **youth** with opportunities for positive **growth** and **development**.*

*To give all **parents** resources they need to **strengthen** their **families**.*



New House
April 1999
Mark Klett

Housing and **Community Development**

*In our
partnerships,
we share
opportunities
and obligations:*

*To provide all **residents** with access to affordable and decent **housing** in safe,
drug-free **neighborhoods**.*

*To provide a continuum that includes everything from services for the
homeless to affordable opportunities for **home ownership**.*



*Wind Generators
Palm Springs, California 1999
Joan Myers*

Economic Development

*In our
partnerships,
we share
opportunities
and obligations:*

*To help all adults gain access to **jobs**.*

*To build **alliances** among government, business and nonprofit sectors
to create **economic opportunities** for residents.*



*Honor Dance, Crow Flies High, War Mothers
North Dakota 1995
Zig Jackson*

Civic Engagement and Positive Human Relations

*In our
partnerships,
we share
opportunities
and obligations:*

*To encourage and enable all residents to **participate** effectively in the
democratic process, form ties to local institutions and strengthen **relationships**
with one another.*



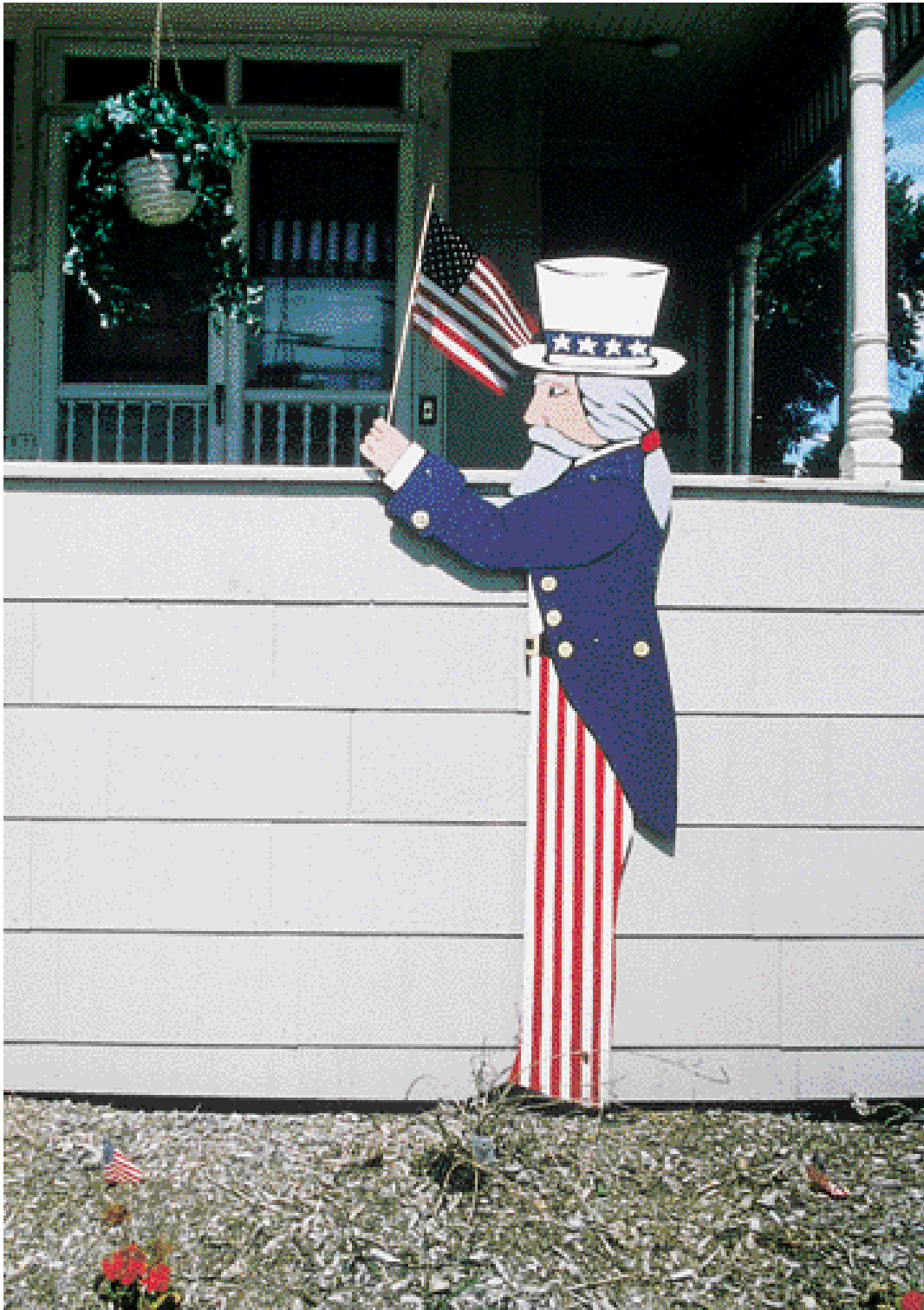
Chalk Flowers
January 1999
Mark Klett

*Vitality of **C**ultural **L**ife*

*In our
partnerships,
we share
opportunities
and obligations:*

*To provide **all** residents **access**
to a wide variety of **artistic** and **cultural** pursuits.*

*To nourish **creativity** in children,
youth and adults.*



*Uncle Sam, West Main St.
Batavia, New York, July 1999
Maron Faller*

Knight Foundation Communities

To help grant seekers easily understand the geographic scope of Knight Foundation's 26 communities, we have specifically defined target areas for local grant making. In most cases – though not all – Knight communities are defined as the city

and its home county. A few communities are more broadly defined to include areas in adjacent counties or even an adjacent state. We also encourage projects involving regional approaches that address community priorities.

California:

Long Beach Cities of Long Beach and Signal Hill
San Jose Santa Clara, southern Alameda and
southern San Mateo counties

Colorado:

Boulder Boulder County

Florida:

Boca Raton Palm Beach County
Bradenton Manatee County
Miami Miami-Dade and Broward counties
Tallahassee Leon County

Georgia:

Columbus Muscogee County, Ga.;
and Phenix City, Ala.
Macon Bibb County
Milledgeville Baldwin County

Indiana:

Fort Wayne Allen County
Gary Lake County

Kansas:

Wichita Sedgwick County

Kentucky:

Lexington Fayette, Bourbon, Clark, Jessamine,
Madison, Montgomery, Scott and
Woodford counties

Michigan:

Detroit Wayne, Macomb, Oakland and
Washtenaw counties

Minnesota:

Duluth St. Louis County, Minn.;
and City of Superior, Wis.
St. Paul Ramsey County

Mississippi:

Biloxi Harrison County

North Carolina:

Charlotte Mecklenburg, Cabarrus, Union counties,
N.C.; and York County, S.C.

North Dakota:

Grand Forks Grand Forks County, N.D.; and
Polk County, Minn.

Ohio:

Akron Summit County

Pennsylvania:

Philadelphia Philadelphia, Bucks, Chester, Delaware
and Montgomery counties, Pa.;
and City of Camden, N.J.
State College Centre County

South Carolina:

Columbia Richland County
Myrtle Beach Horry County

South Dakota:

Aberdeen Brown County

Advisory Committees & Community Foundations

Making the right local grant decisions for 26 different communities is not easy. We want Knight Foundation's grants to meet local needs that have been identified by the **people who live and work in each community**. Knight Foundation will create and work closely with a local community advisory committee whose members will play a central role in assessing needs and **recommending priorities**. We expect our local advisory committees to be in place by the end of 2001.

Knight Foundation also relies on close ties with **community foundations**. We recognize that community foundations are often better equipped than a national foundation to address local issues and **respond quickly** to a high number of smaller grant requests in our 26 communities. We plan to **invest additional resources** over the coming years to strengthen those community foundations, deepen our relationships with them and **enhance** Knight **donor-advised funds**.

How It Works

Increasingly, differences of opinion are taking a nasty turn in our community. Two recent examples are a wrenching county commission split around the issue of funding for the arts and the inability of the school board to come up with a student assignment plan following a court order that ends busing. Both of these stalemates have had a hugely divisive and negative impact on our community.

– Debbie Abels, Charlotte Advisory Committee

We need to lower the crime rate for juveniles. One big need is an aggressive and comprehensive after-school program.

– Max Allen, Milledgeville Advisory Committee

To improve the quality of life in the community, we must increase access to and participation in cultural activities.

– Scott McGehee, Fort Wayne Advisory Committee

For Grand Forks, the top priority is lifting the general income level of the work force.

– Michael Maiden berg, Grand Forks Advisory Committee

The issue of the day for this community is dearly education, particularly the education of young children.

– Dr. June Cooper, Long Beach Advisory Committee

These are some of the voices helping us find the right fit for our local grant making.

Based on our grant-making experiments in five Knight communities in 2000 – Long Beach, Charlotte, Fort Wayne, Milledgeville and Grand Forks – we are launching the Knight Community Partners Program.

The new program enables us to build on our long-term commitment to the 26 Knight communities. We are deepening our relationships with our advisory committees and non-profit partners. We are sharpening the focus of our work. We are comparing different strategies to learn more about what works best. Borrowing from the late social psychologist Donald Campbell's ideal of an experimenting society, we are aiming to be a partner that "experiments, tries things out, explores possibilities in action," understanding "that a certain amount of trial-and-error is essential."

We are seeking to form long-term partnerships. We hope to play the role of knowledge broker, helping communities transfer useful lessons from one to another.

To put this vision into action, we have crafted a top-down, bottom-up approach. From the top, the Foundation

has identified the six broad targets we value: civic engagement and positive human relations; economic development; education; housing and community development; the vitality of cultural life; and the well-being of children and families.

In each Knight community, we are working from the ground up. We are coordinating meetings with our local advisory committees to have them recommend a limited number of priority outcomes Knight's grant making should seek to produce. These priorities, based on a mix of local knowledge and our community indicators, represent the outcomes the community must realize in order to improve the quality of life locally. The quotes atop this article came from our priority-setting discussions in five communities in 2000.

Once local priorities are set, we will turn to the best available knowledge about what has worked, what has not and what might. This gives us a lens through which to consider local opportunities and assets.

We will seek strong nonprofit partners to take on the challenge of overseeing local activities with our funding, documenting results and sharing lessons in their community and beyond.

All of this lines up neatly on paper. In real life, things are messier. And that's good. We expect local needs to lead us to creative solutions as we operate across disparate communities. Further, what we learn in the five experimental communities will help us refine the approach as we roll it out in 21 additional communities. Through the remainder of 2001, we will initiate the new approach in up to nine more communities, completing the full cohort of 26 communities as quickly as possible.

The following outcomes set by our five experimental community committees show how some recommended a sharp focus on just one key priority. Others elected to focus on as many as three. Some priorities have a regional focus, while others are targeted efforts to experiment with approaches in a particular neighborhood. While all five communities identified priorities within Knight Foundation's framework, our approach is flexible enough for Charlotte to suggest a different area of critical local need.

Long Beach, Calif.

Well-Being of Children and Families – To improve school readiness for children in the community, with an emphasis on

children living in the 90806 ZIP code.

Charlotte, N.C.

Well-Being of Children and Families – To improve school readiness for children in the community, with an emphasis on literacy.

Civic Engagement and Positive Human Relations – To improve racial and ethnic relations in the community.

Other – To improve air and water quality in the region.

Milledgeville, Ga.

Well-Being of Children and Families – To increase positive youth development for teens in the community.

Fort Wayne, Ind.

Well-Being of Children and Families – To improve school readiness for children in the community, with an emphasis in Southeast Fort Wayne.

The Vitality of Cultural Life – To sustain and build diverse audiences for local arts and culture programming.

Grand Forks, N.D.

Economic Development – To increase income levels for families in the community.

Well-Being of Children and Families – To increase positive outcomes for middle school-age youth in the community.

The Vitality of Cultural Life – To increase the organizational strength and stability of arts and culture nonprofits in the community.

In Long Beach, members of the advisory committee identified a variety of needs related to the well-being of children. The solution, they agreed, is to intervene early with a systematic approach to improving early-childhood outcomes. A key benchmark, they said, is whether a child is socially, emotionally and academically ready to start school.

“Too many children, particularly in communities with a large multilingual population, are disadvantaged in terms of entering school at a lower level of literacy than many of their peers,” said Judy Spiegel of the California Community Foundation, one of our Long Beach advisers.

With the focus in place, we convened local Long Beach nonprofit leaders last fall to talk about ways to use Knight Foundation resources to improve school readiness in the 90806 ZIP code. Based on research on tested and promising activities, the local leaders suggested how best to employ community assets to benefit that target neighborhood.

Duly armed with local input, we invited a handful of organizations to work with us to develop projects aimed at school-readiness outcomes over the next three to five years. We expect to make our first grants in this new system in Long Beach in September 2001.

Even as Long Beach puts our grant dollars to work, we hope to pass along related developments in the field, some coming from national organizations, others emerging from other Knight communities working on school readiness as a priority. As you can already see, communities will cluster around priorities. Organizations in Fort Wayne, Charlotte and Long Beach can share what they are learning on school readiness with other communities sharing that interest.

We are looking for a mixture of investments. In some cases, we want to nurture existing efforts or help partners implement proven strategies. In other instances, we want to build on past practice and emphasize risky, experimental ventures. We don’t want the pursuit of outcomes to steer us toward the safe harbor of easy, short-term results that satisfy evaluation checklists but do not serve larger community interests. We’re about helping local partners find out more about what works, what does not and what might.

WAYS TO WORK WITH KNIGHT

As we make the transition into the Knight Community Partners Program, there are a number of ways local nonprofit organizations can work with the Foundation. Organizations working in communities where priorities have been set should think about how they can use their resources to help the community move toward the goals. To help these potential partners, we are reorganizing our staff so that Knight Foundation program staffers serve as liaisons for specific communities. The Foundation’s web site will soon list which staff member is the lead contact for any given community.

We’ll be strengthening and expanding our network of community foundations to provide organizations with smaller grants that may not focus on the Knight Foundation priorities.

Finally, organizations working in communities where priorities are not yet set should check our web site for an estimated timetable. We hope to bring all 26 communities on board by the end of 2002.

National Venture Fund

How to Apply

Interested organizations should check our web site for details and submit a brief letter of inquiry to the Foundation.

The National Venture Fund supports **innovative opportunities** and initiatives at the national level that relate directly or indirectly to Knight's work in its 26 communities. The fund allows Knight Foundation to work at an appropriate scale in ongoing efforts with trusted partners. Knight has already put the venture fund to use in 2001, identifying grants that familiarize us with new and emerging issues and introduce us to new partners. The fund welcomes proposals from U.S.-based organizations committed to **high standards** of planning, evaluation and communication.



1999
Susan Meiselas

Learning as We Change

Knight Foundation celebrated its 50th anniversary in 2000, visiting its historic hometown of Akron, bringing a previous five-year strategic plan to a close and paying out \$70 million in grants benefiting journalism and communities. What we learned in the half-century of grant making thoroughly infused our planning as we developed a new community-based, outcomes-driven approach.

National & Community Initiatives

Knight Foundation's 26 towns, cities and urban centers represented the eternal verities of life in the United States in 2000.

St. Paul and Duluth may call to mind Garrison Keillor's Lake Wobegon for some, but only in imaginary places are all children above average. Boulder, State College, Tallahassee, Lexington, Columbia and Grand Forks are home to large state universities, but even there an equal opportunity to a good education is more goal than reality. San Jose's Silicon Valley may be where high-tech millionaires and venture capitalists think big, but the region struggles to provide affordable homes for the many who don't create the new economy's vast wealth. Every time Miami and Detroit and Gary demonstrate that they can use their multicultural complexity as an asset, an Elián González saga comes along to demonstrate how wide cultural gaps can be. And while Philadelphia, Charlotte and Macon deserve their reputations as vital artistic climates, there, as elsewhere, too many residents simply aren't encouraged to attend a new play or feel welcome at a symphony performance.

Through its first five decades of grant making, Knight Foundation has continuously defined and refined its sense of community. In 2000, we concluded a five-year strategic plan carried out through national programs in arts and culture, education, and a local grants program meeting a range of human and civic needs.

With that past as prologue, Knight trustees have encapsulated in our new strategic plan their notion of civic wellbeing. They agree that a vital community includes a strong public education system; a housing and community development network available to everyone who needs it; ample assistance for children and families; citizen engagement in civic and democratic life; a vital and multifaceted cultural life; and positive human relations across lines of race, ethnicity and class. Underlying everything is an economy that offers employment opportunities to all who seek work.

Much of our work in 2000 represents progress toward those outcomes. In the following capsule narratives, we describe highlights of work in our Community Initiatives, Education and Arts and Culture programs.

COMMUNITY INITIATIVES

Census years like 2000 remind us that America is a constantly expanding society with the widest imaginable range of reality and possibility. The breadth of funding interests in Knight Foundation's Community Initiatives Program recognized that range, with special emphasis on children and families, citizenship, community development and homelessness. But in our granting, we zeroed in on a reality expressed in language our trustees included in their new operating assumptions: We focused on helping those individuals most in need of assistance – people least able to help themselves.

Americans have adjusted since 1996, admirably in many ways, to sweeping changes in our welfare system introduced by the federal Personal Responsibility and Work Opportunity Reconciliation Act. Congress will be back at it in 2002, considering changes in the welfare reform laws based on what we've learned even as state and local agencies have assumed responsibility for welfare-to-work programs. In a number of Knight communities, through grants that have approached the issue on both policy and grassroots levels, we have worked with organizations helping low-income families and their children move from reliance on welfare payments to meaningful work and better lives.

A welfare-to-work project directly linked to our new approach to grant making makes us part of the Long Beach Funders' Collaborative. The local funders know a lot about the highly distressed neighborhoods comprising the 90806 ZIP code, a richly diverse area with a population 41 percent Latino, 17 percent white, 24 percent African-American and 17 percent Asian/Pacific Islander, including a large number of Cambodian refugees. It is also young; more than four in 10 are under age 24.

The idea behind focusing on one ZIP code is building sustainable local initiatives to improve the economic opportunities of low-income residents. The funders have mounted 908LB Works!, a work-force development initiative to move

900 to 1,200 low-income, unemployed residents there into jobs with livable wages. We hope Knight's \$300,000 contribution to that initiative helps us learn, and that it complements our Long Beach advisory committee's interests in school-readiness outcomes – see page 24 – in the same ZIP code.

On a much larger scale, we made a \$1.2 million contribution to the Project on Devolution and Urban Change, the national study of welfare reform by the Manpower Research Demonstration Project. The monumental report focuses on four urban counties including those incorporating Miami, Philadelphia and Long Beach. The study holds promise to inform officials who will be revising the welfare reform legislation and to influence practices on the local level.

