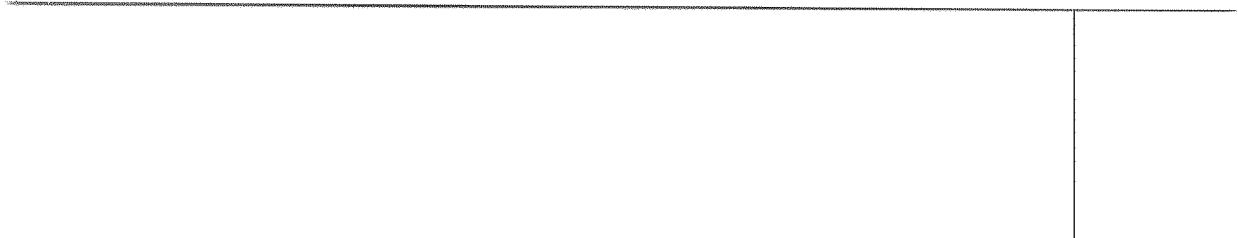


1983

The **BUSH FOUNDATION**





Archibald Granville Bush



Mrs. Archibald Granville Bush

THE
BUSH FOUNDATION

*Annual Report for the Fiscal Year
Ended November 30, 1983*

BOARD OF DIRECTORS

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The Bush Foundation

REPORT FOR THE FISCAL YEAR ENDING NOVEMBER 30, 1983

OFFICERS

Thomas J. Clifford, *Chairman of the Board*
Waverly G. Smith, *First Vice Chairman of the Board*
John A. McHugh, *Second Vice Chairman of the Board*
Harriet B. Medlin, *Secretary*
George C. Power, Jr., *Treasurer*
Frank Hammond, *Assistant Secretary and General Counsel*

STAFF

Humphrey Doermann, *President*

Grant Program Activity:

Stanley Shepard, Senior Program Associate. John Archabal, Program Associate.
Wendy F. Bennett, Program Associate. Elizabeth Pegues, Program Associate.
*Linda C. Nyvall, Program Associate.

Business Management:

Gerald M. Skogley, Business Manager. Marie B. Lampe, Bookkeeper. **Harold V.
Neece, Business Manager.

Staff Services:

Linda M. Kollasch, Executive Secretary. Patricia L. Collis, Secretary. Sheila A. Green,
Secretary. Jodi L. Skoog, Secretary.

Address: E-900 First National Bank Building, Saint Paul, Minnesota, 55101
Telephone: 612-227-0891

*Resigned November, 1983

**Retired August, 1983

THE BUSH FOUNDATION

The Bush Foundation, established by Mr. and Mrs. Archibald Granville Bush of Saint Paul, Minnesota, was incorporated February 24, 1953, under the Minnesota Nonprofit Corporation Act, to encourage and promote charitable, scientific, literary, and education efforts. It is a tax-exempt organization under the laws of Minnesota and the United States.

The Foundation has concentrated activity in the areas of education, humanities and the arts, community and social welfare, and health. Geographically, the Foundation's grants in 1983 were principally in Minnesota, North Dakota, and South Dakota. The Foundation continues to operate two major non-regional programs, one in child development and public policy, the other, in cooperation with The William and Flora Hewlett Foundation, with historically black private four-year colleges in the southeastern United States. The Foundation's predominantly regional emphasis is discussed in the "Report of the Chairman", immediately following this section.

The income available to the Foundation represents the investment yield from assets given the Foundation by Mr. and Mrs. Archibald Granville Bush. The Foundation was the residuary legatee of the Estate of the late Archibald G. Bush, from which it has received several distributions of property and cash.

During the fiscal year ending November 30, 1983, The Bush Foundation granted financial assistance to 112 projects in the United States. The sections which follow the Report of the Chairman of the Board outline the Foundation's major current grantmaking interests, describe the Foundation's grantmaking policies and procedures, and list the Foundation's grants in 1983.

REPORT OF THE CHAIRMAN

During 1983, The Bush Foundation paid \$18,776,168 to grant recipients. This was the highest single-year payout in the Foundation's history. Meanwhile, The Bush Foundation Board of Directors approved new grant authorizations of \$14,373,428, a smaller figure than in 1981 or 1982. The best present estimates are that in the near future Bush annual authorization totals for new grants will average close to the 1983 level. As before, however, the actual outcome will depend partly upon the quality and quantity of proposals which the Foundation receives and partly upon the Board's judgment as to the importance of today's needs compared with the unknown but probably large needs of future years.

Continuing Regional Emphasis

Bush Foundation support to university centers in the joint field of child development and public policy, and to historically black private colleges, have created a significant flow of Bush payments outside Minnesota and the Dakotas — our primary geographic grantmaking region. The Foundation Board still believes, however, that The Bush Foundation is and should be predominantly a regional institution. In both of the large programs noted above, the eligible applicant group and the maximum level of out-of-region spending were determined in advance by the Board. Other out-of-region grants on a smaller scale included those to the Council on Foundations and to the Foundation Center to help improve the general performance and public accountability of private foundations, and a few to grantees outside this region which are conducting specific within-region projects.

Since 1971, Chicago had been included in The Bush Foundation's grantmaking guidelines as an eligible area, although one "of secondary interest". The number of Bush grants approved for Chicago grantees in recent years has not been large. Anticipating increased need for funds from applicants within Minnesota and the Dakotas, the Board in February, 1982 decided to cease regular grantmaking activity in the Chicago area.

Review of Denied Applications

In July, 1983, the Board reviewed a survey concerning the impact of its decisions *not* to grant funds. The survey sample contained thirty-nine or-

ganizations whose proposals were denied prior to February, 1981. Survey cases were chosen from among denied applications which appeared to have been written specifically for The Bush Foundation and which were within its guidelines as to purpose and geographic region. The sample thus was biased intentionally to emphasize cases in which the Bush decision might have been expected to cause significant disappointment.