Since many people new to the work force live in communities where a car is the only way to get to the job, transportation becomes critically important. Past experience with Ways to Work showed Knight Foundation the effectiveness of making small loans to low-income families so they could afford a car, auto repairs or other aspects of self-sufficiency. Newly divorced Akron nurse Karen Taylor, a mother of two, used \$3,000 for a car in 1999 that helped her get to work.

"I was really overwhelmed," she said. "That loan really made a big difference."

In 2000, we supported national expansion of the Ways to Work family loan program for the next three years with a \$1.9 million grant. We'll watch and learn as Ways to Work establishes programs in Camden, Detroit and Miami.

Knight's Community Indicators surveys revealed an intriguing concern common to many Knight communities. A great many residents felt that having unsupervised children in their community was a real problem. Several projects funded in 2000 took systemic approaches to providing after-school and other youth development programs for some of our most vulnerable children. With a \$250,000 Knight grant, the Community Foundation Silicon Valley is working in San Jose's Mayfair neighborhood to enrich after-school programs and improve educational outcomes for middle school students through its Making the MOST Out of School Time program.

And because today's young people will be the employees of all sectors of tomorrow, including the vitally important nonprofit sector, Knight Foundation contributed \$335,000 to a Public Allies initiative in San Jose called Building Strong

Community Leadership for Youth. Public Allies will test a potentially replicable program to train young people for careers in the youth services field.

Finally, our approach to funding programs serving our communities' homeless populations is based on the reality that it requires a continuum of care and the involvement of many organizations serving multiple needs to succeed. In St. Paul, Hearth Connection received a \$325,000 grant for a pilot project to create a system offering and financing case management, support services and housing for homeless individuals, many of whom suffer from chronic mental illness, substance abuse or HIV/AIDS.

EDUCATION

Education neither starts at a kindergartner's first day nor ends with the toss of a college graduate's tassel.

Because learning is a lifelong pursuit, we hope to help all residents of Knight communities gain the knowledge and skills necessary to reach economic self-sufficiency starting at the first opportunity. We hope our communities envision their residents as active learners, good parents and effective citizens. We also wish to provide an environment in which talented individuals refine and develop their interests and abilities.

Much of the Education Program's work in 2000 presaged our new approach to community-driven, outcomes-based grant making, hewing to three major themes.

First, we worked with a number of national organizations and in specific communities to broaden our definition of a literacy program. Because Charlotte has made literacy a priority, the Foundation for the Carolinas is helping to coordinate a communitywide initiative to improve reading and writing.

The Charlotte project involves a number of Knight-funded national and local players. They include Boston-based Reach Out and Read, a group that uses the trust parents have for their pediatricians during well-baby visits to develop awareness of the importance of reading. A Knight grant of \$647,000 helped Reach Out and Read collaborate in the Charlotte initiative and to expand programs in Philadelphia and Palm Beach County.

The National Center for Family Literacy, a longtime Knight partner, received a \$1.1 million transition grant to

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continue the Family Independence Initiative and explore new programming opportunities in Charlotte and other communities. We hope to benefit from extensive evaluation of the multifaceted approach and share our learning with others.

And in Philadelphia, Temple University is continuing Literacy in Action, an unusual literacy and writing initiative that sends Temple undergraduate students into nearby urban neighborhoods as part of their service learning obligation to help residents strengthen their skills.

We maintained our interests in improving the quality of middle-grades education during 2000. As part of a larger district focus on the needs of middle-grade students, a grant of \$600,000 to the Wichita Public Schools helped establish a large-scale reading initiative. Local test scores in Sedgwick County showed this was an area of real need, so the school district developed a broad partnership with local universities and youth-serving agencies to improve reading instruction.

Finally, two very different, yet highly innovative grants demonstrated how Knight Foundation dollars can strengthen the abilities of nonprofit agencies to provide much-needed services.

First is a \$1.25 million grant to Communities In Schools, the nation's largest program designed to keep kids in school and reduce the number of students who drop out. While we have funded local CIS partnerships previously, Knight's grant to CIS in 2000 will help the national organization expand to even more of our 26 communities and improve its ability to evaluate, document and disseminate results.

Second, smart growth advocates know well the reputation of the University of Miami School of Architecture, where Dean Elizabeth Plater-Zyberk and others explain how New Urbanism techniques can help ease urban congestion and turn distressed and forgotten downtowns into livable places once more. A Knight grant to the school created a community-building program. The grant included the creation of a competitive fellowship program in which a dozen experienced professionals including journalists, many from Knight communities, were to be selected. Their opportunity: Studying community development at the university, with Miami as a laboratory, before returning home to inform others of their newly learned lessons.

ARTS AND CULTURE

Any skeptic seeking proof of the ability of the arts to improve lives and transform places should be sent straight-away to North Philadelphia.

Fifteen years ago that skeptic would have encountered what artist Lily Yeh saw: A bleak repetition of trash-strewn lots, abandoned buildings, dispirited souls. They could not have imagined what Yeh envisioned: An arts village of parks and gardens, buildings dedicated to poetry and performance, youthful creation and imagination.

Today, 10 years after Knight Foundation's initial grant, the Village of Arts and Humanities welcomes hundreds of neighborhood children to a sprawling cluster of studios, workshops, tree farms and urban artscapes. The village is a national model of civic renewal, an example of how the arts can be an important driver in neighborhood revitalization and part of the solution for community problems.

A 2000 Knight arts and culture grant of \$130,000 will help Yeh, her growing staff and her network of artists and cultural programs take their transforming techniques into 10 other sites throughout Philadelphia.

The village provides powerful rationale for Knight Foundation's commitment to the vitality of cultural life in our 26 communities. Whether it's a neighborhood nonprofit or a national cultural organization, any partner with the potential to meet a community-established priority to improve lives directly or indirectly through art continues to have the prospect of working with us.

We advanced that thinking through our two national initiatives in 2000. Fifteen U.S. orchestras, including eight from Knight communities, took major strides in the second phase of our "Magic of Music" Symphony Orchestra Initiative.

This long-term commitment to strengthening the connection between musicians and their audiences evolved in 2000 by bringing marketing and partnerships into the mix. All participants received grants to research their markets with a goal of better understanding how to keep core audiences and attract new concertgoers. A dozen grants went to orchestras linked together in partnerships designed to enhance learning and sharing. For example, earlier programming successes

established in St. Paul and Portland, Ore. – home, respectively, to experimental music education and outreach programs – provided the vehicles for forming two different four-way partnerships to develop related programming techniques.

The Museum Loan Network, the most comprehensive matchmaking program in the U.S. museum world, built on earlier experience in sharing works of art by adding in organizations dealing in works of cultural heritage.

The loan network (MLN), jointly funded by Knight and The Pew Charitable Trusts, oversees the sharing of a wide variety of art and objects of cultural heritage – works held in storage in one museum brought to public view in another. The MLN grants enable institutions to integrate carefully selected loaned objects into their existing collection, creating long-term exhibitions that better tell the story of our nation's cultural heritage and are meaningful to audiences within their own communities. Through 10 grant cycles by the end of 2000, the network had awarded grants of nearly \$2.5 million, funding the long-term loan of nearly 3,000 objects and affecting almost 200 museums across the country. MLN also features nine virtual tours of exhibitions created through its programs on its web site (<http://loanet.mit.edu>). The web site also features an impressive database of objects available for loan.

In 1994, Knight Foundation embarked on an experiment to help a group of four artistically outstanding but financially challenged arts organizations in Charlotte by encouraging them to forge a marketing collaborative. The success of the Marketing Services Organization, documented in Knight's *Marketing the Arts* publication, led us to believe the core concept could travel to other communities, even if their cultural circumstances were vastly different.

By the end of 2000, arts organizations in eight Knight communities were in various stages of developing methods of collaborative marketing. In addition to continuing existing efforts in Charlotte, Long Beach and elsewhere, we made three planning grants to get efforts under way in Silicon Valley, in Southeastern Michigan and in Broward County, Fla.

One of the beauties of the arts is that virtually any place can be a venue for a cultural engagement. Demonstrating reach beyond the usual suspects, we made a grant of \$250,000 to the American Library Association in support of its national

“LIVE! at the Library 2000” project. The program offers support for libraries to present theme-based cultural programming, allowing artistic presentations of the highest quality in neighborhoods and at the places where people are already congregating.

Finally, Knight is committed to supporting the creation of new works, and to making the best of what is produced nationally available to all of our communities. The Mid-America Arts Alliance received a challenge grant of \$350,000 to develop reasonably priced, museum-quality exhibitions; continue a fee subsidy program; and research the most significant or pressing needs of museums in Knight communities. And Dance/USA got a partial challenge grant to restage classic dances or create new works at college campuses across the nation, including schools in Knight communities.

For a complete list of 2000 grants, see page 47.

Journalism

“In its coverage of the 2000 presidential election, television put too high a premium on timeliness and competition, to the detriment of accurate and responsible reporting of election night returns.”

That’s how an independent panel headed by James V. Risser, two-time Pulitzer Prize winner and former director of the John S. Knight Fellowship program at Stanford University, described television coverage of the 2000 presidential election night.

The details remain startlingly vivid. By 8 p.m. on Election Day, NBC, CBS, CNN, Fox, ABC and The Associated Press had incorrectly called Florida for Vice President Al Gore. Most retracted that mistake, then made a similar blunder in the early morning hours by declaring Texas Gov. George W. Bush the victor before definitive results were in hand. Respected newspapers such as The New York Times, The Miami Herald, The Philadelphia Inquirer and USA Today prematurely blared a victory for Bush on their front pages. It then took weeks of hanging chad jokes and court rulings to decide the victor.

It was far from journalism’s finest hour, especially considering the high stakes and the thin margin of victory. Said NBC News anchorman Tom Brokaw: “We don’t just have egg on our face. We have omelet all over our suits.”

If for no other reason, Knight Foundation’s Journalism Program would have ample justification for redoubling its effort to promote journalism of excellence. But there are others, some of far longer duration. Against that background, Knight trustees committed more than \$30 million in 42 grants, a record amount, to nonprofit organizations working to improve journalism – regardless of the media used – during the year.

Nothing demonstrates this commitment more clearly than the Foundation’s support of the American Society of

Newspaper Editors’ High School Journalism Initiative. A \$500,000 planning grant to ASNE in 2000 – complemented by a \$4.8 million grant in March 2001 – underscored the Foundation’s concern. The ASNE program emphasizes the importance of quality journalism in a thriving democracy by re-energizing the study and appreciation of journalism in U.S. high schools.

In addition, the ASNE initiative will expose a more diverse section of the student population to the possibility of careers in journalism. The initiative has three components:

- Hundreds of students and teachers across the country are already involved in ASNE’s Journalism Partnerships program, which encourages newspapers to team up with individual high schools or school districts and provide expertise and technology to launch a student newspaper or improve an existing one.

- ASNE also has selected six accredited universities to conduct two-week training institutes this summer for teachers and administrators involved in high school journalism around the country.

- Finally, ASNE takes advantage of the information age with the development of www.highschooljournalism.org. The web site provides an array of information to students, teachers, guidance counselors and newspaper editors interested in journalism, the role of newspapers in a democracy and the First Amendment.

Shaun Gant, faculty adviser to Loyola Sacred Heart High School’s student newspaper, The Rampage, said the ASNE initiative and partnering with professional newspapers

had brought new life to the paper and the Montana school's journalism program.

"With guidance from *The Missoulian* and the Native American journalism students from the University of Montana's paper *The Kaimin*, our reporters are writing stories that interest them and their peers," he said. "There is palpable excitement in the school on the day our monthly *Rampage* hits the school. Without this award, I could never have revived our school paper, nor taught our students the practical skills to publish it."

The year 2000 included Knight Foundation support for the 15th and 16th Knight Chairs in Journalism – one at the University of Illinois at Urbana-Champaign, the other at the University of California, Berkeley. Illinois will hire its Knight Chair in Journalism professor to take advantage of the school's growing emphasis on teaching investigative and enterprise reporting. At Berkeley, the Knight Chair professor will concentrate on science and technology.

Knight recognizes that a vital free press involves more than educating future journalists and their teachers on the fundamentals of balanced and ethical journalism. It also requires the continual education of the working journalists who dictate what we view, hear and read today. This need led Knight Foundation in 1987 to support the creation of the Knight Center for Specialized Journalism at the University of Maryland at College Park.

Knight's long-term commitment to the program continued in 2000 via a \$2 million grant to the center. The grant will allow Maryland to continue its successful program of short, intense courses of study for midcareer journalists.

Knight has planted similar programs around the country. At the University of Southern California's Annenberg School, \$1,333,000 in Knight funding has helped to create the Western Knight Center for Specialized Journalism in partnership with the University of California School of Journalism at Berkeley. The center offers midcareer journalists short, concentrated seminars on timely topics critical to the interests of the Western United States. Topics for discussion include the environment, the Pacific Rim and entertainment.

Western Knight Center Director Vikki Porter said the

center's seminar on immigration had attracted more than 50 applicants from the Western United States, across the country and even internationally. Inquiries were received from as far away as Miami and Long Island and from electronic as well as print media representatives, including CNN and the BBC.

"In these tough times I think many newspapers, particularly the smaller ones, see the center as a real opportunity to improve and advance training," she said.

Putting professional journalists back on campus not only leads to more informed working journalists, it also helps to dissolve the boundaries between academic study and the daily practice of journalism. With this in mind, Knight gave \$510,000 to the Association of Schools of Journalism and Mass Communication. The grant will maintain support for the Broadcasters-in-Residence program, which puts experienced broadcast professionals on journalism college campuses to increase student and teacher contact with news directors, producers and on-air reporters.

Even with the guidance of professionals, how does a journalist with a four-year, liberal arts degree inform the public of the science behind the Human Genome Project or cloning technology? The new Center for Science and Medical Journalism at Boston University is intended to help future graduates stay abreast of scientific and medical advancements such as these. BU's Journalism Department will use a \$1,151,700 grant over three years to create the center based on the school's highly regarded graduate science journalism program by fostering teaching and learning about advancements in medical research and science.

Outside the United States, many journalists not only face the hurdle of education, they must also fight to plant and protect the very seeds of a free press.

That's the reality behind the Foundation's unprecedented \$9 million grant for Knight International Press Fellowships. Since the program's inception in 1994, 123 Knight Fellows have conducted the equivalent of 55 years' worth of training, consulting and teaching in 73 countries on five continents. The grant, Knight's largest single award, has allowed the International Center for Journalists to continue sending American journalists, news executives and business managers on inter-

Journalism

national assignments to help build a free press in fragile democracies around the globe.

Although extensive research has shown the program to be an invaluable tool, nothing underlines the program's worth more than the praise of individuals such as Jennifer Parmelee, an editor with Voice of America. Parmelee is attempting to help build the foundation for a free press in Ethiopia as it struggles to recover from a bloody war with Eritrea that left 100,000 people dead and 2 million homeless.

"I don't think there's any better investment for the West to make in developing countries than to support the establishment of free thinking journalists. ... Until there is a multiplicity of voices in these countries, nothing is going to happen [to help democracy take root]," she said.

Illustrating the precarious nature of a free press in emerging democracies, The Committee to Project Journalists has reported that 24 journalists from Colombia to the Ukraine were killed in 2000 because of their work; 16 of them were murdered.

"The majority did not die in crossfire. They were very deliberately targeted for elimination because of their reporting," said CPJ Executive Director Ann Cooper.

The year 2000 was one of transition for the Internet. One in five Americans kept track of the 2000 presidential election through online sources. Despite the financial woes of many e-commerce sites and "dot gones" and the faltering steps of many media organizations, the success of online journalism is undeniable. However, the industry is still grappling with providing accurate and reliable online journalism amid commercial pressures and the demand for constant and immediate coverage.

"A news outlet that lacks veracity loses its role as a reliable truth teller, whether on the web, in print or on the airwaves," said Larry Pryor, Online Journalism Review executive editor. "If a web news organization fails time-honored ethical tests, it mutates into something else: entertainment or perhaps a fount of gossip, innuendo and sensationalism."

A recent survey illustrates just how critical accurate and unbiased online information is to our democracy. Some 43 percent of respondents said online information affected their voting decisions in 2000.

Knight Foundation is supporting several efforts to promote the adoption by web information sources of voluntary guidelines that separate commercial and editorial functions and maintain a news source's credibility. The Foundation has joined with The Pew Charitable Trusts and the Open Society Institute to provide a total of \$4.8 million to fund the Consumers Union's Web Credibility Project. The project aims to develop and promote voluntary standards and best practices for credible information disclosure on the web, along with efforts to educate consumers on how to ascertain the reliability of online information.

Aided by a \$225,000 Knight grant, the Online News Association's Web Credibility Study will complement these efforts through its charter to design, develop and promote principles and guidelines for online journalism. Research for the yearlong study will include interviews with journalists, academics, lawyers, marketers and technologists. Discussions will focus on proper relationships between editorial content, advertising and e-commerce; the development of ethical standards; avoidance of conflict of interest; and the appropriate use of hyperlinking in a journalistic environment.

"The results generated from ONA panel discussions and research will provide a foundation for the ongoing discussions regarding credibility in this very new medium," said Howard Finberg, co-director of the Online News Association Standards Project. "It is a chance to help shape solid journalistic practices early."

In looking to journalism's future, Knight has not forgotten the lessons of the past. As part of the Foundation's long-standing diversity grant making, the Robert C. Maynard Institute for Journalism Education, Oakland, Calif., was awarded a two-year, \$200,000 grant. The funds will help to create and disseminate an oral and visual archive of pioneer-

ing journalists of color who served in predominantly white newsrooms.

We have also provided support for the American Newspaper Repository's efforts to protect and preserve rare American newspapers in their original form. The grant helps conserve newspapers such as Joseph Pulitzer's intricately illustrated turn-of-the-century newspaper, *The (New York) World*.

Reporters and editors of Pulitzer's era could not possibly have predicted the evolution of journalism from the printing press and the telegraph to satellite television and the Internet. Nonetheless, excellence in journalism remains a constant. The charge stays the same – to gather and disseminate information fairly, accurately and ethically. There was little evidence of an adherence to these tenets among the election night reporters who, after a footrace down the steps of the Supreme Court, blurted out fragments of an intricate ruling determining the leadership of this country.

As James Carey of Columbia's Graduate School of Journalism has noted, journalism and democracy share a common fate. Without the institutions or spirit of democracy, journalists are reduced to propagandists or entertainers.

"When journalists measure their success solely by the size of their readership or audience, by the profits of their companies, or their incomes, status, and visibility, they have caved into the temptation of false gods, of selling their heritage for a pottage."

For a complete list of 2000 grants, see page 62.

Knight Commission on Intercollegiate Athletics

In laying out a reform agenda for college sports in the early 1990s, the Knight Foundation Commission on Intercollegiate Athletics presaged more recent developments by noting: “Reform is not a destination but a never-ending process.”

A decade after issuing its first report addressing highly visible scandals in college sports, the Knight Commission reconvened in 2000 to see if reform had taken root. With eight new members joining 20 of the original pandists, the Commission set about to assess what had become of the recommendations proposed to, and enacted by, the National Collegiate Athletic Association (NCAA).

As speaker after speaker traveled to Washington to address the Knight Commission in a series of hearings beginning in August 2000, one resounding truth emerged: The situation hasn’t gotten better. A parade of presidents, conference commissioners, athletic directors, coaches, faculty, student-athletes, NCAA representatives, professional sports executives, television officials and the leaders of national higher education associations frankly described a system morphing beyond the control of any single governing group or organization.

Major intercollegiate sports, if anything, have grown more distant from the academic mission of their host institutions. Big-time college athletes still spend more time on sports than on their studies. Graduation rates among players in major college basketball and football programs remain dismally low. Salaries of some college football and basketball coaches have zoomed into the multimillion-dollar category. Schools and conferences are caught in a spiraling arms race of building new state-of-the-art facilities in order to remain competitive on the field, in the polls and in the hearts of fans. Fueled by television and corporate sponsorships, commercialization has forced the schools into greater ethical compromises, lengthened teams’ schedules and introduced more and longer TV commercial breaks. Each new headlined scandal serves as a reminder that newer and bigger forces threaten the integrity of the academic institutions in whose names the games are played.

Big-time intercollegiate sports have become “an entertainment industry” that is “corrosive and corruptive to the academic enterprise,” according to James J. Duderstadt, president emeritus of the University of Michigan. He told the Commission in late 2000 that major college sports “do far more damage to the university, to its students and faculty, its leadership, its reputation and credibility than most realize – or at least are willing to admit.”

Knight trustees created the original Commission in 1989, seeing intercollegiate athletic reform as a goal worthy of a foundation that identified higher education as one of its primary interests. The Knight Commission met repeatedly over five years, analyzed college sports and concluded that decades of presidential neglect and institutional indifference had contributed to a sense that big-time sports were “out of control.” The Commission produced three reports recommending a series of reforms suggesting a new model for governing intercollegiate athletics. Topping the list: A straightforward, “one-plus-three” model – presidential control directed toward academic integrity, financial integrity and independent certification. By 1996, the most significant of these recommendations won approval when the NCAA voted to replace a governance structure controlled primarily by athletic administrators with a system that put college presidents in charge of all planning and policy activities, including the budget.

A new report by the Knight Commission, to be issued this year, is likely to take some satisfaction that the NCAA has achieved many of the goals laid out in the reports of the 1990s. But testimony before the Commission suggests those steps by many decision-makers and good intentions have not been nearly enough. A new call to action will likely challenge a broader group of concerned parties in the higher education community to unite to excise what Father Theodore Hesburgh, co-chair of the Commission, has called “a tumor infecting our institutions.”

Knight Foundation History

The John S. and James L. Knight Foundation originated with the Knight family's belief in the value of education. The brothers' father, Charles Landon Knight, had a tradition of helping financially strapped students pay for their college education. To honor his memory, the Knight Memorial Education Fund was established in 1940 to provide financial aid to college students from the Akron area. Supported with contributions from the Akron Beacon Journal, the fund existed until December 1950 when its assets of \$9,047 were transferred to the newly created Knight Foundation.

Incorporated in the state of Ohio, Knight Foundation was organized principally to carry out the work of the Knight Memorial Education Fund. Almost from the beginning, however, the Foundation made small grants to educational, cultural and social service institutions – mostly in Akron – and, on a very limited basis, for journalism-related causes.

For the first 10 years, the Foundation's assets came from contributions from the Akron Beacon Journal and The Miami Herald and personal gifts by Jack and Jim Knight. Other Knight newspapers began to contribute small amounts in the early 1960s – a move that led to a limited number of grants to cities from which the contributions came.

Newspaper contributions stopped in 1965 with the Foundation's first major infusion of assets – a bequest of 180,000 shares of Knight Newspapers stock from the Knights' mother, Clara I. Knight, who died in November. Faced with the prospect of administering a much larger financial aid program, the board of trustees voted in 1966 to end assistance for college students and to replace it with grants to colleges and universities. Over the next few years a limited number of cultural and educational institutions in Akron, Miami, Charlotte and Detroit – cities where the Knights owned newspapers – were added to the Foundation's list of grant recipients.

A turning point came in 1972 when the board of trustees authorized the sale of Clara Knight's stock in a secondary offering by Knight Newspapers. The sale raised \$21,343,500, increased the Foundation's assets to more than \$24 million and initiated an expanded grant program focused on the growing number of cities where the Knights published newspapers. Journalism, especially the education of journalists, became a matter of more pronounced funding interest.

In 1974, several events occurred that laid the cornerstone for a much larger Knight Foundation. Jack Knight's wife, Beryl, died. He underwent major surgery, thus creating concern among his associates about the future of Knight Newspapers. Concurrent with these circumstances, Knight Newspapers merged with Ridder Publications to create Knight-Ridder Inc., at the time the largest newspaper company in the country. Jack Knight was its biggest shareholder.

Heading the newly formed company as chairman and CEO was the merger's architect, Lee Hills, former president of Knight Newspapers. A close friend and associate of the Knights for more than 35 years, Hills was the first person outside the family to head Knight Newspapers. He had been a Foundation trustee since 1960.

Hills recognized that Jack Knight's status as Knight-Ridder's largest shareholder placed the company in a precarious position. If the elder Knight died, leaving the bulk of his estate to his heirs, they would be forced to sell most of their Knight-Ridder stock to pay the estate taxes. That would leave Knight-Ridder vulnerable to management by outside interests and possibly a takeover by those who understood little or nothing about newspapers and less about journalism.

Recognizing that both Knight-Ridder's future and Jack Knight's legacy of quality newspapers and journalistic integrity were threatened by such a scenario, Hills moved slowly and gently to present his friend with another option: leaving the bulk of his estate to the Foundation.

Knight initially had little use for the idea. He intended to leave the Foundation nothing. Then, over a social dinner at Hills' home, Knight began to reconsider seriously as Hills and his wife, Tina, discussed the possibility with their friend and his soon-to-be wife, Betty Augustus, the widow of a Cleveland industrialist.

Shortly thereafter Knight rewrote his will, asking Hills to journey to Cleveland to review the document with his attorney. Signed in April 1975, the will left the bulk of Jack Knight's estate to Knight Foundation.

That year the Foundation acquired its first office and hired its first two full-time employees. Ben Maidenburg, a Beacon Journal news executive, was named president. Maidenburg had been a Foundation trustee since 1957 and

Knights Foundation History

had served as the Foundation's part-time manager. Shirley Follo, his long time secretary, followed him to the Foundation.

Over the next few years, the Foundation focused on grants to educational and cultural institutions in the 11 cities where Knight Newspapers published.

Little more than a year after Maidenburg took the reins, he fell ill. Jack Knight asked one of his friends, C.C. Gibson, an Akron civic activist, to fill in. By 1978 it was clear Maidenburg could not return, so Gibson was named president.

One of Jack Knight's directives during these final years of his life was that the Foundation's trustees consider its future. The outcome was an early and largely informal strategic planning exercise that resulted in direct statements from Jack and Jim Knight about Foundation governance and grant making. Their preferences reflected a desire for an optimum amount of flexibility "on the grounds," Jack Knight wrote, "that a truly effective foundation should have freedom to exercise its best judgment as required by the times and conditions under which they live."

Jack Knight died on June 16, 1981. The task of settling his estate required several years. When the final transfer of funds to the Foundation occurred on May 5, 1986, the distribution from the bequest totaled \$428,144,588.

During that five-year period, Hills – at the request of Jim Knight, the Foundation's new chairman – guided the board in an intense strategic planning process that resulted in a governance structure as well as programming and financial policies. That planning process served as the blueprint for the Foundation's work for the rest of the 20th century.

In grant making, a formal Cities Program emerged. In journalism, the Foundation built on the Knights' legacy of support for education as the cornerstone of quality journalism by establishing, salvaging or strengthening some of the profession's most prestigious midcareer fellowship programs for journalists. Host institutions included Harvard, Yale, Columbia, the Massachusetts Institute of Technology, the University of Michigan, the University of Maryland and Stanford, where the John S. Knight Fellowships had been established in 1982.

By 1988, the board had created separate programs for education and arts and culture, the two fields in which the Foundation had traditionally made most of its local grants.

A key change in leadership occurred in 1988 as Creed Black, a veteran Knight-Ridder news executive and former publisher of the Lexington Herald-Leader, assumed the presidency. Under Black's leadership the Foundation's national presence grew with such high-profile efforts as the Knight Commission on Intercollegiate Athletics, a blue-ribbon commission that advocated for reform of college athletics for six years; the Knight Chairs in Journalism, a program that sought to elevate the quality of education at the nation's best journalism schools by attracting notable working journalists to serve as educators through an endowed chair; and the National Community Development Initiative (NCDI), the largest philanthropic collaboration in U.S. history. In becoming a founding member of NCDI, the Foundation joined with other national grant makers in what would eventually become a decade-long program to strengthen community development corporations in support of their efforts to bring needed housing and economic and social services to urban neighborhoods across America.

In 1990 the board of trustees voted to relocate the Foundation's headquarters from Akron to Miami, where several board members lived or spent considerable time. Simultaneously, the staff nearly doubled to 14 – an outgrowth of the growing complexity of grants, the increased amount of money given away and the need for more sophisticated oversight of the Foundation's \$522 million portfolio. The Foundation also reached a milestone: In its first 40 years, it had given away a total of \$100 million – a sum that would increase more than fourfold by the end of the decade.

Prompted by the dramatic and rapid changes, the board in late 1990 decided to initiate a strategic planning process to review current programming and create a blueprint for the future. Before the first meeting was held, however, Jim Knight died in February 1991, leaving a bequest to the Foundation that eventually totaled \$200 million.

Hills was elected to succeed Jim Knight as chairman, while W. Gerald Austen, M.D., an internationally known heart surgeon and the surgeon-in-chief at Massachusetts General Hospital, was elected vice chairman to succeed Hills. Austen, a board member since 1987, was the Knights' physician and longtime friend.

Aware that Jim Knight's bequest made the strategic

planning process even more timely and important, the board undertook an extensive one-year strategic planning exercise that culminated in a decade of initiatives and more focused, strategic grant making.

The Cities Program was renamed the Community Initiatives Program to reflect a proactive emphasis in grant making. Additionally, seven areas of special interest were identified as funding priorities: arts and culture, children/social welfare, citizenship, community development, education, homelessness and literacy.

Three major initiatives were undertaken under the auspices of the revamped program. The Community Foundations Initiative provided more than \$10 million through 1997 to either enlarge or establish donor-advised funds at community foundations in cities and towns where the Foundation made local grants. (Since then, the Foundation's work with community foundations has concentrated on capacity building to create or strengthen emerging community foundations serving additional Knight communities. In all, Knight has committed nearly \$12 million to the burgeoning community foundation movement.) The Knight Foundation Immunization Initiative – the first initiative to involve all cities eligible for local grants – supported local coalitions in developing parental education and public information activities with the goal of improving immunization rates of children 2 years old and younger. The Initiative to Promote Youth Development and Prevent Youth Violence engaged local communities in developing and implementing comprehensive strategic plans to address youth violence.

In an effort to remain responsive to emergency needs of Foundation cities in the aftermath of natural disasters, the Foundation's board adopted a grant procedure to expedite funding in such times of need. The largest commitment – a \$10 million fund for the recovery and rebuilding of Miami-Dade County – followed Hurricane Andrew in 1992. The board also approved \$1 million in grants after the Red River flood and subsequent fires destroyed much of Grand Forks, N.D., in 1997.

During the early 1990s, the 26 cities covered by the Community Initiatives Program remained constant because Knight-Ridder neither sold nor acquired newspapers. However, a series of company purchases and sales in the mid-1990s prompted a board review of the geographic focus of the

Community Initiatives Program. In 1998 the board decided the program should cover only the 26 cities that had been eligible for local grants at the time of Jim Knight's death in 1991. The decision ended the practice of the Foundation following the company as it bought or sold newspapers throughout the country.

Journalism proved an especially fertile area for initiatives as educational needs and free-press and First Amendment issues created opportunities for funding with impact. In 1993, the Knight International Press Fellowships, administered by the International Center for Journalists, were established to enable U.S. journalists and news executives to serve as temporary resources for the press in emerging democracies.

The Education Program underwent a major shift in direction – from higher education to K-12 – after the 1992 strategic plan was adopted. The Foundation looked to local coalitions to take the lead on organizing and implementing local responses to education reform. As a result, comprehensive, communitywide education initiatives designed to broaden and deepen the impact of school reform were grant recipients in a number of cities and regions of interest to the Foundation, including Philadelphia, South Florida, Charlotte and San Jose as well as the state of Kentucky. Additionally, the Foundation forged alliances with national education reform groups such as IMPACT II: The Teachers' Network, the National Board for Professional Teaching Standards, Teach for America and The Galef Institute that resulted in such organizations incorporating many of the Foundation's cities in their activities.

The Arts and Culture Program's principal initiatives addressed the needs of the two major cultural institutions – symphony orchestras and museums – with which the Foundation historically had the most funding experience.

The "Magic of Music" Symphony Orchestra Initiative provided planning and implementation grants to symphony orchestras willing to engage their entire organizations in experiments designed to generate a greater sense of excitement about the concertgoing experience and a more vital relationship between artists and audiences. The program also provided technical assistance, evaluated the experiments and encouraged discussions among the participating organizations through conferences in which the orchestras' stakeholders shared challenges and strategies.

Knight Foundation History

The second initiative, the Museum Loan Network, was a collection-sharing program created in partnership with The Pew Charitable Trusts and administered by the Massachusetts Institute of Technology. The aim was to link collecting institutions able to display only a fraction of their artwork with other museums in order to enrich their permanent displays with long-term loans of pieces held in storage at the collecting institutions. The network provided funding for planning and for expenses associated with lending and borrowing, such as insurance and shipping. A key component of the program was the development of a database of available artwork.

A review of the Foundation’s strategic plan in 1995 resulted in no major change in the direction of programs, only fine-tuning through such strategies as needs assessments and evaluation. As the decade ended, the Foundation launched an in-depth, two-year Community Indicators project to acquire more comprehensive information about cities covered in the Community Initiatives Program.

The strategic plan review also served as a catalyst for a change in leadership. Hills stepped down as chairman in 1996 and was succeeded by Vice Chairman Austen. Jill Ker Conway, former president of Smith College and a visiting scholar at MIT, was elected vice chairman. Conway is the first board officer who never knew either one of the Knights.

In February 1998, Black retired as president and was succeeded by Hodding Carter III, a nationally known public affairs journalist and former State Department spokesman who had occupied the Knight Chair in Journalism at the University of Maryland for several years.

On Jan. 1, 1993, the Foundation became the John S. and James L. Knight Foundation to honor the memory of the brothers who had created it. A year later the Foundation incorporated in the state of Florida.

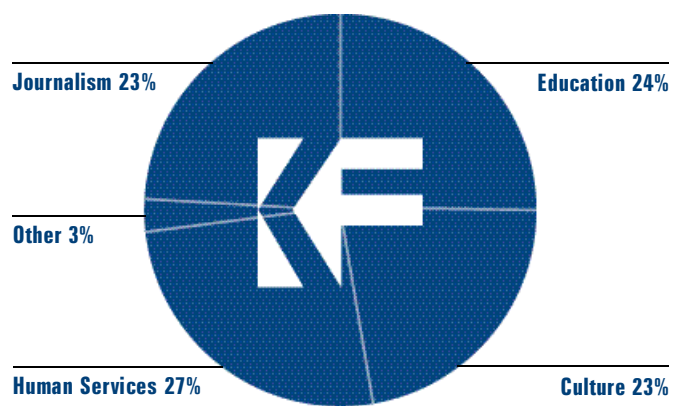
Lee Hills died Feb. 3, 2000 at the age of 93. The blueprint on which the Foundation operates was largely designed and drawn by Hills. His wise vision and thoughtful guidance helped to steer the Foundation successfully into a new century.

At its September 2000 retreat, the board continued the Foundation’s tradition of planned evolution to meet changing community needs. The resulting five-year strategic plan mandated the most extensive reinvention in the Foundation’s history while maintaining its focus on communities.

The new plans position the Foundation as a partner in locally driven, outcomes-based efforts to improve the quality of life. With greater resources from Knight directed over time to a tightly drawn agenda, the objective is to help each community achieve its own list of Knight-assisted priorities. The full transition to the new approach will take a minimum of three years.

As the Foundation concluded its anniversary celebration and geared up for a whole new approach to grant making, its assets stood at \$2.199 billion. Having committed \$93 million in grants during 2000, it entered 2001 strengthening and deepening relationships with partners in 26 distinct American communities.

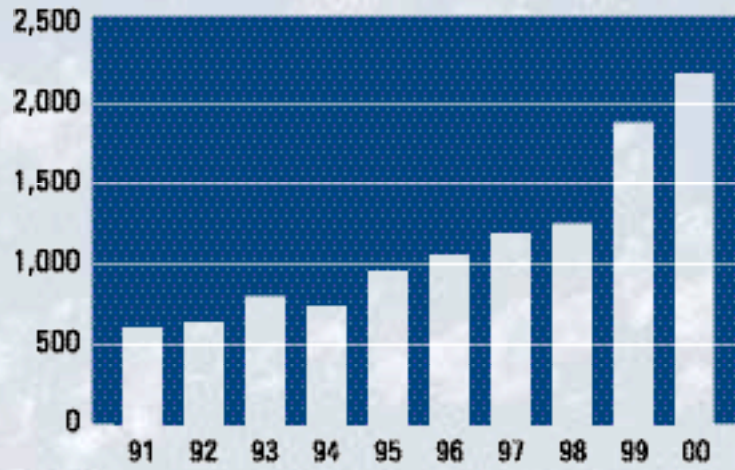
**GRANTS PAID BY PURPOSE
1950–2000**



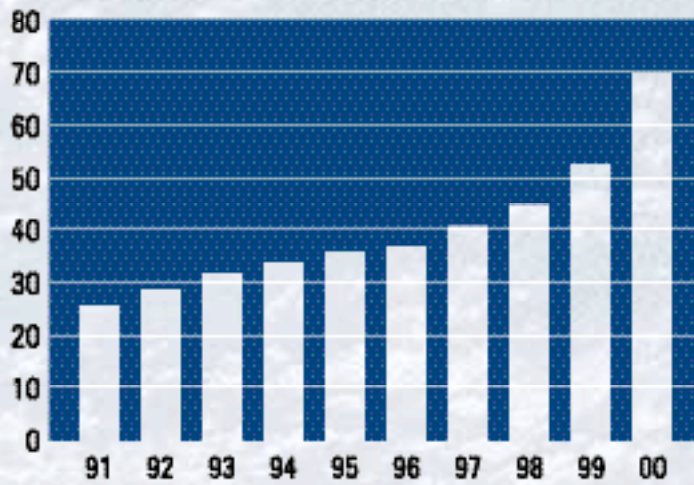
Historical Note:

Inclusion of 2000 distributions of \$69,983,125 brings total distributions since 1950 to \$517,946,576.