The main purposes for the survey were to learn more about the Foundation's grantmaking process and its impact. Applicants were asked what happened to the projects which Bush was asked to support. Were those projects abandoned, curtailed, paid for by someone else, or continued on the applicants' own funds? How did these applicants view the Bush denial decision? What is their attitude towards Bush grantmaking criteria?

Nancy L. Anderson, a consultant to the Foundation and formerly Executive Director of the Community Planning Organization in Saint Paul, conducted the survey. It was similar in design to ones conducted by other consultants in 1973 and 1977. The following table compares Anderson's recent findings with those in the earlier two studies. The classifications reported in the table were in each case made by the consultant immediately following either in-person or telephone interviews.

<i>Reporting Category</i>	<i>Percentage Reporting</i>		
	<i>1973 Study (N = 41)</i>	<i>1977 Study (N = 33)</i>	<i>1983 Study (N = 39)</i>
<i>I. Project Outcome</i>			
A. Project Abandoned	22%	21%	23%
B. Project Still Seeking Funds	24%	9%	8%
C. Project Severely Curtailed, Adverse Effect Reported	7%	23%	20%
D. Project Severely Curtailed, Little Adverse Effect Reported	12%	9%	8%
E. Project Continued, On Other Grants	20%	35%	26%
F. Project Continued, On Applicant's Own Funds	15%	3%	15%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>
<i>II. Attitude Toward Denial</i>			
A. Great Disappointment	29%	32%	57%
B. Mild Disappointment	49%	56%	20%
C. No Disappointment or Inability to Classify	22%	12%	23%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>
<i>III. Attitude Toward Grantmaking Criteria</i>			
A. Favorable (Clear and Fair)	22%	41%	31%
B. Unfavorable (Not Clear)	56%	38%	31%
C. Unable to Classify	22%	21%	38%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

One surprising feature of the ten year span of "project outcome" results is how stable they appear to be. Approximately one-fourth of the Bush denied proposals were abandoned entirely after the denial, while nearly half were carried out with little reported adverse effect. This can be said about the percentages reported from each of the three surveys, despite changes both in the national economy and in the Foundation's programs.

The sharpest recent change reported was in applicants' apparent attitude towards the denial decision. The proportion of applicants who expressed great disappointment at the Bush denial decision increased from thirty-two percent of the total in 1977 to fifty-seven percent of the total in 1983. Reasons for this are not clear. It may be that different classification standards used by different consultants account for a significant part of the difference, although this seems unlikely. Another possibility is that the fundraising climate in 1981 seemed much more unpredictable to many applicant agencies than it did in the mid-1970's, and that a larger proportion of the fundraisers in the most recent study had felt themselves and their organizations to be under unusual stress. The explanation may also be in other factors which have not yet been identified.

Staff Changes

In August, 1983, Harold V. Neece retired. He served as Business Manager since 1971, and was the Foundation's chief staff financial officer. Prior to 1971, Neece was Vice President for Finance at Hamline University in Saint Paul. Gerald M. Skogley, former Vice President for Business and Finance at the University of North Dakota, Grand Forks, became Business Manager in August.

Linda C. Nyvall, Program Associate, resigned in November, 1983 to spend more time with her family and to pursue part-time employment in the arts. Wendy F. Bennett, formerly Director of Development for the Saint Paul Chamber Orchestra, joined the Foundation as Program Associate in December, 1983. Bennett's job will emphasize work in the arts and humanities, although she will participate in other program areas also.

The Foundation was unusually fortunate to have had the service of Harold Neece and Linda Nyvall, and is equally fortunate in finding such capable replacements.

Long Range Planning

In October, 1982 The Bush Foundation's Board and staff decided to undertake an eighteen month long range planning process together. In every other year since 1974, the Board and staff have held two-day retreats to assess the strengths and weaknesses of present grantmaking programs, and to discuss what new program possibilities seem promising enough to merit

concentrated investigation. One might say that a long range assessment process is already built in, and further efforts may be more wasteful than helpful. That, in fact, could turn out to be what happens.

However, the argument for an extra planning effort at this time runs differently. The built-in assessment process described above tends to focus on individual programs, and, except in a superficial way, tends to avoid comprehensive appraisal. A comprehensive view may be more needed now than in the recent past. The proportion of Bush grants which are made under guided programs has risen from nineteen percent of all grants in 1972 to about seventy percent of all grants in 1982. Current examples of Bush guided programs include programs for endowment of major arts organizations in Minnesota, matching capital grants to private colleges in Minnesota and the Dakotas, faculty development grants in four year colleges in Minnesota and the Dakotas, and two matching grant programs for historically black private colleges in which The Bush Foundation and The William and Flora Hewlett Foundation jointly participate. One common feature of these guided programs is that they did not begin until the Bush Board also had established an ending date for them. The typical length of such programs is six to eight years. The large increase in guided programs during the mid-1970's means now that many program "sunset" dates occur between 1985 and 1990, and that an unusual amount of program redesign or explicit program renewal must be accomplished during that period. The years 1983 and 1984 therefore seem appropriate ones for the Board and staff to discuss together the general directions of the 1985-to-1990 program redesign and renewal effort.

While the work plan for this process remains flexible so as to accommodate the unexpected, certain steps were specified at the beginning. Projections for grant program spending would be integrated with projections for investment portfolio performance, and asset management would be a major topic for review. While extra consultants would assist in the planning process, active direction would remain with the Board and staff. Finally, quarterly Board meetings would be doubled in length, and Board subcommittee activity increased so that the planning work would be carried out in addition to regular business rather than instead of it.