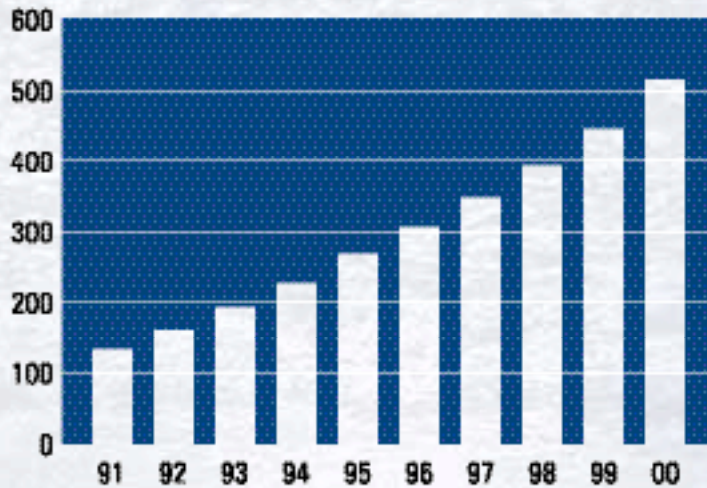
ASSETS OF THE FOUNDATION 1991–2000
(MILLIONS OF DOLLARS)



GRANTS PAID 1991–2000
(MILLIONS OF DOLLARS)



CUMULATIVE GRANTS PAID 1991–2000
(MILLIONS OF DOLLARS)



W. Gerald Austen, M.D.
Chairman and Trustee



W. Gerald Austen

Jill Ker Conway
Vice Chairman and Trustee



Jill Ker Conway

Hodding Carter III
President, CEO and Trustee



Hodding Carter III

Cesar L. Alvarez
Trustee



Cesar L. Alvarez

Creed C. Black
Trustee



Creed C. Black

Alvah H. Chapman Jr.
Trustee



Alvah H. Chapman Jr.

Marjorie Knight Crane
Trustee



Marjorie Knight Crane

Paul S. Grogan
Trustee



Paul S. Grogan

Gordon E. Heffern
Trustee

Michael Maidenberg
Trustee

Rolfe Neill
Trustee

Beverly Knight Olson
Trustee

John D. Ong
Trustee

John W. Rogers Jr.
Trustee

Penelope McPhee
Vice President/Secretary
and Chief Program Officer

Beatriz G. Clossick
Vice President of Accounting
and Treasurer



Gordon E. Heffern



Michael Maidenberg



Rolfe Neill



Beverly Knight Olson



John D. Ong



John W. Rogers Jr.

President's Office

Hodding Carter III

President and CEO

Phyllis Neuhart

Executive Secretary to Mr. Carter



Hodding Carter III



Phyllis Neuhart



Penelope McPhee



Hildee W. Wilson



John Bare



Gary Burger



Alfredo A. Cruz

Knight Programs

Penelope McPhee

Vice President and Chief Program Officer

Hildee W. Wilson

Executive Secretary to Ms. McPhee

John Bare

Director of Program Development and Evaluation

Gary Burger

Co-director, Knight Community Partners Program

Alfredo A. Cruz

Community Liaison Program Officer

Naida E. Gonzalez

Program Administration Assistant

Scott D. A. Jones

Program Administration Assistant

Janice L. Lewis

Program Administration Assistant

J. Bryan McCullar

Program Administration Manager

Suzette L. Prude

Community Liaison Program Officer

Linda L. Raybin

Director, Community Initiatives Program

Kay Simpson

Program Administration Assistant

Lizabeth Sklaroff

Content Program Officer

Julia Van

Community Liaison Program Officer



Naida E. Gonzalez



Scott D. A. Jones



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Suzette L. Prude



Linda L. Raybin



Kay Simpson



Lizabeth Sklaroff



Julia Van



Timothy J. Crowe



Peggy Smith



Raul A. Diaz



Elika Lopez



Beatriz G. Clossick



Asya K. Pashenko



Ava M. Guzman



Belinda Turner Lawrence



Lynne Noble



Jorge Martinez



Tyrone A. Bumpus



Zenobia Lopez



Reba Sawyer



Susan L. Gomez



Larry Meyer



Thor Barraclough



Lisa B. Sarote

Investment

Timothy J. Crowe
Vice President and
Chief Investment Officer

Peggy Smith
Executive Secretary to
Mr. Crowe

Raul A. Diaz
Director

Elika Lopez
Finance Assistant

Accounting

Beatriz G. Clossick
Vice President of Accounting
and Treasurer

Asya K. Pashenko
Controller

Ava M. Guzman
Accounting Assistant

Administration

Belinda Turner Lawrence
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Lynne Noble
Assistant

Jorge Martinez
Manager of Information
Technology

Tyrone A. Bumpus
Information Technology
Support Specialist

Zenobia Lopez
Records Coordinator

Reba Sawyer
Receptionist

Susan L. Gomez
Travel and Meeting Specialist

Communications

Larry Meyer
Director

Thor Barraclough
Associate/Webmaster

Lisa B. Sarote
Assistant

Through March 31, 2001

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The Portland Oregonian

Merrill Brown
Editor in Chief
MSNBC and MSNBC on the
Internet

John C. Carroll*
Editor and
Executive Vice President
Los Angeles Times

Barbara Cochran
President
Radio-TV News Directors
Association

Nancy Hicks Maynard
President
Maynard Partners

Robert McGruder
Executive Editor
Detroit Free Press

Rich Oppel**
Editor
Austin American-Statesman

James V. Risser
Former Director
John S. Knight Fellowships
for Professional Journalists,
Stanford University

James D. Spaniolo
Dean
College of Communications
Arts and Sciences,
Michigan State University

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Committee**

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Emeritus Senior Scholar
Center for Museum Studies,
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Minnesota Historical Society

Tritobia Benjamin†
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Howard University Gallery of Art

Doreen Bolger††
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The Baltimore Museum of Art

Ron Chew
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Wing Luke Asian Museum

Barbara Franco
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Washington, D.C.

Mark Tullos††
Executive Director
The Robert and Mary Montgomery
Armory Art Center

Sarah Kennington
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Fowler Museum of Cultural History,
UCLA

George S. Keyes
Curator of European Paintings
Detroit Institute of Arts

Jock Reynolds†
Director
Yale University Art Gallery

Paul Richard†
Former Vice President
of Museum Programs
The Children's Museum
of Indianapolis

Linda Shearer
Director
Williams College Museum of Art

*Through March 2001
**As of March 2001

†Through June 2000
††As of February 2001

GRANTS OVERVIEW

Listed on the following pages are \$93,365,465 in new grants approved during 2000 by the John S. and James L. Knight Foundation. Some of these grants, as well as those approved in past years, are disbursed over a period of several years. The net effect of these future and past commitments is that during 2000 the Foundation actually disbursed \$69,983,125.

| <i>Programs</i> | <i>Number of Grants</i> | <i>Amount</i> |
|--|-------------------------|---------------|
| Community Initiatives | | |
| Community Foundations Initiative | 4 | \$1,312,500 |
| Initiative to Promote Youth Development and Prevent Youth Violence | 2 | 803,850 |
| National Grants | 13 | 6,195,350 |
| Community Grants | 85 | 11,096,095 |
| Subtotal | 104 | \$19,407,795 |
| Arts and Culture | | |
| “Magic of Music” Symphony Orchestra Initiative: Phase II | 27 | \$4,544,500 |
| National Grants | 28 | 6,075,000 |
| Community Grants | 72 | 14,852,000 |
| Subtotal | 127 | \$25,471,500 |
| Education | | |
| National Grants | 11 | \$4,083,000 |
| Community Grants | 47 | 7,840,000 |
| Subtotal | 58 | \$11,923,000 |
| Journalism | 42 | \$30,440,010 |
| IDEAS* Fund | 8 | \$5,883,160 |
| Special | 17 | \$240,000 |
| Total | 356 | \$93,365,465 |

* The IDEAS (Innovation, Development, Experimentation and Strategy) Fund is intended to provide a discretionary resource for major initiatives that cross over all or a combination of Knight Foundation’s program interests.

COMMUNITY FOUNDATIONS INITIATIVE

| | |
|---|-----------------------------|
| Community Foundation for Palm Beach and Martin Counties | \$250,000 |
| <i>(West Palm Beach, Fla.)</i> | |
| To supplement an existing donor-advised fund | |
| Community Foundation of Central Georgia | 750,000 |
| <i>(Macon, Ga.)</i> | |
| To establish donor-advised funds for Macon and Milledgeville | |
| Legacy Foundation | 12,500 |
| <i>(Merrillville, Ind.)</i> | |
| For an in-depth organizational assessment that includes the foundation's ability to address needs in the city of Gary and Lake County | |
| Manatee Community Foundation | 300,000 |
| <i>(Bradenton, Fla.)</i> | <i>(over three years)</i> |
| For a challenge grant for a permanent operating endowment | |
| Subtotal: | 4 grants \$1,312,500 |

INITIATIVE TO PROMOTE YOUTH DEVELOPMENT AND PREVENT YOUTH VIOLENCE

| | |
|---|---------------------------|
| Beallwood Area Neighborhood Development | \$179,350 |
| <i>(Columbus, Ga.)</i> | <i>(over three years)</i> |
| To hire a full-time coordinator to operate youth programs | |
| Mental Health Association of Mecklenburg County | 624,500 |
| <i>(Charlotte, N.C.)</i> | <i>(over three years)</i> |
| To expand Summoning the Village, a violence prevention program for middle schools | |
| Subtotal: | 2 grants \$803,850 |

NATIONAL COMMUNITY INITIATIVES GRANTS

| | |
|---|---------------------------|
| CEOs for Cities | \$500,000 |
| <i>(Cambridge, Mass.)</i> | <i>(over three years)</i> |
| For a partial challenge grant for start-up support for an organization that seeks to build the economic competitiveness of cities | |
| Children's Defense Fund | 445,500 |
| <i>(Washington, D.C.)</i> | <i>(over three years)</i> |
| For community monitoring projects in Biloxi and St. Paul to promote understanding of factors critical to helping families move from welfare to work | |
| The Collins Center for Public Policy | 25,000 |
| <i>(Miami, Fla.)</i> | |
| For the Funder's Network for Smart Growth and Livable Communities | |

| | |
|--|------------------------------|
| The Commission on Presidential Debates | 200,000 |
| <i>(Washington, D.C.)</i> | |
| To develop and distribute <i>Presidential Debates: A Teacher's Guide</i> , and to update and distribute <i>Inside Debates: A Practical Guide to Sponsorship and Production</i> | |
| Council on Foundations | 200,000 |
| <i>(Washington, D.C.)</i> | |
| To create a special projects fund to support joint action by and for community foundations and for activities to increase professional and organizational development of community foundations | |
| The Foundation Center | 30,000 |
| <i>(New York, N.Y.)</i> | |
| For general operating support | |
| The Freedom Channel | 324,750 |
| <i>(Washington, D.C.)</i> | |
| For start-up costs for Youth-e-Vote, a national student online voting pilot project in 12 Knight communities | |
| Joint Center for Political and Economic Studies | 900,000 |
| <i>(Washington, D.C.)</i> | <i>(over three years)</i> |
| For a partial challenge grant to launch and continue the Network of Alliances Bridging Race and Ethnicity | |
| Manpower Demonstration Research Corporation | 1,200,000 |
| <i>(New York, N.Y.)</i> | <i>(over three years)</i> |
| For the Project on Devolution and Urban Change, a comprehensive study of welfare reform | |
| The National Mentoring Partnership | 255,100 |
| <i>(Alexandria, Va.)</i> | <i>(over two years)</i> |
| For mentor training institutes in Charlotte and Palm Beach County, Fla. | |
| People for the American Way Foundation | 160,000 |
| <i>(Washington, D.C.)</i> | |
| For a nonpartisan multimedia campaign and an Internet-based voter registration project designed to promote voting by young adults | |
| Technology Affinity Group | 50,000 |
| <i>(Los Altos, Calif.)</i> | |
| To complete development of an Extranet site to provide technical assistance on technology issues for foundations nationwide | |
| Ways to Work | 1,905,000 |
| <i>(Milwaukee, Wis.)</i> | <i>(over three years)</i> |
| For national expansion of the Ways to Work family loan program and to establish the program in Camden, N.J., Detroit and Miami | |
| Subtotal: | 13 grants \$6,195,350 |

COMMUNITY GRANTS – CHILDREN/SOCIAL WELFARE

| | |
|--|-----------------|
| Attention | \$10,000 |
| <i>(Boulder, Colo.)</i> | |
| For the Transitional Living Program | |
| Aunt Maggie's Kitchen Table | 65,000 |
| <i>(Macon, Ga.) (over three years)</i> | |
| For a partial challenge grant to develop an entrepreneurial training program for at-risk youth | |
| Big Brothers Big Sisters of Greater Miami | 50,000 |
| <i>(Coral Gables, Fla.)</i> | |
| To allow the organization to serve as the lead agency in Miami-Dade County for the Governor's Mentoring Initiative | |
| Bill Wilson Marriage and Family Counseling Center | 100,000 |
| <i>(Santa Clara, Calif.)</i> | |
| For a multiservice facility for at-risk, homeless and runaway youth | |
| Boy Scouts of America (Great Trail Council) | 100,000 |
| <i>(Akron, Ohio)</i> | |
| To repair scout camp facilities damaged by fire and to upgrade other facilities and safety systems | |
| Boys and Girls Club of Baldwin County | 28,750 |
| <i>(Milledgeville, Ga.)</i> | |
| For an environmental program focusing on the local habitat | |
| Boys Clubs of Manatee County | 25,000 |
| <i>(Bradenton, Fla.)</i> | |
| To repair a roof at the Bradenton facility | |
| Boysville of Michigan | 220,000 |
| <i>(Clinton, Mich.) (over two years)</i> | |
| For a partial challenge grant for repairs and renovations to 12 Detroit-area residential and treatment facilities for at-risk children and teenagers | |
| CHARLEE Homes for Children | 70,000 |
| <i>(Coral Gables, Fla.)</i> | |
| To upgrade the agency's computer network | |
| Children's Home of Detroit | 50,000 |
| <i>(Detroit, Mich.)</i> | |
| To upgrade and renovate fire-safety and security systems at a newly acquired facility serving emotionally impaired children and adolescents | |
| Children's Home Society of Florida (North Central Division) | 100,000 |
| <i>(Tallahassee, Fla.)</i> | |
| For a challenge grant to acquire a larger facility for programming and operations | |
| Children's Hope | 100,000 |
| <i>(Fort Wayne, Ind.) (over two years)</i> | |
| To build and operate a hospitality house for families with children in Fort Wayne-area hospitals | |

| | |
|--|----------------|
| Children's Psychiatric Center | 56,000 |
| <i>(Miami, Fla.)</i> | |
| For a challenge grant for a pilot project providing temporary foster care and therapeutic services for gay, lesbian, bisexual and transgender teens who are or could become homeless | |
| Chrysalis House | 150,000 |
| <i>(Lexington, Ky.) (over two years)</i> | |
| To help build a community center for a 40-unit permanent housing development for women recovering from substance abuse, and their children | |
| Community Foundation Silicon Valley | 250,000 |
| <i>(San Jose, Calif.) (over two years)</i> | |
| For Making the MOST Out of School Time, a systemic approach to enrich after-school programs and improve educational outcomes for middle school students in the Mayfair neighborhood | |
| Easter Seal Society of Central Pennsylvania | 20,000 |
| <i>(State College, Pa.)</i> | |
| To buy a van to transport children with special needs and their families | |
| Evergreen Children's Services | 50,000 |
| <i>(Detroit, Mich.)</i> | |
| To expand facilities for children's and family service programs | |
| Foundation for Dreams | 85,000 |
| <i>(Bradenton, Fla.)</i> | |
| To help build camping facilities for children with special needs | |
| Gardner Children's Center | 25,000 |
| <i>(San Jose, Calif.)</i> | |
| To send 930 low-income youth to camp in Santa Clara County | |
| Girl Scout Council of St. Croix Valley | 100,000 |
| <i>(St. Paul, Minn.) (over three years)</i> | |
| For All the Girls, a major capital and program expansion campaign | |
| Girl Scouts of the Western Reserve | 150,000 |
| <i>(Akron, Ohio)</i> | |
| To renovate swimming facilities at Camp Ledgewood | |
| Harvest Hope Food Bank | 49,250 |
| <i>(Columbia, S.C.)</i> | |
| To buy a refrigerated truck for the Kids Café after-school meal service program | |
| High Scope Educational Research Foundation | 300,000 |
| <i>(Ypsilanti, Mich.) (over three years)</i> | |
| To refine, expand and institutionalize the Project to Strengthen Community-Based Programs for Youth in Metropolitan Detroit | |
| Kinder-Mourn | 50,000 |
| <i>(Charlotte, N.C.)</i> | |
| To expand a bereavement program for youth | |

| | |
|--|----------------|
| Long Beach Day Nursery <i>(Long Beach, Calif.)</i> To renovate the East Branch facility | 40,000 |
| Manatee Children's Services <i>(Bradenton, Fla.)</i> For a pilot project to teach parenting skills to teenage fathers and provide preventive counseling to boys at risk of early fatherhood | 15,380 |
| Miami Rescue Mission <i>(Miami, Fla.)</i> <i>(over three years)</i> For a capital campaign to build a community activity center to house programs addressing homelessness and drug abuse among at-risk youth | 300,000 |
| The National Conference for Community and Justice <i>(New York, N.Y.)</i> <i>(over two years)</i> To implement SAFE PASSAGES, a program that uses volunteers to improve the safety of Detroit middle and high school students walking to and from school | 112,000 |
| Neighbors <i>(Fort Wayne, Ind.)</i> To build a child-care and early-childhood education facility for low-income families | 50,000 |
| Public Allies <i>(Washington, D.C.)</i> <i>(over three years)</i> For Building Strong Community Leadership for Youth, an initiative that will be pilot-tested in San Jose to train young people for careers in the youth services field | 335,000 |
| Resource Center for Women <i>(Aberdeen, S.D.)</i> For a new heating and cooling system for the organization's administrative and social services facility | 13,265 |
| Ruth Rales Jewish Family Service <i>(Boca Raton, Fla.)</i> To expand a parent outreach program for at-risk families | 23,000 |
| S.O.S. Health Care <i>(Myrtle Beach, S.C.)</i> <i>(over two years)</i> For a partial challenge grant for an additional case manager for A Future 4 Kids | 60,000 |
| San Jose Conservation Corps <i>(San Jose, Calif.)</i> To expand the Youth Corps program from one to three San Jose high schools | 100,000 |
| SCAN <i>(Fort Wayne, Ind.)</i> To help buy and renovate a new facility for the organization, which works to prevent child abuse and neglect | 75,000 |

| | |
|--|--|
| The Superior-Douglas County Family YMCA <i>(Superior, Wis.)</i> To expand recreational facilities | 80,000 |
| Susan B. Anthony Center <i>(Lauderdale Lakes, Fla.)</i> For residential and related services for children of women in substance abuse recovery who were recently released from jail | 30,000 |
| Tooth Mobile <i>(Santa Clara, Calif.)</i> To expand dental services to children in San Jose and nearby school districts | 70,000 |
| Universal Truth Center <i>(Carol City, Fla.)</i> To establish after-school tutoring programs at three churches as part of the South Florida Initiative to Strengthen Faith-Based Collaborations | 25,000 |
| Voices for Children <i>(Boulder, Colo.)</i> To advocate for abused children by providing volunteer recruitment, training and educational materials | 13,000 |
| Voices for Children Foundation <i>(Miami, Fla.)</i> For general operating support for the Guardian Ad Litem Program, which provides court-appointed representation to abused and neglected children | 50,000 |
| Women's Resource Center of Manatee <i>(Bradenton, Fla.)</i> For a youth counseling and skills-training program | 15,000 |
| Subtotal: | 42 grants \$3,610,645 |

COMMUNITY GRANTS – CITIZENSHIP

| | |
|--|------------------|
| Coming Together Project <i>(Akron, Ohio)</i> <i>(over three years)</i> For operating and capacity-building support | \$350,000 |
| Community Building Initiative <i>(Charlotte, N.C.)</i> <i>(over three years)</i> For the Leadership Development Initiative, a project engaging community leaders in addressing issues of racial and ethnic inclusion | 120,000 |
| Dade Community Foundation <i>(Miami, Fla.)</i> <i>(over three years)</i> For a partial challenge grant for the Miami Fellows Initiative | 500,000 |
| Kids Voting South Dakota <i>(Aberdeen, S.D.)</i> To hire part-time coordinators for Aberdeen and northeast South Dakota | 12,000 |

Leadership Akron **40,000**
(Akron, Ohio)
 To establish an endowment fund

Subtotal: **5 grants** **\$1,022,000**

COMMUNITY GRANTS – COMMUNITY DEVELOPMENT

Akron Community Service Center & Urban League **\$231,500**
(Akron, Ohio)
 To refurbish the agency’s building, expand its job-skills program, implement a summer day camp and explore opportunities to become a local child-care provider

Central Carolinas Choices **30,000**
(Charlotte, N.C.)
 For a collaborative forum to examine vital environmental and economic issues for the region

CommonBond Communities **15,000**
(St. Paul, Minn.)
 To maintain and expand a job-readiness and skills-training program for four low-income housing sites

Community Foundation for Southeastern Michigan **300,000**
(Detroit, Mich.) *(over three years)*
 To help launch the GreenWays Initiative

Cuyahoga Valley Preservation and Scenic Railway Association **100,000**
(Peninsula, Ohio) *(over two years)*
 To repair and upgrade equipment and provide increased staff and marketing capacity in preparation for connecting the railway to Canton and downtown Cleveland

Habitat for Humanity of Greater Miami **100,000**
(Miami, Fla.)
 For Rebuilding Our Communities, a campaign to build 100 affordable homes in low-income neighborhoods in Miami-Dade County

Habitat for Humanity of Milledgeville/Baldwin County **40,750**
(Milledgeville, Ga.)
 For an office assistant and a construction supervisor to lead new building projects

The Horace Mann-Ambridge Neighborhood Improvement Organization **125,000**
(Gary, Ind.)
 For new construction and rehabilitation of homes on Jefferson Street as part of Horace Mann 2000, a community revitalization initiative

The James K. Batten Black Executive Forum **350,000**
(Miami, Fla.)
 To develop and implement a strategy to sustain the organization’s programs.

Long Beach Funders’ Collaborative **300,000**
(Long Beach, Calif.) *(over three years)*
 For 908LB Works!, a work force development initiative in a low-income area in Long Beach

National Congress for Community Economic Development **140,000**
(Washington, D.C.) *(over two years)*
 To increase the capacity of community development organizations in Detroit and Gary

New Hope **50,000**
(Wichita, Kan.)
 To increase the organization’s stability through debt reduction on housing properties and support for staffing

New Horizon Family Care Center **31,200**
(Hopkins, S.C.)
 To start a family technology resource training center

Northeast Council of Governments **50,000**
(Aberdeen, S.D.) *(over three years)*
 For business training programs for low-income individuals, single parents and minorities

Ohio & Erie Canal Corridor Coalition **500,000**
(Akron, Ohio)
 To design, engineer and build the 2.5-mile Cascade Locks Bikeway section of the Ohio & Erie Canal Towpath linking Cascade Locks to downtown Akron

The Trust for Public Land **75,000**
(San Francisco, Calif.)
 For the Miami River Greenway Master Plan and to develop a business plan for an urban design center

United Family Services **150,000**
(Charlotte, N.C.) *(over three years)*
 To expand the Southside Community Building Project

University of Akron Foundation **200,000**
(Akron, Ohio)
 For a planning grant to develop an urban renewal strategy for a 40-block, mixed-use neighborhood surrounding the university

Subtotal: **18 grants** **\$2,788,450**

COMMUNITY GRANTS – HOMELESSNESS

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|---|--|
| Alston Wilkes Society <i>(Columbia, S.C.)</i> To upgrade residential quarters and expand programming for troubled youth as part of a larger capital campaign | \$92,500 <i>(over three years)</i> |
| Carrfour Corporation <i>(Miami, Fla.)</i> For operating support for the organization that develops permanent supportive housing for the homeless and those at risk of homelessness | 150,000 |
| Community Technology Alliance <i>(San Jose, Calif.)</i> To develop a web site containing information on subsidized housing for the homeless | 35,000 |
| Hearth Connection <i>(Minneapolis, Minn.)</i> To support a pilot project in Ramsey County to create a system to provide and finance case management, support services and housing for homeless people with chronic mental illness, substance abuse and/or HIV/AIDS | 325,000 <i>(over two years)</i> |
| Oliver Gospel Mission <i>(Columbia, S.C.)</i> To maintain and expand the meals program | 29,500 |
| The Salvation Army (Columbia) <i>(Columbia, S.C.)</i> To construct a commercial-grade kitchen for the emergency feeding program as part of a larger capital campaign | 225,000 <i>(over three years)</i> |
| The Salvation Army (Richmond) <i>(Richmond, Ky.)</i> To buy and improve a building | 50,000 |
| Summit County Community Drug Board <i>(Akron, Ohio)</i> To help acquire and renovate a building providing transitional housing for recovering substance abusers and their children | 200,000 |
| Women and Their Children's Housing <i>(San Jose, Calif.)</i> For an interagency collaborative to develop transitional housing with support services for domestic violence survivors | 150,000 |
| Subtotal: | 9 grants \$1,257,000 |

COMMUNITY GRANTS – OTHER

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|--|---|
| Akron Community Foundation <i>(Akron, Ohio)</i> For an endowment to support a nonprofit capacity-building initiative in Summit County and to establish a fund to help nonprofit agencies to participate in the initiative | \$1,250,000 |
| Altru Health Foundation <i>(Grand Forks, N.D.)</i> For the Patient and Family Education Library, a state-of-the-art resource center | 75,000 |
| Donors Forum of Miami <i>(Miami, Fla.)</i> To expand the Promotion of Philanthropy: A South Florida Collaboration project | 60,000 |
| Foundation for the Carolinas <i>(Charlotte, N.C.)</i> To buy and renovate a building | 200,000 |
| Friends of the Campbell Library <i>(East Grand Forks, Minn.)</i> For new shelving in the community library | 52,500 |
| Hope Center <i>(Miami, Fla.)</i> To renovate a residential facility that serves the developmentally disabled | 25,000 |
| Mount Bethel Human Services Corporation <i>(Fort Lauderdale, Fla.)</i> To develop a Faith Initiative Help Network as part of the South Florida Initiative to Strengthen Faith-Based Collaborations | 25,500 |
| The Salvation Army (Akron) <i>(Akron, Ohio)</i> For the Emergency Assistance Program | 20,000 |
| Salvation Army Miami Area Command <i>(Miami, Fla.)</i> For an endowment to generate income for operating support | 450,000 <i>(over three years)</i> |
| South Florida Food Recovery <i>(North Miami, Fla.)</i> For bridge funding to help continue operations | 50,000 |
| United Way of the Chattahoochee Valley Foundation <i>(Columbus, Ga.)</i> For a partial challenge grant for start-up costs to establish the Nonprofit Community Resource Center | 180,000 <i>(over three years)</i> |
| Subtotal: | 11 grants \$2,388,000* |

* Underreported by \$30,000 due to a grantee negotiation after Dec. 31, 2000. The actual total at Dec. 31, 2000 was \$2,418,000.

'MAGIC OF MUSIC' SYMPHONY ORCHESTRA INITIATIVE: PHASE II

Brooklyn Philharmonic Orchestra **\$42,000**
(*Brooklyn, N.Y.*)

For a comprehensive local market research project

Charlotte Symphony Orchestra Society **300,000**
(*Charlotte, N.C.*) *(over two years)*

For an implementation grant to further develop the Community Partnership Program, expand training opportunities for musicians and evaluate outreach efforts in partnership with orchestras in Fort Wayne, Miami and St. Louis

Charlotte Symphony Orchestra Society **38,000**
(*Charlotte, N.C.*)

For a comprehensive local market research project

Colorado Symphony Association **38,000**
(*Denver, Colo.*)

For a comprehensive local market research project

Colorado Symphony Association **300,000**
(*Denver, Colo.*) *(over three years)*

To develop new audiences and supporters in partnership with orchestras in New Orleans, Portland, Ore., and Wichita

Detroit Symphony Orchestra **450,000**
(*Detroit, Mich.*) *(over three years)*

To create partnerships with orchestras in Kansas City, Mo., Long Beach and St. Paul to develop the E-concert Initiative, an audience education and development program

Detroit Symphony Orchestra **29,500**
(*Detroit, Mich.*)

For a comprehensive local market research project

Fort Wayne Philharmonic Orchestra **300,000**
(*Fort Wayne, Ind.*) *(over two years)*

For an implementation grant to expand and improve the Unplugged concert series in partnership with orchestras in Charlotte, Miami and St. Louis

Fort Wayne Philharmonic Orchestra **42,000**
(*Fort Wayne, Ind.*)

For a comprehensive local market research project

Kansas City Symphony **38,000**
(*Kansas City, Mo.*)

For a comprehensive local market research project

Kansas City Symphony **450,000**
(*Kansas City, Mo.*) *(over three years)*

To create partnerships with orchestras in Detroit, Long Beach and St. Paul to continue the thematic festival initiative, develop online adult learning programs and design a marketing program to reach new audiences

Long Beach Symphony Association **42,000**
(*Long Beach, Calif.*)

For a comprehensive local market research project

Long Beach Symphony Association **30,000**
(*Long Beach, Calif.*)

For a planning grant to create partnerships with orchestras in Detroit, Kansas City, Mo., and St. Paul to develop educational programming and analyze marketing and fund-raising practices in order to attract and sustain audiences and donors

The Louisiana Philharmonic Orchestra **42,000**
(*New Orleans, La.*)

For a comprehensive local market research project

The Louisiana Philharmonic Orchestra **200,000**
(*New Orleans, La.*) *(over two years)*

To create partnerships with the Colorado, Oregon, and Wichita symphony orchestras to reach new audiences through the development of a series of concerts tracing the legacy and influence of New Orleans music

New World Symphony **400,000**
(*Miami Beach, Fla.*) *(over two years)*

For an implementation grant to further musician training related to community outreach and audience engagement activities and to help orchestras in Charlotte, Fort Wayne and St. Louis develop similar programming

New World Symphony **38,000**
(*Miami Beach, Fla.*)

For a comprehensive local market research project

Oregon Symphony Association **38,000**
(*Portland, Ore.*)

For a comprehensive local market research project

Oregon Symphony Association **350,000**
(*Portland, Ore.*) *(over three years)*

To expand and refine the Nerve Endings concert programming in partnership with orchestras in Denver, New Orleans and Wichita

The Philadelphia Orchestra Association **29,500**
(*Philadelphia, Pa.*)

For a comprehensive local market research project

Saint Louis Symphony Society **400,000**
(*St. Louis, Mo.*) *(over two years)*

For an implementation grant to further develop the Community Partnership Program, expand training opportunities for musicians and evaluate outreach efforts in partnership with orchestras in Charlotte, Fort Wayne and Miami

Saint Louis Symphony Society **29,500**
(*St. Louis, Mo.*)

For a comprehensive local market research project

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|---|------------------------------|
| Saint Paul Chamber Orchestra Society | 38,000 |
| <i>(St. Paul, Minn.)</i> | |
| For a comprehensive local market research project | |
| Saint Paul Chamber Orchestra Society | 500,000 |
| <i>(St. Paul, Minn.) (over three years)</i> | |
| To create partnerships with orchestras in Detroit, Kansas City, Mo., and Long Beach to expand the Musical "U." education program and enhance its effectiveness as an audience engagement tool | |
| Symphony Society of San Antonio | 38,000 |
| <i>(San Antonio, Texas)</i> | |
| For a comprehensive local market research project | |
| Wichita Symphony Society | 42,000 |
| <i>(Wichita, Kan.)</i> | |
| For a comprehensive local market research project | |
| Wichita Symphony Society | 300,000 |
| <i>(Wichita, Kan.) (over three years)</i> | |
| To develop programming to reach new audiences in partnership with orchestras in Denver, New Orleans and Portland, Ore. | |
| Subtotal: | 27 grants \$4,544,500 |

NATIONAL ARTS AND CULTURE GRANTS

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|---|------------------|
| Alternate ROOTS | \$150,000 |
| <i>(Atlanta, Ga.) (over two years)</i> | |
| For a partial challenge grant to support ROOTS Members on Tour, a presentation and audience development program for underserved, rural, and/or new presenters and community groups throughout the Southeast | |
| Alvin Ailey Dance Theater Foundation | 100,000 |
| <i>(New York, N.Y.)</i> | |
| To create and tour six new works to venues including Detroit, Lexington and Philadelphia during the 2000-2001 and 2001-2002 seasons | |
| American Association of Museums | 100,000 |
| <i>(Washington, D.C.)</i> | |
| For support of Museums and Community, a national dialogue to determine how museums can best serve their communities | |
| American Battle Monuments Commission | 1,000,000 |
| <i>(Arlington, Va.) (over three years)</i> | |
| To design and construct the World War II Memorial in Washington, D.C. | |
| American Composers Forum | 200,000 |
| <i>(St. Paul, Minn.)</i> | |
| For New Band Horizons, a program to commission new work and develop related curriculum materials for middle and junior high school bands | |

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|--|----------------|
| American Library Association | 250,000 |
| <i>(Chicago, Ill.) (over two years)</i> | |
| For LIVE! at the Library 2000, a project providing support for libraries to present theme-based cultural programming | |
| American Symphony Orchestra League | 700,000 |
| <i>(Washington, D.C.) (over three years)</i> | |
| To continue and enhance the Orchestra Leadership Academy | |
| American Wind Symphony | 25,000 |
| <i>(Mars, Pa.)</i> | |
| For performances and related activities in Detroit, Miami and Philadelphia as part of Tour 2000 | |
| Appalshop | 125,000 |
| <i>(Whitesburg, Ky.) (over two years)</i> | |
| For the national tour and marketing of <i>Promise of a Love Song</i> , a new American musical by multiethnic theater artists in collaboration with Teatro Pregones and Junebug Productions | |
| Arts Midwest | 50,000 |
| <i>(Minneapolis, Minn.) (over two years)</i> | |
| To bring Middle Eastern performing artists into disadvantaged communities in seven cities as part of the Mid East/West Fest project fostering an understanding and appreciation of culture and diversity | |
| Bay Chamber Concerts | 100,000 |
| <i>(Rockport, Maine)</i> | |
| To commission a work by Billy Taylor and support ensemble performances involving first chair players from major orchestras | |
| The College of Santa Fe | 155,000 |
| <i>(Santa Fe, N.M.)</i> | |
| For a traveling exhibition of photographs and writings from the National Millennium Survey | |
| Dance/USA | 200,000 |
| <i>(Washington, D.C.) (over two years)</i> | |
| For a partial challenge grant to restage classic dances or create new works at college campuses across the country | |
| The Ensemble Studio Theatre | 100,000 |
| <i>(New York, N.Y.)</i> | |
| For Going to the River, a new play development program for African-American female playwrights | |
| Foundry Theatre | 60,000 |
| <i>(New York, N.Y.) (over two years)</i> | |
| For a touring program for the dissemination of new plays, including venues in Miami, Philadelphia and St. Paul | |
| Jazz at Lincoln Center | 500,000 |
| <i>(New York, N.Y.) (over two years)</i> | |
| For planning and development of outreach programming as part of the campaign for a new education, performance and broadcast facility | |

The Mary Brogan Museum of Art and Science **200,000**
(Tallahassee, Fla.) (over two years)

For “City of Wonders,” an exhibition and related programs that will travel to eight major science centers in Florida including those in Fort Lauderdale, Miami and Tallahassee

Mid-America Arts Alliance **350,000**
(Kansas City, Mo.) (over two years)

For a partial challenge grant to develop reasonably priced, museum-quality exhibitions, continue a fee subsidy program and research the most significant or pressing needs of museums in Knight communities

The National Arts Stabilization Fund **60,000**
(Baltimore, Md.)

For a series of executive education seminars targeting leaders of professional arts and cultural organizations in Miami-Dade and Broward counties

National Association of Latino Arts and Culture **60,000**
(San Antonio, Texas)

For a national assembly of Latino arts organizations to develop new approaches to capacity building, technical assistance, marketing and advocacy

National Foundation for Advancement in the Arts **150,000**
(Miami, Fla.)

For a capacity-building initiative using new technology

National Park Foundation **150,000**
(Washington, D.C.) (over two years)

To increase awareness of and resources for national parks that illustrate the African-American experience and to provide professional museum and historic preservation opportunities for minority college students

National Public Radio **500,000**
(Washington, D.C.) (over two years)

For an endowment to generate income for National Public Radio cultural programming

New York Chamber Symphony **100,000**
(New York, N.Y.)

For a challenge grant to support a national competition of new music selected by performers and judged by audiences nationwide

Paul Taylor Dance Foundation **50,000**
(New York, N.Y.)

To commission and tour new work to venues including Philadelphia and Columbia

Pilobolus **40,000**
(Washington Depot, Conn.)