While internal interest during such a process tends to focus on what might emerge that is new and different, the Board also said at the beginning that new programs or program areas should not just be new, but also should give reasonable promise of performing in a more worthwhile way than the programs they replace.

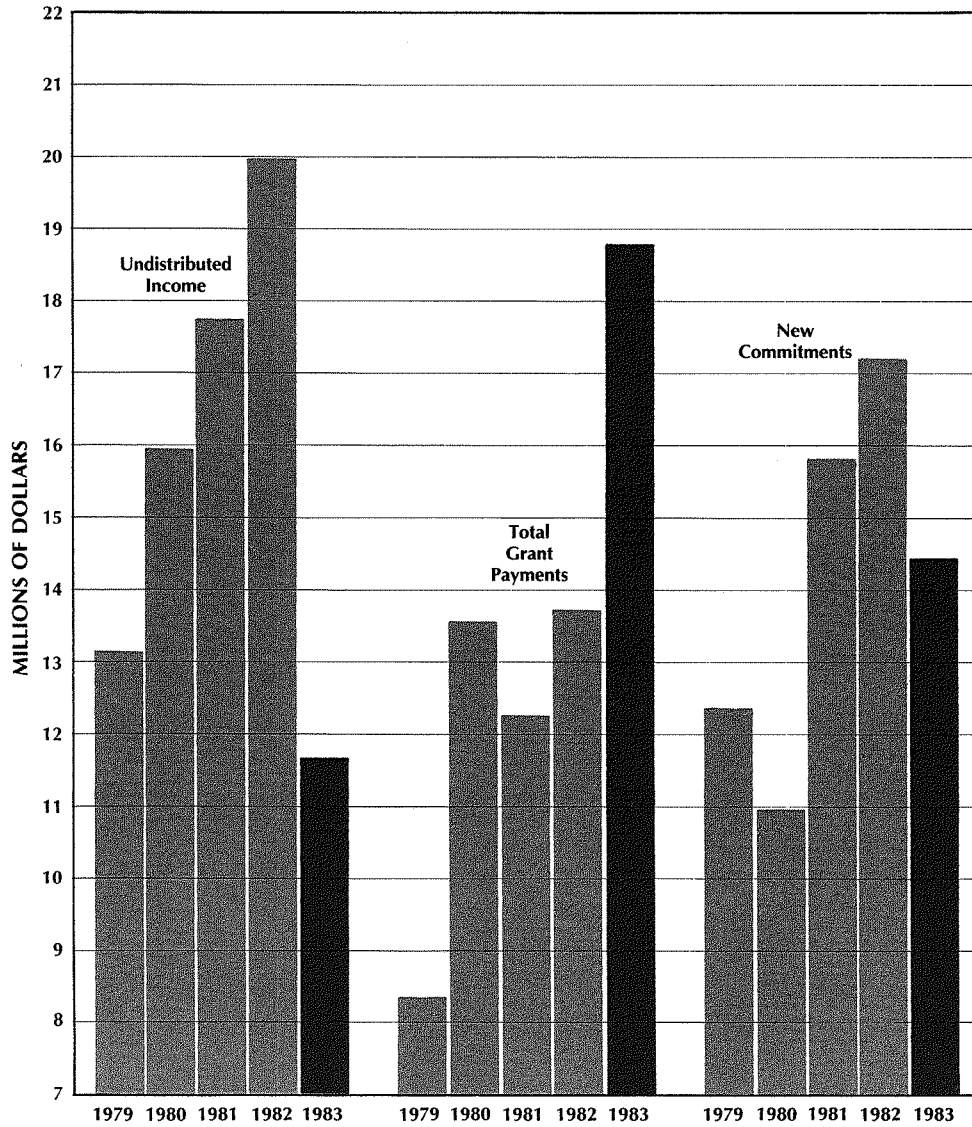
It is too soon to estimate what new areas of interest may emerge from this long range planning process. An apparent early consensus among Board and staff suggests that the results in the end probably will look more like evolution than revolution. There appears to be no strong wish to change either the predominantly regional character of The Bush Founda-

tion, or to preclude occasional out-of-region program exceptions of the kind which have occurred in the recent past. Also, the Board appears to want to continue to retain a relatively small program staff, and to continue relatively heavy use of consultants for program advice and for evaluation. None of the major functional areas (such as education, the arts, human services, and so on) in which the Foundation now makes grants seems likely to be abandoned, although the content or spending rate for any area could change. Even though this estimate of final outcome must be imprecise at this moment, the discussion process already feels worthwhile. At the very least, we will complete the process knowing better why we feel as we do about our work, and what outcomes we should be trying hardest to achieve.

THOMAS J. CLIFFORD
Chairman

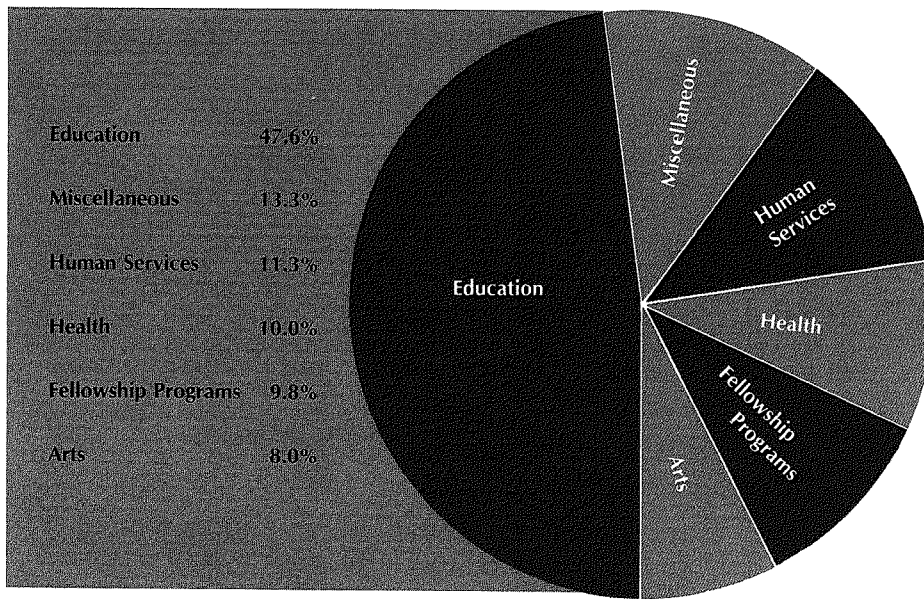
**UNDISTRIBUTED INCOME COMPARED WITH
GRANT PAYMENTS AND NEW COMMITMENTS
1979-1983**