To subsidize touring performances in at least 10 Knight communities during 2000 and 2001

San Francisco Symphony Orchestra **100,000**
(San Francisco, Calif.) (over two years)

For a partial challenge grant to the orchestra to commission and develop a new work by composer John Adams

Western Pennsylvania Conservancy **500,000**
(Pittsburgh, Pa.)

To restore the Frank Lloyd Wright-designed home, Fallingwater, and its surrounding landscape

Subtotal: **28 grants** **\$6,075,000**

COMMUNITY GRANTS – ARTS AND CULTURE

Act 2 **\$100,000**
(Aberdeen, S.D.) (over two years)

For the second phase of a capital campaign to renovate the Capitol Theatre

Actors’ Guild of Lexington **50,000**
(Lexington, Ky.) (over two years)

For a partial challenge grant for AGL STAGES, a program for at-risk youth ages 12-16 to experience writing, producing, designing and performing

Actors’ Playhouse Productions **50,000**
(Coral Gables, Fla.) (over two years)

For a partial challenge grant for programming of a new black box theatre, including a reading series, theater school and musical theater lab

Akron Art Museum **4,000,000**
(Akron, Ohio) (over two years)

For a partial challenge grant to plan and build an addition and increase the endowment to enhance the museum’s role as a community cultural center

The Akron Civil War Memorial Society **100,000**
(Akron, Ohio) (over two years)

For a partial challenge grant to restore the 1876 Akron Civil War Memorial for community use and to build an endowment

American Museum of Quilts and Textiles **20,000**
(San Jose, Calif.)

To develop costume-making workshops and curricula to meet the needs of the Mexican folk dance community

Ann Arbor Hands-On Museum **150,000**
(Ann Arbor, Mich.)

For exhibition development and refurbishment

Arts and Scraps **20,000**
(Detroit, Mich.)

For program enhancements and capital improvements

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|---|------------------|--|------------------|
| Arts Council of Silicon Valley <i>(San Jose, Calif.)</i> To determine the feasibility and design of a cooperative marketing initiative among Silicon Valley arts groups | 60,000 | The Curtis Institute of Music <i>(Philadelphia, Pa.)</i> For renovations to Curtis Hall, the institute's primary performance and teaching space | 100,000 |
| Audiences Unlimited <i>(Fort Wayne, Ind.)</i> To expand cultural programming in nursing and retirement homes | 20,000 | The Dance Exchange <i>(Takoma Park, Md.)</i> To plan a communitywide dance and theater residency in Grand Forks | 15,000 |
| The Black Archives, History and Research Foundation <i>(Miami, Fla.)</i> To complete the restoration of the historic Lyric Theatre and help build an addition to improve staging and public areas and add new spaces for education and training programs | 100,000 | Fair Hill Burial Ground Corporation <i>(Philadelphia, Pa.)</i> For restoration of the Fair Hill Burial Ground historic site | 30,000 |
| Boulder Potters' Guild <i>(Boulder, Colo.)</i> To construct a permanent facility | 42,000 | The Flamenco Society of San Jose <i>(San Jose, Calif.)</i> <i>(over two years)</i> For a partial challenge grant for a new managing director position and development consultant | 20,000 |
| Broward County Board of County Commissioners (Cultural Affairs Division) <i>(Fort Lauderdale, Fla.)</i> To develop a strategic marketing program for cultural, arts and science organizations located within the Riverwalk Arts District | 75,000 | Florida State University Foundation <i>(Tallahassee, Fla.)</i> To help build a new performing arts center | 1,000,000 |
| Busch Wildlife Sanctuary <i>(Jupiter, Fla.)</i> To complete the construction of a wildlife sanctuary and education center | 20,000 | Founders Society Detroit Institute of Arts <i>(Detroit, Mich.)</i> <i>(over three years)</i> For bridge operating funds, capital improvements and program endowment as part of a larger capital campaign | 2,000,000 |
| City Theatre <i>(Coral Gables, Fla.)</i> <i>(over two years)</i> For a partial challenge grant to launch CityDialogues, a residency program bringing artists and theater professionals together to develop new works and collaborative projects | 100,000 | Friends of the Bass Museum <i>(Miami Beach, Fla.)</i> <i>(over three years)</i> For a partial challenge grant for the New Information Workshop, a comprehensive program using technology to build relationships between the museum and its audiences | 125,000 |
| Coconut Grove Playhouse <i>(Miami, Fla.)</i> To develop a strategic plan for the Building Bridges/Voices of Distinction initiative to expand audiences and produce new work reflecting Miami's diverse communities | 75,000 | Friends of the Sedgwick County Soldiers and Sailors Civil War Monument <i>(Wichita, Kan.)</i> For renovations to the monument | 25,000 |
| Community Foundation for Southeastern Michigan <i>(Detroit, Mich.)</i> To determine the feasibility and design of a collaborative cultural marketing program | 75,000 | GableStage <i>(Coral Gables, Fla.)</i> For costs associated with the tour of <i>The Meeting</i> to Miami-Dade County public schools, Miami-Dade Community College and other local universities | 20,000 |
| Community Hall Foundation <i>(Akron, Ohio)</i> <i>(over two years)</i> For a partial challenge grant to renovate the Akron Civic Theatre and to increase its operating endowment | 1,000,000 | The Greater Philadelphia Urban Affairs Coalition <i>(Philadelphia, Pa.)</i> <i>(over two years)</i> For The Big Picture initiative to provide advanced mural arts workshops for youth | 100,000 |
| Cultural Initiatives, Silicon Valley <i>(San Jose, Calif.)</i> <i>(over three years)</i> To operate programs, conduct research and strengthen development efforts as part of the Regional Cultural Plan | 150,000 | Gulf Coast Symphony Orchestra <i>(Gulfport, Miss.)</i> To start a classical music appreciation program for Harrison County schoolchildren | 20,000 |

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|---|--------------------------------------|--|--------------------------------------|
| Historic Wichita-Sedgwick County (Wichita, Kan.) To expand facilities and exhibits as part of Cowtown's 50th anniversary | 35,000 | Miami Arts Project (Miami, Fla.) To produce an exhibition and series of artist-generated billboards focusing attention on the status and potential of the Miami River waterway | 40,000 |
| Inventure Place (Akron, Ohio) To plan and design the reinstallation of the Inventors' Hall of Fame permanent exhibition as part of a larger facility renovation project | 100,000 | Miami City Ballet (Miami Beach, Fla.) For a study to analyze current fiscal health, determine long-term needs and develop endowment and operating fund-raising plans | 50,000 |
| José Limón Dance Foundation (New York, N.Y.) For a year-long choreography project bringing San Jose high school and college students together with folkloric dancers of Los Lupeños and members of the Limón Dance Company | 35,000 | Miami Light Project (Miami, Fla.) For a partial challenge grant for the Light Box/Out of the Box Initiative to expand outreach and educational programs targeting underserved communities and young audiences | 100,000 (over three years) |
| Kentucky Horse Park Foundation (Lexington, Ky.) For transportation for Kentucky schoolchildren to see the exhibition "Imperial China: The Art of the Horse in Chinese History" | 64,000 | MidSummer Macon (Macon, Ga.) To provide arts camp scholarships for Bibb County schoolchildren in collaboration with Macon Arts Alliance | 45,000 (over two years) |
| Lemont Village Association (Lemont, Pa.) To restore historic buildings in Lemont Village | 50,000 | Millan Theatre Company (Detroit Repertory Theatre) (Detroit, Mich.) For marketing and ticketing system upgrades as part of the theater's capital campaign | 25,000 |
| The Lexington Children's Museum (Lexington, Ky.) To redesign and expand early-childhood activity and educational areas | 35,000 | Minnesota Ballet (Duluth, Minn.) For a new lighting system | 13,500 |
| Light Factory (Charlotte, N.C.) For the exhibition "Cuban Allure: Photography, Film and Video" and accompanying outreach and marketing programs | 25,000 | Moore College of Art (Philadelphia, Pa.) To renovate classroom/studio space for fine arts instruction for students and community members | 175,000 |
| The Little Theatre of Charlotte (Charlotte, N.C.) For a partial challenge grant for renovation and construction of new dressing rooms, a green room and costume/set design shop | 50,000 (over two years) | Mum Puppettheatre (Philadelphia, Pa.) For a partial challenge grant to expand an artist-in-residence program at public schools in the Philadelphia metropolitan area | 50,000 (over two years) |
| Macon Arts Alliance (Macon, Ga.) To expand the Arts Infusion program into five additional schools in Bibb County in collaboration with MidSummer Macon | 45,000 (over two years) | Museum of Art (Fort Lauderdale, Fla.) To establish a satellite school in partnership with the School Board of Broward County | 75,000 (over two years) |
| Magical Theatre Company (Barberton, Ohio) For an endowment campaign | 50,000 | Museum of Science (Miami, Fla.) To develop a strategic plan for transition of the Miami Museum of Science to the Science Center of the Americas | 175,000 |
| Marygrove College (Detroit, Mich.) For a challenge grant for a series of collaborative arts programs with high schools in northwest Detroit | 100,000 | Musical Arts Association (Cleveland, Ohio) For a capital campaign addressing infrastructure, audience amenities and facility enhancements at the Blossom Music Center | 1,000,000 |
| Metropolitan Dade County (Miami, Fla.) For a challenge grant to help complete the acquisition of the Miami Circle archaeological site | 1,000,000 (over two years) | | |

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| Painted Bride Art Center | 50,000 | The Tallahassee Symphony Orchestra | 10,000 |
| <i>(Philadelphia, Pa.)</i> | | <i>(Tallahassee, Fla.)</i> | |
| For structural, mechanical and safety improvements to the center's facility | | For the Tales and Scales Residency outreach program | |
| Palma Sola Botanical Park Foundation | 25,000 | Taller Puertorriqueño | 112,000 |
| <i>(Bradenton, Fla.)</i> | | <i>(Philadelphia, Pa.)</i> | |
| For staff time to create education programs and expand volunteerism | | For the Cultural Education Outreach Project, including expanding the cultural archives and developing an educational traveling exhibition on Latin American art and culture for students in grades 1-12 | |
| Pennsylvania Dance Theater | 10,000 | Teatro Visión | 42,000 |
| <i>(State College, Pa.)</i> | | <i>(San Jose, Calif.)</i> | <i>(over two years)</i> |
| For the creation of four topical works and related educational and outreach activities | | To implement a marketing plan | |
| Please Touch Museum | 750,000 | University of Minnesota-Duluth | 63,000 |
| <i>(Philadelphia, Pa.)</i> | | <i>(Duluth, Minn.)</i> | <i>(over three years)</i> |
| To relocate the museum's permanent home to a waterfront space and to develop new interactive exhibits | | To integrate the arts and technology into the Duluth Public Schools' basic elementary curriculum | |
| Point Breeze Performing Arts Center | 60,000 | Vietnamese Cultural Heritage Garden Association | 150,000 |
| <i>(Philadelphia, Pa.)</i> | | <i>(San Jose, Calif.)</i> | <i>(over two years)</i> |
| To expand programs and improve marketing of performing arts and cultural events | | For a partial challenge grant to plan and construct the Vietnamese Cultural Heritage Garden | |
| Public Library of Charlotte and Mecklenburg County | 50,000 | The Village of Arts and Humanities | 130,000 |
| <i>(Charlotte, N.C.)</i> | | <i>(Philadelphia, Pa.)</i> | |
| For an exhibition highlighting African-American soldiers and their role in the U.S. Army from 1866-1912 | | To expand educational outreach programs to 10 community sites throughout Philadelphia and to create a community garden on an abandoned lot | |
| Ramsey County Historical Society | 60,000 | Western Reserve Historical Society | 50,000 |
| <i>(St. Paul, Minn.)</i> | | <i>(Cleveland, Ohio)</i> | |
| For exhibitions to interpret both Pioneer and Dakota cultures | | For the restoration and reinterpretation of the 1827 Jonathan Hale House | |
| Rosenbach Museum and Library | 100,000 | Subtotal: | 72 grants |
| <i>(Philadelphia, Pa.)</i> | | | \$14,852,000 |
| For renovations of two historic buildings to expand public outreach and research services and to upgrade exhibition and collection storage space | | | |
| San Jose Stage Company | 60,000 | | |
| <i>(San Jose, Calif.)</i> | <i>(over two years)</i> | | |
| For a new position of marketing communications director | | | |
| Sarasota Opera Association | 12,000 | | |
| <i>(Sarasota, Fla.)</i> | | | |
| For a curriculum-based, arts-education program for middle school students in Manatee County | | | |
| Seminole Cultural Arts Theatre | 100,000 | | |
| <i>(Homestead, Fla.)</i> | | | |
| To renovate the historic Seminole Theatre | | | |
| Tallahassee and Leon County Cultural Resources Commission | 18,500 | | |
| <i>(Tallahassee, Fla.)</i> | | | |
| To create a central arts and culture community information center | | | |

NATIONAL EDUCATION GRANTS

Brazosport Independent School District **\$15,000**
(Freeport, Texas)

For Freeport Intermediate School to document or respond to inquiries associated with its recognition as a national School to Watch by the National Forum to Accelerate Middle-Grades Reform

California State University, Long Beach Foundation **60,000**
(Long Beach, Calif.)

To organize and conduct a statewide meeting to share effective strategies for K-16 reform developed in Long Beach and in other California communities

Chicago Public Schools **15,000**
(Chicago, Ill.)

For Thurgood Marshall Middle School to document or respond to inquiries associated with its recognition as a national School to Watch by the National Forum to Accelerate Middle-Grades Reform

College Summit **110,000**
(Washington, D.C.)

For a comprehensive program evaluation

Communities In Schools **1,250,000**
(Alexandria, Va.) (over three years)

For national expansion, replication, evaluation and technical assistance to Knight communities

Dull Knife Memorial College **111,000**
(Lame Deer, Mont.) (over three years)

For the Northern Cheyenne Learning Institute to work collaboratively with schools and community organizations to improve student achievement from early childhood through college

The Galef Institute **500,000**
(Los Angeles, Calif.) (over two years)

To design, field test and publish a tool kit to help teachers better assess student learning in keeping with the objectives of the Different Ways of Knowing approach to education

National Center for Family Literacy **1,100,000**
(Louisville, Ky.) (over two years)

For transition support for the Family Independence Initiative and exploration of strategic directions for program development

The Public Agenda Foundation **25,000**
(New York, N.Y.)

For Public Agenda Online, a public affairs Internet web site providing information on public perceptions of major social issues for journalists, educators, public policy-makers and the public at large

Reach Out and Read **647,000**
(Boston, Mass.)

To expand programs in Charlotte, Philadelphia and Palm Beach County, Fla., and to collaborate in the development of strategies for community literacy in Charlotte and South Florida

United Negro College Fund **250,000**
(Fairfax, Va.)

For the Frederick D. Patterson Research Institute's endowment campaign

Subtotal: **11 grants** **\$4,083,000**

COMMUNITY GRANTS – EDUCATION

Alice Lloyd College **\$50,000**
(Pippa Passes, Ky.) (over two years)

For a partial challenge grant for endowed scholarship support

Boys and Girls Clubs of Philadelphia **39,500**
(Philadelphia, Pa.)

For a pilot project to implement two academic enrichment programs focusing on engineering and technical literacy skills

Central Detroit Christian Community Development Corporation **20,000**
(Detroit, Mich.)

To recruit and train 100 additional volunteers for the Breakthrough Tutoring Program

Central Piedmont Community College Foundation **114,000**
(Charlotte, N.C.) (over two years)

For transition support of the Charlotte Family Independence Initiative, linking family literacy and welfare-to-work programs

Charlotte-Mecklenburg Education Foundation **50,000**
(Charlotte, N.C.)

For a public engagement and community-based planning initiative with the public school system

Charlotte-Mecklenburg Schools **137,400**
(Charlotte, N.C.) (over two years)

For transition support to help institutionalize the IMPACT II program of mini-grants, professional development and networking for teachers

City of Boulder **156,000**
(Boulder, Colo.)

To continue and expand the Family Independence Initiative to provide work-focused family literacy instruction in collaboration with the National Center for Family Literacy

Communities In Schools of Columbia **75,000**
(Columbia, S.C.)

For a challenge grant to develop and implement an integrated, comprehensive evaluation program in partnership with CIS of South Carolina

| | |
|--|---|
| Communities In Schools of Philadelphia <i>(Philadelphia, Pa.)</i> | 250,000 <i>(over three years)</i> |
| To increase use of the School Success Profile (SSP) and provide technical assistance and training to schools in developing programs and interventions to address student needs identified by the SSP | |
| Council for Basic Education <i>(Washington, D.C.)</i> | 225,000 <i>(over three years)</i> |
| To continue and expand participation by Horry County, S.C., teachers in Schools Around the World: An International Study of Student Academic Work | |
| Detroit 300 <i>(Detroit, Mich.)</i> | 420,000 <i>(over two years)</i> |
| To support the School Participation Project of the Detroit 300 Education Program as part of the city's tricentennial celebration in 2001 | |
| Detroit Area Pre-College Engineering Program <i>(Detroit, Mich.)</i> | 200,000 <i>(over two years)</i> |
| For the endowment portion of the Lighting the Spark fund-raising campaign | |
| The Education Fund <i>(Miami, Fla.)</i> | 54,500 |
| To continue the AmeriCorps program, Florida Reads! | |
| Educational Opportunity and Talent Search Center <i>(Fort Wayne, Ind.)</i> | 34,500 |
| To renovate offices, meeting rooms and classrooms | |
| Executive Service Corps of the Delaware Valley <i>(Ardmore, Pa.)</i> | 24,600 |
| For management of volunteer consulting services for local public schools | |
| Family Services of Summit County <i>(Akron, Ohio)</i> | 245,000 |
| To continue and expand Akron's Family Independence Initiative, linking family literacy and welfare-to-work programs | |
| Foundation for the Carolinas <i>(Charlotte, N.C.)</i> | 540,000 <i>(over three years)</i> |
| To coordinate a literacy initiative in Charlotte and Mecklenburg County | |
| Franklin-McKinley School District <i>(San Jose, Calif.)</i> | 54,000 <i>(over two years)</i> |
| For start-up support for the DELTTA program, which uses integrated arts instruction to teach language skills to students, particularly those with limited English proficiency | |
| Georgia Military College Foundation <i>(Milledgeville, Ga.)</i> | 21,000 |
| To construct a Leaders' Reaction Course to foster team-building and critical-thinking skills for students and the community | |

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|---|---|
| I Have a Dream Foundation of Boulder County <i>(Boulder, Colo.)</i> | 105,000 <i>(over three years)</i> |
| To match an AmeriCorps grant to provide academic and cultural activities for at-risk youth at four after-school centers | |
| Indiana Institute of Technology <i>(Fort Wayne, Ind.)</i> | 100,000 <i>(over three years)</i> |
| For the renovation of the McMillan Library and Dana Engineering Center | |
| Indiana University Northwest <i>(Gary, Ind.)</i> | 50,000 |
| To provide a job-skills program and related student support services in local schools in collaboration with the Gary ACCORD and Communities In Schools of Gary | |
| Ivy Tech Foundation <i>(Indianapolis, Ind.)</i> | 25,000 |
| For Ivy Tech State College Northwest to expand local educational opportunities for Gary in partnership with Vincennes University as part of the emerging Community College of Indiana system | |
| Jessamine County Public School District <i>(Nicholasville, Ky.)</i> | 65,000 |
| To improve and expand the outreach services of the district's adult education and family literacy programs | |
| Johnson C. Smith University <i>(Charlotte, N.C.)</i> | 200,000 <i>(over two years)</i> |
| For a renovation project of Biddle Memorial Hall | |
| Long Beach Public Library Foundation <i>(Long Beach, Calif.)</i> | 25,000 |
| To establish a family learning center at the Dana Branch Library for elementary and middle-grades children and their families | |
| Long Beach Unified School District <i>(Long Beach, Calif.)</i> | 75,000 |
| To continue and expand work-focused family literacy instruction through the Family Independence Initiative (Literacy Works) in collaboration with the National Center for Family Literacy | |
| Mayor's Commission on Literacy <i>(Philadelphia, Pa.)</i> | 65,000 |
| For the Families That Work Workforce Literacy Project in conjunction with the National Center for Family Literacy's Family Independence Initiative linking family literacy services to welfare-to-work reform | |
| The Methodist Hospitals <i>(Gary, Ind.)</i> | 50,000 |
| To implement a pediatric literacy program and coordinate a community-wide literacy council | |

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|--|---|--------------------|--|
| Miami-Dade County Public Schools <i>(Miami, Fla.)</i> | 553,000 <i>(over three years)</i> | | |
| To develop with neighborhood organizations an integrated program of work-related family literacy to improve student achievement in four low-performing schools | | | |
| Moore Community House <i>(Biloxi, Miss.)</i> | 50,000 | | |
| To expand tutoring services for at-risk elementary and middle-grades students | | | |
| Mother Mary School <i>(Phenix City, Ala.)</i> | 225,000 <i>(over three years)</i> | | |
| To start a community day-care center for low-income and underserved families as part of a larger capital campaign | | | |
| New American Schools <i>(Arlington, Va.)</i> | 85,000 <i>(over two years)</i> | | |
| For Co-NECT Schools to introduce the Kids 'n Salsa program in 15 South Florida public schools | | | |
| Northern State University <i>(Aberdeen, S.D.)</i> | 50,000 | | |
| To expand the activities of the university's Volunteer Service Clearinghouse and hire a full-time coordinator | | | |
| Public Schools Foundation of Santa Cruz County <i>(Soquel, Calif.)</i> | 209,000 | | |
| For Schools PLUS to expand a teacher mini-grant program and develop a collaborative professional development network for teachers in Santa Clara and Santa Cruz counties using the IMPACT II model | | | |
| Resource Area for Teachers <i>(San Jose, Calif.)</i> | 150,000 <i>(over three years)</i> | | |
| To purchase a new building to house an office, warehouse and programs | | | |
| Rutgers University Foundation <i>(Camden, N.J.)</i> | 150,000 | | |
| For the Center for Children and Childhood Studies to organize a Campaign for Children's Literacy, including further development of local pediatric Reach Out and Read programs | | | |
| South Carolina Governor's School for Science and Mathematics <i>(Hartsville, S.C.)</i> | 150,000 <i>(over three years)</i> | | |
| To establish a permanent endowment | | | |
| St. Vincent de Paul Society Council of Santa Clara County <i>(Mountain View, Calif.)</i> | 22,500 | | |
| For English classes, literacy instruction and job-skills training for day laborers in Santa Clara County | | | |
| Summit Education Initiative <i>(Akron, Ohio)</i> | 1,000,000 | | |
| For program and operational support for five years | | | |
| Temple University <i>(Philadelphia, Pa.)</i> | 600,000 <i>(over three years)</i> | | |
| For the second phase of Literacy in Action: Writing Beyond the Curriculum, a K-16 initiative linking undergraduate writing instruction, service learning and community outreach, and for an endowment fund to strengthen writing instruction | | | |
| Transylvania University <i>(Lexington, Ky.)</i> | 120,000 <i>(over three years)</i> | | |
| For a minority teaching fellowship program to help diversify Transylvania's faculty | | | |
| University of Southern Mississippi-Gulf Coast <i>(Long Beach, Miss.)</i> | 100,000 <i>(over three years)</i> | | |
| To develop a technology lab for special education students | | | |
| University of Wisconsin-Superior Foundation <i>(Superior, Wis.)</i> | 50,000 | | |
| To develop a multicultural center on campus that will enhance recruitment and retention of students and faculty from diverse backgrounds | | | |
| Wesleyan College <i>(Macon, Ga.)</i> | 55,000 <i>(over three years)</i> | | |
| For scholarship support for student literacy volunteers | | | |
| Wichita Public Schools <i>(Wichita, Kan.)</i> | 500,000 <i>(over three years)</i> | | |
| For a middle school reading initiative | | | |
| Workforce Silicon Valley <i>(San Jose, Calif.)</i> | 300,000 <i>(over three years)</i> | | |
| For a partial challenge grant for Techforce Tomorrow, a comprehensive effort to enhance information technology career opportunities for disadvantaged youth in Santa Clara County | | | |
| Subtotal: | 47 grants | \$7,840,000 | |

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|--|---|---|---|
| American Newspaper Repository <i>(South Berwick, Maine)</i> To house temporarily and catalogue a collection of rare bound volumes of The (New York) World, the New York Herald-Tribune and The Chicago Tribune | \$100,000 | Consumers Union of the United States <i>(Yonkers, N.Y.)</i> To establish a Web Credibility Program | 2,000,000 <i>(over three years)</i> |
| American Society of Newspaper Editors Foundation <i>(Reston, Va.)</i> To plan and start a four-part, youth-oriented initiative focused on journalism career recruitment, understanding the role of newspapers in society and diversifying newsrooms | 500,000 | Fred Friendly Seminars <i>(New York, N.Y.)</i> For the outreach campaign and evaluation associated with the program, <i>The Press and the Public: Election 2000</i> | 85,000 |
| American Society of Newspaper Editors Foundation <i>(Reston, Va.)</i> To continue programs currently supported by Knight Foundation to increase minority representation in newsrooms at U.S. daily newspapers | 75,000 | Harvard University <i>(Cambridge, Mass.)</i> To expand and deepen the reach of the professional development institute on The Media and American Democracy | 825,000 <i>(over three years)</i> |
| American Society of Newspaper Editors Foundation <i>(Reston, Va.)</i> For continued support of the Institute for Journalism Excellence | 1,005,000 <i>(over three years)</i> | The Independent Journalism Foundation <i>(New York, N.Y.)</i> For continued support of programs aimed at fostering and improving independent journalism in Eastern and Central Europe | 750,000 <i>(over three years)</i> |
| Association of Schools of Journalism and Mass Communication <i>(Columbia, S.C.)</i> For continued support of the Broadcasters-in-Residence Program | 510,000 <i>(over three years)</i> | The Independent Production Fund <i>(New York, N.Y.)</i> To help <i>Media Matters</i> , a public television series, examine the performance of the news media | 950,000 <i>(over two years)</i> |
| Association of Schools of Journalism and Mass Communication <i>(Columbia, S.C.)</i> For the "International Symposium on Media in Latin America" | 30,000 | Inter American Press Association Press Institute <i>(Miami, Fla.)</i> For the IAPA Executive Development Program | 250,000 <i>(over three years)</i> |
| Boston University <i>(Boston, Mass.)</i> To create the Center for Science and Medical Journalism | 1,151,700 <i>(over three years)</i> | International Center for Journalists <i>(Washington, D.C.)</i> For a renewal grant to support the fourth phase of the Knight International Press Fellowship Program | 9,000,000 <i>(over five years)</i> |
| The Carole Kneeland Project for Responsible Television Journalism <i>(Austin, Texas)</i> To support development of the Carole Kneeland Project for higher standards in local television news | 150,000 <i>(over two years)</i> | International Press Institute <i>(Allentown, Pa.)</i> For national and regional workshops on covering international news | 150,000 <i>(over three years)</i> |
| The Carter Center <i>(Fulton, Ga.)</i> For support of the Rosalynn Carter Fellowships for Mental Health Journalism | 150,000 <i>(over three years)</i> | Investigative Reporters and Editors <i>(New York, N.Y.)</i> For general operating support | 250,000 |
| Columbia University <i>(New York, N.Y.)</i> For a partial challenge grant to support the Columbia Journalism Review | 1,000,000 <i>(over four years)</i> | Kansas State University Foundation <i>(Manhattan, Kan.)</i> To update research on the status and role of women in journalism and mass communication education | 140,315 |
| Committee to Protect Journalists <i>(New York, N.Y.)</i> For a partial challenge grant to extend operating support and to build an endowment | 3,100,000 <i>(over five years)</i> | Link Media <i>(San Rafael, Calif.)</i> For initial operating support of a highly interactive noncommercial television channel | 100,000 |
| | | National Foundation for the Centers for Disease Control and Prevention <i>(Atlanta, Ga.)</i> For two years of supplemental funding for a three-year public health journalism fellowship at the Centers for Disease Control | 63,800 <i>(over two years)</i> |

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| Oakland University <i>(Rochester, Mich.)</i> | 75,000 <i>(over three years)</i> | The University of Georgia <i>(Athens, Ga.)</i> | 46,620 |
| For a project to improve the writing proficiency of middle and high school students and to assist teachers in ongoing career development | | To provide journalism administrators with techniques to increase the representation of women and racial and ethnic minorities on journalism faculties in the United States | |
| Ohio University Foundation <i>(Athens, Ohio)</i> | 480,000 <i>(over three years)</i> | University of Illinois <i>(Champaign, Ill.)</i> | 1,500,000 |
| For an editing and editing education program | | To endow a Knight Chair in Journalism emphasizing investigative and enterprise reporting | |
| Online News Association <i>(New York, N.Y.)</i> | 225,000 | The University of Maryland Foundation <i>(College Park, Md.)</i> | 2,000,000 <i>(over three years)</i> |
| To establish guidelines for online news credibility | | For continued support of the Knight Center for Specialized Journalism at the University of Maryland | |
| The Progressive Media Project <i>(Madison, Wis.)</i> | 60,000 <i>(over two years)</i> | University of Washington <i>(Seattle, Wash.)</i> | 53,100 |
| To expand the Voices of Diversity program | | To develop and present midcareer seminars for journalists in the Pacific Northwest | |
| Robert C. Maynard Institute for Journalism Education <i>(Oakland, Calif.)</i> | 200,000 <i>(over two years)</i> | University of Wisconsin-Eau Claire <i>(Eau Claire, Wis.)</i> | 420,000 <i>(over four years)</i> |
| To create and disseminate an oral/visual archive of pioneering journalists of color who served in predominantly white newsrooms | | For a joint project to recruit and train Native Americans and students from the Hmong community at South Dakota State University and the University of Wisconsin-Eau Claire | |
| San Francisco State University Foundation <i>(San Francisco, Calif.)</i> | 525,000 <i>(over three years)</i> | World Press Freedom Committee <i>(Reston, Va.)</i> | 110,000 |
| To train and involve five other Bay area colleges in San Francisco State's successful diversity program | | For an international effort to eliminate insult laws, which prohibit scrutiny and criticism of public officials | |
| The School of Journalism Foundation of North Carolina <i>(Chapel Hill, N.C.)</i> | 84,475 | World Press Institute <i>(St. Paul, Minn.)</i> | 200,000 <i>(over two years)</i> |
| For an editing and editing education program | | For general operating support | |
| Society of Environmental Journalists <i>(Philadelphia, Pa.)</i> | 200,000 <i>(over two years)</i> | Subtotal: | 42 grants \$30,440,010 |
| For a series of programs designed to improve the quality, accuracy and visibility of environmental reporting | | | |
| Southern Scholarship Foundation <i>(Tallahassee, Fla.)</i> | 75,000 <i>(over three years)</i> | | |
| To sponsor and recruit 10 journalism students to Florida A&M University and to maintain the Knight scholarship house at Florida A&M | | | |
| Syracuse University <i>(Syracuse, N.Y.)</i> | 250,000 <i>(over three years)</i> | | |
| To expand the Transactional Records Access Clearinghouse as an information service for news organizations | | | |
| The Twentieth Century Fund (The Century Foundation) <i>(New York, N.Y.)</i> | 100,000 | | |
| For planning a project, Fulfilling the Promise: Public Service Telecommunications in the Digital and Internet Age | | | |
| University of California, Berkeley <i>(Berkeley, Calif.)</i> | 1,500,000 | | |
| To endow a Knight Chair in Journalism emphasizing science and technology journalism | | | |

IDEAS FUND

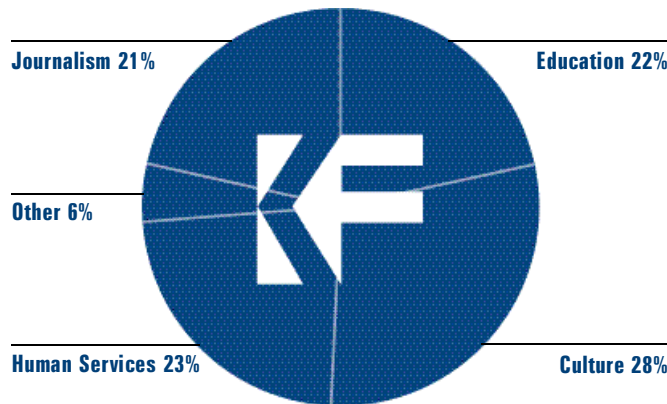
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| The Collins Center for Public Policy <i>(Miami, Fla.)</i> | \$125,000 |
| For an intensive examination of the South Florida region by Neal Peirce and the Citistates Group | |
| Goodwill Industries of Middle Georgia <i>(Macon, Ga.)</i> | 400,000 <i>(over three years)</i> |
| For job-training and placement services, a down town One-Stop Career Center and a wheels-to-work program, all targeted at residents of Beall's Hill | |
| Harriet Tubman Historical and Cultural Museum <i>(Macon, Ga.)</i> | 1,000,000 <i>(over three years)</i> |
| To help build a new facility to support expanded historical and race relations exhibits and programs | |
| Mercer University <i>(Macon, Ga.)</i> | 1,300,000 |
| For housing and related home-owner assistance programs in the 30-block Beall's Hill neighborhood, as part of a multidimensional community development effort | |
| National Public Radio <i>(Washington, D.C.)</i> | 150,000 |
| For general operating support, as part of Knight Foundation's 50th anniversary mission awareness campaign | |

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|---|---|
| The Obsidian Society <i>(Brooklyn, N.Y.)</i> | 20,000 |
| To explore the role of social entrepreneurship in philanthropy and non-profit organizations | |
| Twin Cities Public Television <i>(St. Paul, Minn.)</i> | 788,160 |
| For a one-hour documentary and companion web site documenting the Continental Harmony millennium project | |
| University of Miami <i>(Coral Gables, Fla.)</i> | 2,100,000 <i>(over three years)</i> |
| For the School of Architecture to develop a midcareer program of professional development in community building | |
| Subtotal: | 8 grants \$5,883,160 |

SPECIAL GRANTS

| | |
|--------------------------------------|--|
| 17 Trustee-Recommended Grants | \$240,000 |
| GRAND TOTAL: | 356 grants \$93,365,465 |

**GRANTS PAID BY PURPOSE
2000**



Note:

The inclusion of one or more large grants in a given year may skew the picture of how funds are used for that year. Changes in reporting requirements for the Foundation Center may cause a small variance from prior reports.

To paraphrase a March saying, investment performance for 2000 came in like a lion and went out like a lamb. It started with a strong first half but gradually deteriorated as the year progressed. Nevertheless, the year overall was quite successful.

The market value of the Foundation's assets at Dec. 31, 2000 was \$2.199 billion, an increase of \$310.5 million for the year, net of all grant payments and expenses. The components of this change for 2000 are shown in the table below along with comparisons to 1999.

| | Year Ended Dec. 31 | | 10-Year Cumul. |
|---|--------------------|------------|-------------------|
| | 2000 | 1999 | |
| Change in Asset Values (dollars in millions) | | | |
| Investment activity, net | \$ 399.0 | \$ 705.1 | \$ 1,958.9 |
| Grant spending | (70.0) | (53.1) | (405.4) |
| Administrative expenses | (7.2) | (5.2) | (40.5) |
| Taxes Paid | (11.7) | (6.5) | (32.9) |
| Contributions Received | 0.4 | 0.3 | 196.8 |
| Total Change | \$ 310.5 | \$ 640.6 | \$ 1,676.9 |
| <hr/> | | | |
| Memo: Ending assets | \$ 2,199.0 | \$ 1,888.5 | \$ 2,199.0 |
| Beginning assets | \$ 1,888.5 | \$ 1,247.9 | \$ 522.1 |

Portfolio Returns

| Ending Dec. 31, 2000 | 2000 | Three- Year Avg. | Five- Year Avg. | Ten- Year Avg. |
|----------------------|-------|------------------------|-----------------------|----------------------|
| KF Portfolio | 23.9% | 29.0% | 24.0% | 18.5% |

Benchmarks:

| | 2000 | Three- Year Avg. | Five- Year Avg. | Ten- Year Avg. |
|---------------------------------------|--------|------------------------|-----------------------|----------------------|
| Domestic | (2.6%) | 10.0% | 13.6% | 13.4% |
| Global | (6.4%) | 8.5% | 9.0% | 10.0% |
| CA Endow. median | 3.6% | 11.2% | 13.8% | 14.1% |
| CA Endow., 5 th percentile | 19.9% | 23.7% | 20.8% | 17.8% |

The investment program added \$399 million to assets in 2000, which was second only to last year's record investment performance. An unprecedented \$70 million also was paid out in grants.

For the decade ending in 2000, the investment program added more than \$1.9 billion in value, while more than \$405 million was paid out in grants.

Knight Foundation's portfolio return for 2000 was 23.9 percent. For 2000 and for the three-, five- and 10-year periods ending Dec. 31, 2000, the Knight portfolio's average annual compound returns significantly exceeded all its comparative benchmarks and ranked within the top 5th percentile of Cambridge Associates Endowment Composite.

In general the second half of 2000 was much more difficult than the first half, which was reflected in the portfolio's returns: The first half was up 24.9 percent; the second half down 0.8 percent. Fortunately, because Knight Foundation began to reposition its portfolio defensively early in the year, it was able to preserve most of the gains made during the first half.

Strategies that worked in 2000:

- Without question, the most significant contributor to returns in 2000 was the private securities asset class. Distributions of cash and securities from partnership investments exceeded \$356 million during the year.