Year	Undistributed Income*	Total Grant Payments	New Commitments
1979	\$13,014,791	\$ 8,302,828	\$12,343,814
1980	15,851,551	13,524,915	10,933,267
1981	17,769,459	12,256,713	15,846,967
1982	19,970,222	13,696,544	17,209,279
1983	11,609,815	18,776,168	14,373,428

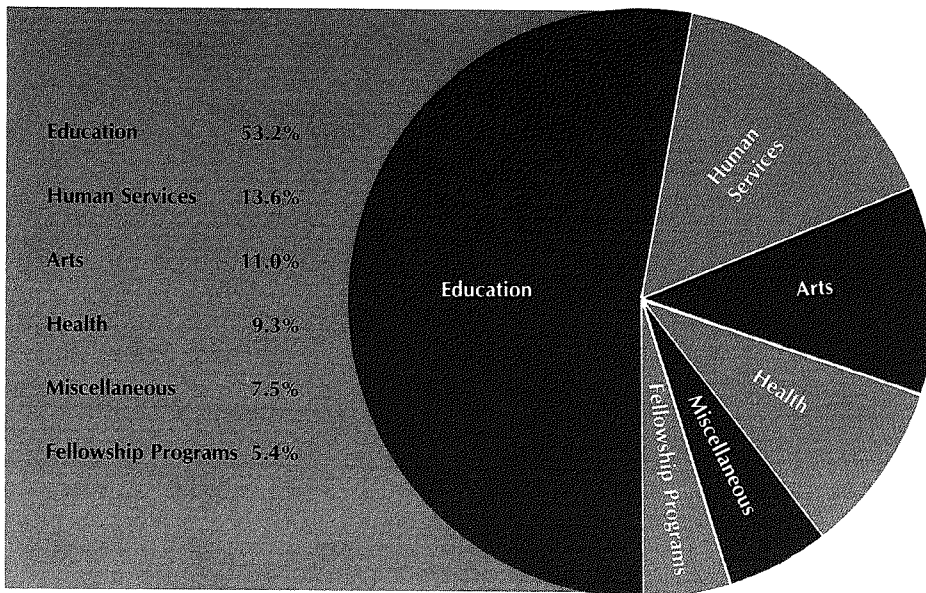


**For the years 1979 through 1982, undistributed income was the greater of net income or minimum investment return, as defined by the Tax Reform Act of 1969, less excise taxes, administrative expenses, and investment expenses. In accordance with the Economic Recovery Tax Act of 1981, undistributed income for 1983 is the minimum investment return.*