- Value-style strategies were favored. A Russell 1000 Value Index portfolio was funded in January and substantially increased in October.

- We cut back portfolios with growth-style strategies, lowering overall exposure to technology-sector equities.

- We increased the absolute return arbitrage asset class, which reduced overall portfolio volatility and added to returns.

- A new intermediate duration government bond index portfolio was established in July with significant funding.

- A significant position in treasury inflation protected securities (“TIPS”) was established at the beginning of the year and added to in June.

Strategies that lagged and some missed opportunities:

- The international markets were especially disappointing in 2000 following an exceptionally strong performance in 1999. In hindsight, rebalancing at the end of 1999 would have preserved some of the gain.

- Small cap value-style equities had a strong year. In the process of reducing exposure to small-cap equities, both value and growth strategies were reduced.

- REIT and energy stocks both had strong performances during the year. Both were on our action list for 2000. We added to the REIT portfolio but not until late in the year, and we never did find a suitable energy strategy to deploy.

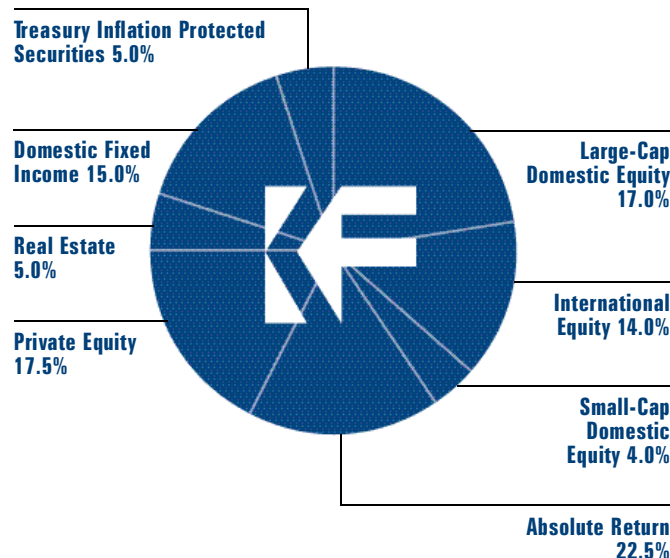
Asset allocation:

The graph below shows the asset class weighting targets at year-end. Actual weightings at year-end found the TIPS and domestic fixed income asset classes to be over their targets for tactical, defensive reasons. The actual weighting in private equity also was over target but will move closer to target as distributions and revaluations occur. The international and small-cap domestic asset classes were under their targets, an issue that will be addressed in 2001.

In summary

Knight’s results in 2000 were greatly assisted by a strong first half, largely attributable to the private securities portfolio. In addition, tactically shifting to defensive and value-style strategies, rapidly liquidating the stocks received from venture partnerships, and building assets in the bond portfolio and TIPS all contributed to the successful investment results.

ASSET ALLOCATION 2000



Trustees

John S. and James L. Knight Foundation

We have audited the accompanying statements of financial position of the John S. and James L. Knight Foundation (the Foundation) as of Dec. 31, 2000 and 1999, and the related statements of activities and 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. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation at Dec. 31, 2000 and 1999, its changes in unrestricted net assets and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

Feb. 14, 2001

STATEMENT OF FINANCIAL POSITION

| | Dec. 31 | |
|--|-------------------------|-------------------------|
| | 2000 | 1999 |
| Assets | | |
| Cash and cash equivalents | \$ 7,254,247 | \$ 18,419,601 |
| Interest and dividends receivable | 22,185,275 | 4,987,563 |
| U.S. government and agency obligations | 391,013,777 | 194,576,099 |
| Corporate bonds and other obligations | 139,862,614 | 122,933,068 |
| Common stock of Knight Ridder | 79,743,413 | 101,773,372 |
| Equity securities | 979,482,942 | 964,741,656 |
| Alternative equity investments | 487,792,282 | 395,978,103 |
| Real estate investments | 91,650,572 | 85,133,706 |
| Total assets | \$ 2,198,985,122 | \$ 1,888,543,168 |
| Liabilities and unrestricted net assets | | |
| Grants payable | \$ 73,247,834 | \$ 46,736,319 |
| Other liabilities | 1,277,136 | 2,814,584 |
| Total liabilities | 74,524,970 | 49,550,903 |
| Unrestricted net assets | 2,124,460,152 | 1,838,992,265 |
| Total liabilities and unrestricted net assets | \$ 2,198,985,122 | \$ 1,888,543,168 |

STATEMENTS OF ACTIVITIES

| | Year ended Dec. 31 | |
|---|-------------------------|-------------------------|
| | 2000 | 1999 |
| Investment activity | | |
| Interest | \$ 36,374,827 | \$ 18,059,883 |
| Dividends | 9,967,966 | 12,107,748 |
| Net realized gain on sale of investments | 449,210,982 | 243,695,595 |
| Net (decrease) increase in fair market value | (91,514,772) | 434,329,625 |
| Less: investment expenses | (5,388,072) | (4,135,364) |
| Total net investment income and gain | 398,650,931 | 704,057,487 |
| Contributions received | 351,613 | 309,867 |
| Total investment activity, gains and other support | 399,002,544 | 704,367,354 |
| Grants approved and expenses | | |
| Community Initiatives grants | 19,407,795 | 13,502,719 |
| Journalism grants | 30,440,010 | 21,873,920 |
| Arts and Culture grants | 25,471,500 | 14,048,007 |
| Education grants | 11,923,000 | 17,711,553 |
| Disaster Relief grants | - | 100,000 |
| IDEAS Fund | 5,883,160 | 2,045,442 |
| Special grants | 240,000 | 260,000 |
| Grant forfeitures and other | (645,324) | (1,163,029) |
| Program initiative payments | 3,790,899 | 2,338,321 |
| General and administrative expenses | 7,218,299 | 5,159,642 |
| Federal excise and other taxes | 9,805,318 | 6,839,582 |
| Total grants and expenses | 113,534,657 | 82,716,157 |
| Increase in unrestricted net assets | 285,467,887 | 621,651,197 |
| Unrestricted net assets at beginning of year | 1,838,992,265 | 1,217,341,068 |
| Unrestricted net assets at end of year | \$ 2,124,460,152 | \$ 1,838,992,265 |

See accompanying notes.

STATEMENTS OF CASH FLOWS

| | Year ended Dec. 31 | |
|--|---------------------|----------------------|
| | 2000 | 1999 |
| Operating activities | | |
| Increase in unrestricted net assets | \$ 285,467,887 | \$ 621,651,197 |
| Adjustments to reconcile increase in unrestricted net assets to net cash used in operating activities: | | |
| Net realized gain on sale of investments | (449,210,982) | (243,695,595) |
| Net decrease (increase) in fair market value | 91,514,772 | (434,329,625) |
| Changes in operating assets and liabilities: | | |
| Interest and dividends receivable | (17,197,712) | (2,193,140) |
| Grants payable | 31,893,137 | 28,345,663 |
| Other liabilities | (1,537,448) | 1,456,990 |
| Net cash used in operating activities | (59,070,346) | (28,764,510) |
| Investing activities | | |
| Proceeds from sale of investments | 899,880,634 | 699,810,204 |
| Purchases of investments | (851,975,642) | (670,067,044) |
| Net cash provided by investing activities | 47,904,992 | 29,743,160 |
| Net change in cash and cash equivalents | (11,165,354) | 978,650 |
| Cash and cash equivalents at beginning of year | 18,419,601 | 17,440,951 |
| Cash and cash equivalents at end of year | \$ 7,254,247 | \$ 18,419,601 |
| Noncash transactions | | |
| Common stock of Knight Ridder granted to reduce grants payable | \$ 5,381,622 | \$ 10,771,501 |

See accompanying notes.

1. The Organization

The John S. and James L. Knight Foundation (the Foundation), a nonprofit corporation, promotes excellence in journalism worldwide and invests in the vitality of 26 U.S. communities.

2. Significant Accounting Policies

Grants

The Foundation records grants in full as expenses when approved by the trustees.

Program-Related Investments (PRIs)

In accordance with Section 4944 of the Internal Revenue Code (the Code), the Foundation is permitted to make investments that are related to its philanthropic programs. These investments are anticipated to have a return lower than fair market value. In the year of the investment, the Foundation receives a credit toward its distribution requirement. When the investment is recovered by the Foundation, it is required to recognize a negative distribution. Recoveries are reflected in "Grant forfeitures and other" in the Statements of Activities.

Use of Estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of investment activity and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

Effective Jan. 1, 2001, the Foundation adopted Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*. The adoption of SFAS No. 133 had no material impact on the Foundation's financial position or its results from operations.

Reclassification

Certain amounts from prior year financial statements have been reclassified to conform with the current year presentation.

3. Investments

The investment goal of the Foundation is to invest its assets in a manner that will achieve a total rate of return sufficient to replace the assets spent for grants and expenses and to recoup any value lost due to inflation. To achieve this goal, some investment risk must be taken. To minimize such risk, the Foundation diversifies its investments among various financial instruments and asset categories, and uses multiple investment strategies. Key decisions in this regard are made by the Foundation's investment committee, which has oversight responsibility for the investment program. The committee identifies appropriate asset categories for investments, determines the allocation of assets to each category and approves the investment strategies employed. The Foundation's chief investment officer is responsible for the effective execution of the investment program, including the engagement of investment managers, financial consultants and legal advisers, as required. As general practice, except for the Foundation's holdings in Knight Ridder Inc. common stock, stock distributed from its limited

partnership investments, and Treasury Inflation Protected Securities (TIPS), all financial assets of the Foundation are managed by external investment management firms selected by the Foundation. All financial assets of the Foundation are held in custody by a major commercial bank, except for assets invested with partnerships and offshore funds, which have separate arrangements appropriate to their legal structure.

The majority of the Foundation's assets are invested in stocks, which are listed on national exchanges or quoted on NASDAQ, Treasury and agency bonds of the U.S. government and investment grade corporate bonds for which active trading markets exist. Such assets are valued at quoted closing prices at year end. Realized gains and losses and increases and decreases in fair market value on investments are reflected in the Statements of Activities.

Approximately 26 percent and 25 percent of the Foundation's assets at Dec. 31, 2000 and 1999, respectively, were invested with various limited partnerships that invest in the securities of companies that may not be immediately liquid, such as venture capital and debt placements in private companies, and in real estate equity limited partnerships that have investments in various types of properties. The value of such investments is determined by the partnerships' general partners, who must follow the valuation guidelines, such as appraisals and comparable company trade data, stipulated in the respective limited partnership agreements. The Dec. 31 valuation of the investments in limited partnerships are based upon the value determined by the partnerships' general partner as of Sept. 30, adjusted for capital contributions and distributions that occur during the quarter ended Dec. 31. These amounts may differ from values that would be determined if the investments in limited partnerships were publicly traded or if the Dec. 31 valuation amount were currently available. Realized gains and losses and increases and decreases in fair market value on the investments in limited partnerships are reflected in the Statements of Activities. All limited partnerships are audited annually by independent auditing firms. As of Dec. 31, 2000, pursuant to its limited partnership agreements, the Foundation is committed to contribute approximately \$180,300,000 in additional capital over the next 10 years to various partnerships. Unpaid commitments at Dec. 31, 1999, were approximately \$170,900,000.

Some investment managers retained by the Foundation have been authorized to use certain financial derivative instruments in a manner set forth by either the Foundation's written investment policy, specific manager guidelines or partnership/fund agreement documents. Specifically, financial derivative instruments may be used for the following purposes: (1) currency forward contracts and options may be used to hedge non-dollar exposure in foreign investments; (2) covered call options may be sold to enhance yield on major equity positions; (3) futures contracts may be used to equitize excess cash positions, rebalance asset categories within the portfolio or to rapidly increase or decrease exposure to specific investment positions in anticipation of subsequent cash trades; and (4) futures contracts and options may be used to hedge or leverage positions in portfolios managed by hedge fund firms. Authorization to use derivatives currently is restricted to nine hedge fund managers, who manage investments totaling approximately \$471,000,000 and one currency overlay manager, who at Dec. 31, 2000 did not have any buy or sell positions in currency forward contracts. The Foundation's chief investment officer also is authorized to use derivatives to execute certain investment strategies. Financial derivative instruments are recorded at fair market value in the Statements of Financial Position with changes in fair market value reflected in the Statements of Activities.

In the opinion of the Foundation's management, the use of financial derivative instruments in its investment program is appropriate and customary for the investment strategies employed. Using those instruments reduces certain investment risks and generally adds value to the portfolio. The instruments themselves, however, do involve some investment and counterparty risk not fully reflected in the Foundation's financial statements. Management does not anticipate that losses, if any, from such instruments would materially affect the financial position of the Foundation.

At Dec. 31, 2000 and 1999, the Foundation held 1,402,082 and 1,708,682 shares, respectively, of Knight Ridder common stock, which represented 4 percent and 5 percent of the Foundation's assets, respectively. During 2000, the Foundation reduced its Knight Ridder Inc. holdings by 306,600 shares by sale and gift. Divestitures in 1999 totaled 392,100 shares.

A detail of fair market value and cost by investment class follows:

| | Dec. 31, 2000 | | Dec. 31, 1999 | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | Fair Market Value | Cost | Fair Market Value | Cost |
| Cash and cash equivalents | \$ 7,254,247 | \$ 7,254,247 | \$ 18,419,601 | \$ 18,419,601 |
| Interest and dividends receivable | 22,185,275 | 22,185,275 | 4,987,563 | 4,987,563 |
| U.S. government and agency obligations | 391,013,777 | 381,465,453 | 194,576,099 | 203,690,724 |
| Corporate bonds and other obligations | 139,862,614 | 137,285,617 | 122,933,068 | 124,938,004 |
| Common stock of Knight Ridder | 79,743,413 | 39,013,595 | 101,773,372 | 47,285,671 |
| Equity securities | 979,482,942 | 723,537,270 | 964,741,656 | 568,962,925 |
| Alternative equity investments | 487,792,282 | 284,445,091 | 395,978,103 | 225,285,806 |
| Real estate investments | 91,650,572 | 76,371,355 | 85,133,706 | 76,030,883 |
| Total | \$ 2,198,985,122 | \$ 1,671,557,903 | \$ 1,888,543,168 | \$ 1,269,601,177 |

Highly liquid investments with original maturities of three months or less are reported as cash equivalents.

4. Federal Excise Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Code and, with the exception of unrelated business income from debt-financed, passive investments, is not subject to federal income tax. However, the Foundation is classified as a private foundation and is subject to a federal excise tax of 2 percent (or 1 percent under certain circumstances) on net investment income, including realized gains, as defined by the Code.

Total excise and other taxes paid by the Foundation for the years ended Dec. 31, 2000 and 1999 amounted to approximately \$11,700,000 and \$6,500,000, respectively.

5. Grant Commitments

The Foundation made grant payments of \$69,983,125 and \$53,142,772 in 2000 and 1999, respectively.

As of Dec. 31, 2000, the Foundation had future grant commitments, which are scheduled for payment in future years as follows:

| | |
|--------------|----------------------|
| 2001 | \$ 42,759,220 |
| 2002 | 19,333,914 |
| 2003 | 5,837,700 |
| 2004 | 2,917,000 |
| 2005 | 2,400,000 |
| Total | \$ 73,247,834 |

6. Employee Pension Plans and Other Postretirement Benefits Plan

The Foundation sponsors a defined benefit pension plan and a cash balance pension plan for its eligible employees. The pension benefits for all employees hired prior to Jan. 1, 2000 will be the greater of the benefits as determined under the defined benefit pension plan or the cash balance pension plan. The pension benefits for all employees hired on or

subsequent to Jan. 1, 2000 will be determined under the cash balance pension plan. Effective Jan. 1, 2000, the Foundation also sponsors a postretirement medical and life insurance benefit plan.

The following table sets forth the pension and other postretirement benefits plans' funded status and amounts recognized in the Foundation's Statements of Financial Position:

| | Pension Plans | | Other Postretirement Benefits Plan |
|--|---------------------------|-------------------|---|
| | Year ended Dec. 31 | | Year ended Dec. 31 |
| | 2000 | 1999 | 2000 |
| Fair value of plan assets | \$ 3,630,328 | \$ 3,919,766 | \$ - |
| Benefit obligation | (4,470,860) | (3,477,113) | (844,779) |
| Funded status of the plan | \$ (840,532) | \$ 442,653 | \$ (844,779) |
| Accrued benefit cost recognized in the Statements of Financial Position | \$ (1,085,374) | \$ (702,549) | \$ (224,271) |
| Benefit cost recognized as expense | \$ 392,573 | \$ 368,739 | \$ 268,396 |
| Employer contributions | 9,748 | - | 44,125 |
| Employee contributions | - | - | 240 |
| Benefits paid | 279,394 | 121,663 | 44,365 |
| Actuarial assumptions | | | |
| Discount rate | 7.5% | 8.0% | 7.5% |
| Expected return on plan assets | 8.0 | 8.0 | N/A |
| Rate of compensation increase | 4.5 | 5.0 | 4.5 |
| Health care cost trend rate assumptions | | | |
| Initial trend rate | N/A | N/A | 8.0% |
| Ultimate trend rate | N/A | N/A | 5.5 |
| Year ultimate trend is reached | N/A | N/A | 2009 |

In addition, the Foundation sponsors a defined contribution plan for its eligible employees for which it has no fixed liabilities. The Foundation made discretionary contributions to the defined contribution plan of \$82,079 and \$120,658 for 2000 and 1999, respectively.

7. Leases

The Foundation leases approximately 12,000 square feet of office space in Miami, Fla. Effective Feb. 12, 2001 the Foundation entered into an amendment to its office lease agreement that would add approximately 4,200 square feet of office space. The Foundation has extended the term of the lease through November 2002. Rental expense for 2000 and 1999 was \$338,896 and \$350,164, respectively. Future minimum lease payments under the amended lease agreement as of Dec. 31, 2000, are as follows:

| | |
|--------------|-------------------|
| 2001 | \$ 458,655 |
| 2002 | 433,203 |
| Total | \$ 891,858 |

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Supported by Knight grants, the National Millennium Survey provides the unique insights and impressions of noted U.S. photographers and writers into American culture at the turn of the century. The project has produced 400 photographic works and 300 manuscript pages of poetry, essays and narratives. An exhibition of National Millennium Survey photographic works, text panels and poetry reading sound stations will tour major museums through 2006.

Courtesy of the National Millennium Survey, pages 6, 8, 10, 12, 14, 16, 18, 20, 22 and 26.

The American Composers Forum initiative formerly known as New Band Horizons is now known as BandQuest (page 54).

The name "Magic of Music" is used (pages 30, 39, 47 and 53) with permission of The Magic of Music Inc., which creates special moments through music for thousands of critically/terminally ill and handicapped children and adults throughout the United States.