**DISTRIBUTION OF 1983 FOUNDATION GRANT
APPROPRIATIONS BY PROGRAM AREA**

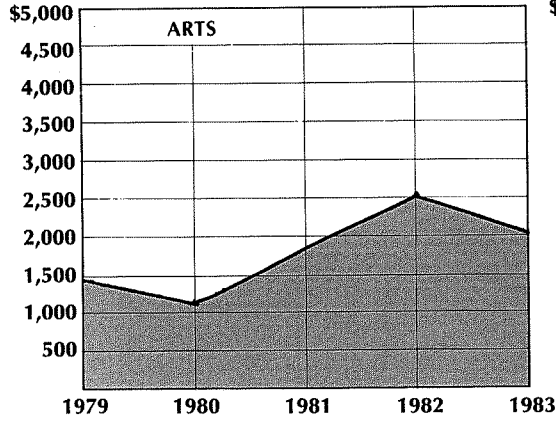


**DISTRIBUTION OF 1983 FOUNDATION GRANT
PAYMENTS BY PROGRAM AREA**

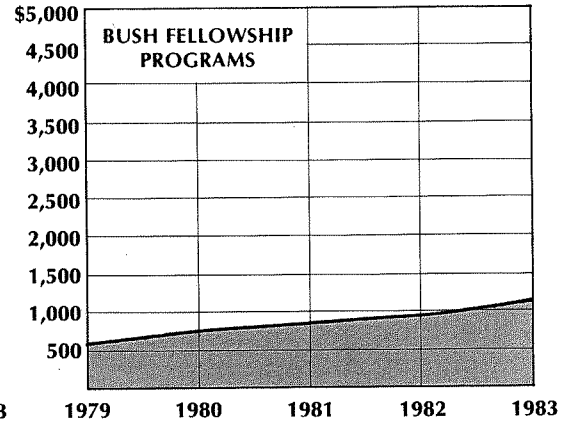
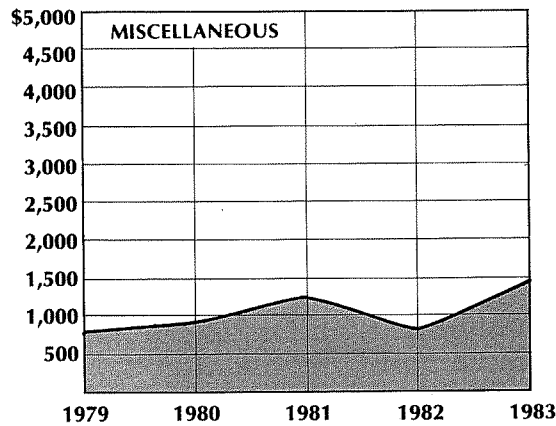
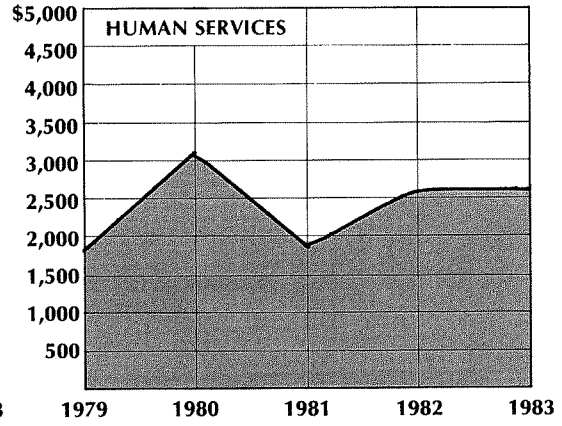
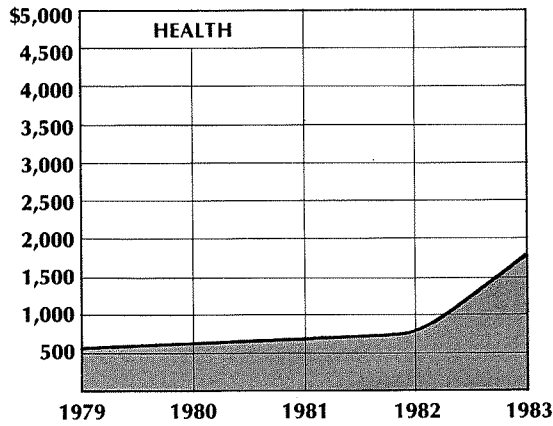
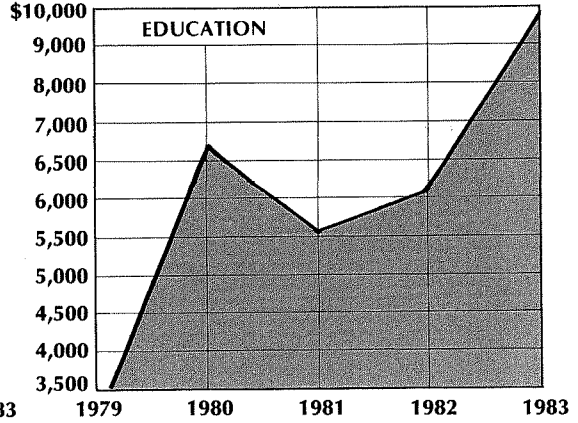


CASH FLOW SUMMARY 1979-1983

(000's Omitted)



(000's Omitted)



	1979	1980	1981	1982	1983
Arts	\$1,455,164	\$ 1,170,270	\$ 1,824,500	\$ 2,560,793	\$ 2,066,350
Education	3,090,631	6,717,139	5,682,732	6,083,453	9,984,600
Health	591,969	609,448	647,257	707,649	1,745,243
Human Services	1,761,451	3,294,395	1,861,330	2,584,119	2,568,064
Miscellaneous	807,849	914,940	1,364,994	816,150	1,400,670
Bush Fellowship Programs	595,764	818,723	875,900	944,380	1,011,241
TOTALS	<u>\$8,302,828</u>	<u>\$13,524,915</u>	<u>\$12,256,713</u>	<u>\$13,696,544</u>	<u>\$18,776,168</u>

PROGRAM NOTES

PROGRAM NOTES

This section of the Annual Report discusses progress in several Bush grant programs which seemed noteworthy in 1983: faculty development in four year colleges and universities in this region, matching capital grants in historically black private colleges, and endowment matching grants in the arts. Comment is also provided on The Bush Foundation's general approach to its work in health, in human services, and in its four mid-career fellowship programs.

These subsections together suggest that the Foundation's specific concerns and its style of operation vary considerably from one field to the next — generally depending upon the different needs and ways of doing business inherent in each field. However, the one common theme which runs through all our work is the need for each serious applicant for Bush support to consider carefully not only how Bush money will be used and why it is needed, but also how to operate without Bush funds once the grant period ends.

EDUCATION

Faculty Development

In April, 1979, The Bush Foundation Board of Directors approved a regional program of faculty development grants in undergraduate four-year colleges and universities in Minnesota and the Dakotas. Individual colleges or groups of colleges were invited to propose programs designed to improve student learning through increased attention to faculty development activities. The definition of what the Foundation meant by "faculty development" was intentionally left quite broad, and included such possibilities as individual professional development, curriculum change, improvement of teaching methods, and organizational changes such as introduction of peer or student evaluation plans. Eligible institutions could apply for grants which were up to three years in length, and renewable one time. Maximum grant size varied with student enrollment.

Initial grants were awarded during the past three years to most of the eligible institutions or public systems. Between 1981 and 1983, the Founda-

tion approved thirty-three faculty development program grants, totaling \$7,832,953, as well as nineteen planning grants totaling \$177,965. Small grants also supported the activities of Dr. Robert E. Young, Director of Instructional Development at the University of North Dakota, who publishes a regular newsletter for and about faculty in each of the Bush-supported projects. Young also coordinated a workshop program in July 1983, held at Macalester College, for the directors of these projects.

In 1982, the Foundation invited Kenneth E. Eble, Professor of English at the University of Utah, and Wilbert J. McKeachie, Professor of Psychology and Director for the Center for Research on Teaching and Learning at the University of Michigan, to visit each of the Bush-supported faculty development projects during 1983 or 1984, to write about the experience, and to report their findings. It is hoped that McKeachie and Eble will be able to observe patterns of activity in these faculty development plans which suggest, more reliably than is possible when looking only at individual cases, what the initial outcomes of the program have been and which strategies seem most effective and under which kinds of circumstances. These observations, in turn, may assist the participating colleges to determine what faculty development plans, if any, they wish to pursue after Bush support ceases. Another purpose of the McKeachie-Eble work will be to suggest to the Foundation's staff and Board what they should learn from the program about how to improve their grantmaking in the future.

New program or planning proposals in this program will cease being received after 1983. Guidelines for renewal proposals are available at The Bush Foundation office.

MATCHING CAPITAL GRANTS FOR HISTORICALLY BLACK COLLEGES

The Boards of The Bush Foundation and The William and Flora Hewlett Foundation in October and November, 1980, launched a seven-year, \$10 million program of matching capital grants in four-year historically black private colleges. This agreement follows a successful partnership between these foundations in stimulating alumni giving within the same institutions. (Thirty-one historically black private colleges are participating, or have recently participated, in a program of renewable alumni challenge grants which, on the average, helped these colleges to double receipts to their annual alumni funds and more than double the number of their alumni donors.)

Eligible for participation in the matching capital grants program are the forty-three present or former members of the United Negro College Fund, Inc. (UNCF). These colleges, located mainly in the southeastern United States, form a network of respected institutions with an unusually significant record of service to the nation.

From 1977 through mid-1980, UNCF completed a nationwide \$58 million capital fund drive for the benefit of all its members. However, a conservative 1980 estimate of aggregate need to refurbish old buildings, build a few new ones, and strengthen endowment in these UNCF colleges, was about \$300 million. An increase in new capital fund drives is occurring in these colleges. The Bush-Hewlett matching funds are intended to hasten completion of those fund drives whose organization and purposes have been most carefully planned.

The following matching capital grants to UNCF colleges were authorized during 1981 through 1983:

Institution	Amount	Year
Paine College Augusta, Georgia	\$ 100,000	1981
Spelman College Atlanta, Georgia	400,000	1981
Tuskegee Institute Tuskegee Institute, Alabama	1,000,000	1981
Johnson C. Smith University Charlotte, North Carolina	500,000	1982
Florida Memorial College Miami, Florida	150,000	1982
Hampton Institute Hampton, Virginia	1,250,000	1983

This program is scheduled to operate between 1981 and 1987. The Bush Foundation Board agreed to provide up to \$7 million during that period, and The William and Flora Hewlett Foundation agreed to provide up to \$3 million. The Bush Foundation will administer the program, receiving applications, arranging for the required staff and consultant work, and selecting which applicants receive grants.

In many ways the new Bush-Hewlett program of matching capital grants is similar to the program which The Bush Foundation operated in Minnesota and the Dakotas since 1976 and which has been described in prior annual reports. For these programs, "capital" purposes are defined to include land, endowment, building construction, and major renovation. Bush-Hewlett matching grants are five percent of the announced capital items in a college's fund drive. The Foundation staff site visit procedures for considering grant proposals in both programs are essentially the same. The Bush Board's standards for selecting individual grantees are also the same.

Unlike the Upper Midwest program, however, gifts from corporations and foundations can be matching-eligible in the Bush-Hewlett program. The four principal questions which need to be answered favorably before a matching capital grant is approved continue to be the following ones:

— Are the goals of the capital fund drive carefully focused and based on

a comprehensive and widely discussed appraisal of the institution's needs?

- Does the applicant college have a reasonable planning process which links educational and financial strategy for at least five years into the future?
- How well planned and organized is the fund drive? What are its chances for achieving its announced dollar goal?
- If major building refurbishment or new construction is part of the capital fund drive, how well planned does this work appear to be, and how well does the college use and maintain its existing physical plant?

Inquiries are welcome. Proposals for these grants are considered at the regular grantmaking meetings of the Bush Board of Directors. Program guidelines and checklists are available at The Bush Foundation office.

HEALTH

The Bush Foundation wishes to consider proposals for programs and projects that will improve the quality, accessibility, and efficiency of health care services within the Foundation's grantmaking region. In its attempt to achieve good results with limited amounts of money, the Foundation will concentrate its grants on innovative programs to train health professionals for unfilled and new kinds of health care positions, and will seek to develop new ways to deliver health care in rural and underserved areas. Improving racial minorities' access to careers in medicine and other health professions is also of major interest to the Foundation.

In 1983 the Foundation approved three major grants. The Saint Louis Park Medical Center Research Foundation was awarded \$300,000 to help develop new education and treatment programs for diabetics at the International Diabetes Center. The Minnesota State Department of Health was granted \$394,357 to conduct a feasibility study for a statewide pathology-based cancer surveillance system. This system would help researchers to study the possible environmental causes of cancer. The feasibility study will attempt to define the minimal operating costs for an effective system. The Ebenezer Society received \$300,000 to help to develop a Social Health Maintenance Organization for elderly people. This Social HMO would provide prepaid health and social services to elderly people and is one of four projects nationally authorized by the federal Medicare program. These projects seek to develop ways to contain the costs of long-term health and social services for elderly people.

Three smaller grants to the Lutheran Church in America, to Health Systems Agency of Western Lake Superior, and to South Central Minnesota Senior Federation, will support programs that forestall premature hospitalization of elderly people and higher costs for their health care.

The Foundation also renewed its support to the Minnesota Coalition on Health Care Costs and to the University of Minnesota for fellowships for minority medical students.

A fifth group of Bush Clinical Fellows was selected in 1982. Physicians selected for this program will pursue programs of study designed to help them meet specific health care needs in the rural communities in which they practice. The Fellowship section of this Report lists the Bush Clinical Fellows selected in 1982 and describes their individual programs.

HUMAN SERVICES

The Bush Foundation reviewed sixty proposals for human service programs during 1983 and approved grants to twenty-nine organizations, totaling \$1.6 million. This amount represents nearly twelve percent of the amount which the Foundation approved for all grants in 1983.

The Foundation seeks to support projects which help to lessen, prevent, or resolve contemporary social problems. The Foundation has chosen to remain flexible and open to proposals across a wide range of service areas and program purposes. Recent past grants have helped to begin new direct service programs, to strengthen existing programs, and to construct or renovate buildings. In considering these grants the Foundation has been especially interested in the quality of applicants' long range or strategic planning.

More so than in other grantmaking areas, the Foundation has not sharply emphasized one kind of activity over another or attempted to signal what next year's emphasis will be. Consequently, The Bush Foundation's work in human services has tended to be on a case by case basis. It may be easier to understand the Foundation's work in human services by examining how we approach individual proposals than by examining the pattern of our grants as a whole or in any of its major segments.

Decisions on individual proposals usually have been based on staff and Board appraisal of the answers to four basic kinds of questions:

1. How important is the purpose for which the grant is sought?
2. Is the purpose one for which Foundation expenditure makes sense? Does the problem to be worked on match in scale what The Bush Foundation might reasonably be able to spend on it? Are others who might help pay for the activity doing their fair share?
3. How well is the applicant likely to be able to carry out the proposed plan? Is the planning work as good as can reasonably be expected? Is most of the unnecessary risk eliminated from the work plan?
4. If the proposed activity is to continue beyond the period of the proposed grant, what are the plans for replacement support and how realistic are they?

Despite this case by case approach, several grantmaking patterns have emerged and have been described in earlier annual reports. In 1983, Bush Foundation grants addressed problems affecting broad segments of the population, but with a particular concentration on programs for youth and for families in crisis. In 1983, eight grants totaling \$172,994 were approved to organizations seeking ways to reduce the incidence of family violence. Among these were grants to projects to counsel children of battered women; to assist Hispanic migrant women farmworkers who have been battered; to start up an outpatient therapeutic treatment program for men who batter their spouses; and to help start up a nursery for abused children. The Foundation staff plans to continue to explore the problem of family violence with hope that the knowledge of which treatment and prevention strategies work best will become more apparent as a result.

In 1983 the Foundation also approved five grants totaling \$266,396 to other organizations that serve women. These grants included \$200,000 to CHART for an employment services project, \$42,396 to Chrysalis Center for Women for its mental health program, \$15,000 to the Duluth Bethel Society toward renovation costs of a residence for homeless women, and \$5,000 to Community Mercy Hospital, Onamia, Minnesota, for a mental health counseling program for women in Mille Lacs County. The Foundation plans to continue to concentrate its grants within the human service area on innovative programs which seek to improve the delivery of services to a broad segment of the population within its geographical region.

ARTS AND HUMANITIES

Over the past twelve years, The Bush Foundation has appropriated roughly \$20.3 million to arts and humanities organizations in Minnesota. Most of these funds have been paid to major professional institutions in Minneapolis and Saint Paul, to support operating expenses, special projects, and building renovation and construction. The Foundation has emphasized support of major professional organizations within its arts grantmaking for two primary reasons: first, these institutions provide both high quality programs for the public and artistic leadership for other arts activities in Minnesota; and second, they have persistently high financial need.

In addition to providing annual operating support for major arts institutions in Minnesota, The Bush Foundation occasionally makes grants to arts organizations for special program needs or projects. In 1983, these included: \$16,550 to the Minnesota Independent Choreographers' Alliance, Minneapolis, to help establish a Dance Production Clearinghouse; \$60,000 to the Saint Paul-Ramsey Arts and Sciences Council toward the United Arts Fund; \$15,000 to The Network, Saint Paul, toward its centralized ticket service for Twin Cities performing arts organizations; and program support grants to COMPAS, Saint Paul, the Greater Twin Cities' Youth Symphonies,

Minneapolis, the Playwrights' Center, Minneapolis, and the Minnesota Composers Forum, Saint Paul.

The Foundation provides further support for the arts through its Fellowship for Artists Program, which was established in 1976 to enable selected artists in Minnesota to spend a concentrated period of time on their work. The eighth group of Bush Artist Fellows was selected in 1983. The Fellowship section of this report lists the Fellows and describes this program in more detail.

In 1981, while continuing to support annual expenses of major arts institutions, the Foundation initiated a \$7 million program of matching grants to support endowment fund drives conducted by major arts organizations in Minnesota during the 1980's. With this series of matching grants, The Bush Foundation seeks to assist major arts organizations in Minnesota in their efforts to strengthen their management and support future growth through endowment funds. Requests for support of up to ten percent of an arts organization's endowment fund drive are considered; the maximum possible grant amount is \$2 million. Proposals in this program will be accepted in 1990. To provide an incentive for completion of endowment fund drives, the Foundation has adopted the following matching formula for these endowment grants:

- In cases where the Foundation is asked to take a leadership position in a campaign (when an application is submitted before fifty percent of the fund drive is completed), ordinarily payment of half of the Bush grant is made when fifty percent of the drive is completed. Payment of the remaining amount of the grant is contingent upon completion of the total fund drive goal, according to a mutually agreed upon deadline.
- In cases where at least half of the drive has been completed by the time a Bush grant is requested, ordinarily payment is contingent upon raising the total remaining amount of the drive, according to a mutually agreed upon deadline.

Grants in this program are based on the Foundation's judgments about applicants' need for endowment support, as well as the quality of their long-range planning, artistic program and management. The Foundation's Board of Directors has approved two grants in this program. In 1981, the Walker Art Center, Minneapolis, received \$1,000,000 toward the Center's \$10 million capital campaign. In 1982, the Foundation pledged \$2,000,000 to the Minnesota Orchestral Association, Minneapolis, toward its endowment fund drive.

PUBLIC BROADCASTING

In 1976, The Bush Foundation Board of Directors considered a report on "The Role of The Bush Foundation in Telecommunications" prepared by

John P. Witherspoon, then President of the Public Service Satellite Consortium. The report provided brief summaries of major developments in public telecommunications in the United States and in public broadcasting in the Upper Midwest. Based on a number of recommendations made by Witherspoon, the Board decided to concentrate the Foundation's grantmaking activity in this field at least for the immediate future, in a series of matching grants to public broadcasting organizations in the Foundation's primary grantmaking region.

Over the past eight years, The Bush Foundation has attempted to help major public radio and television stations in Minnesota, North Dakota, and South Dakota to improve their development activities and broaden their bases of support through membership challenge grants. The Foundation has granted roughly \$1.2 million since 1976 to the following stations and networks to support membership development: Minnesota Public Radio, Saint Paul; South Dakota Friends of Public Broadcasting, Brookings, South Dakota; University of North Dakota, Public Radio Station KFJM, Grand Forks, North Dakota; Prairie Public Television, Inc., Fargo, North Dakota; Northern Minnesota Public Television, Bemidji; Duluth-Superior Area Educational Television Corporation, Duluth.

BUSH LEADERSHIP FELLOWS PROGRAM

The Bush Leadership Program was started in 1965 at the wish of Archibald Granville Bush. He envisioned a program which would locate highly motivated individuals with strong leadership qualities from many fields. His aim was to help these persons develop and broaden their potential for leadership without the kind of financial hardship he encountered early in his own business career. Recipients of these awards receive financial support for full-time midcareer study — sometimes including a specially designed internship — anywhere within the United States. The awards range in length from four to eighteen months.

In 1973, The Bush Foundation added a new program for Bush Summer Fellowships to the regular Bush Leadership Fellows Program. The summer program offers skills development opportunities ranging from three to ten weeks in length, and usually does not include an internship. In 1974, the Foundation voted to expand both programs beyond Minnesota, to include persons from North Dakota, South Dakota, and the twenty-six counties in northern and western Wisconsin that lie within the Ninth Federal Reserve Banking District.* Major criteria for selection for both programs have included clear career goals and demonstrated competence in past work, as

*These counties in Wisconsin are: Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Douglas, Dunn, Eau Claire, Florence, Forest, Iron, LaCrosse, Lincoln, Oneida, Pepin, Pierce, Polk, Price, Rusk, Saint Croix, Sawyer, Taylor, Trempeleau, Vilas, and Washburn.

well as human relations skills, intellectual ability, integrity, and a record of community involvement.

In 1983, the Board authorized expenditure of \$751,000 for stipends and tuition for Fellowships to be awarded. Nineteen individuals received 1983 Bush Leadership Fellowships and twenty-seven received Bush Summer Fellowships. The fellows represent the fields of arts administration, building restoration, business, education, food management, government, health-care administration, landscape architecture, law, small business, social work, theology, and trade unionism; this diversity in career background has characterized the program since its beginning.

The program continues to try to evaluate all applicants on their individual merits. For the last several years a clear majority of the selected fellows emphasized some aspect of administration or management during their studies and internships. This pattern seems likely to continue.

Public informational meetings were scheduled and advertised in twenty-five cities in the four-state eligible area. Approximately 600 people attended these meetings in 1983. Inquiries concerning the programs should be directed to Bush Leadership Program (Donald Peddie, Program Director), P.O. Box 15125, Minneapolis, Minnesota 55415.

1983 BUSH LEADERSHIP FELLOWS PROGRAM

Name and Residence	Employment at the Time of Selection for Fellowship (1983-84 Study Site in Parenthesis)
Julio Almanza Cottage Grove, MN	Assistant Supervisor, LEP/Bilingual, Saint Paul Public Schools, Saint Paul, MN (University of Minnesota)
Ronald W. Bowen Princeton, MN	President, Prairie Restorations, Inc., Princeton, MN (University of Wisconsin)
Diadra Decker Chippewa Falls, WI	Administrator, Cray Research, Chippewa Falls, WI (Simmons College)
Robert L. Ellingson Brooklyn Center, MN	State Representative, Brooklyn Center, MN (Harvard University)
Lila J. George Cass Lake, MN	Supervisor, Cass County Social Services, Walker, MN (University of Minnesota-Duluth)
George D. Halonen Cokato, MN	Adult Vocational Coordinator, Hutchinson Area Vo-Tech Institute, Hutchinson, MN (University of Minnesota)
James M. Hannon Saint Paul, MN	Vice President, Thermal Company, Inc., Saint Paul, MN (Stanford University)
Phyllis L. Kahn Minneapolis, MN	State Representative, Minneapolis, MN (Harvard University)
Donna J. Knight Saint Paul, MN	Executive Director, Minnesota Wellspring, Saint Paul, MN (program deferred)
Dana C. Larson Egan, MN	Hydrogeologist, Johnson Division UOP, Inc., Saint Paul, MN (Massachusetts Institute of Technology)
Arlene I. Lehto Duluth, MN	Former State Representative, Duluth, MN (Harvard University)

Name and Residence	Employment at the Time of Selection for Fellowship (1983–84 Study Site in Parenthesis)
Frank R. Pommersheim Todd County, SD	Director, Dakota Plains Legal Services, Mission, SD (Harvard University)
Rosellen B. Primrose Brookings, SD	Women's Health Nurse, South Dakota State University, Brookings, SD (University of Rochester)
Donovan D. Rypkema Rapid City, SD	Owner, The Real Estate Services Group, Rapid City, SD (Columbia University)
Susan E. Showalter Minneapolis, MN	Susan Showalter Consulting Services, Minneapolis, MN (University of Minnesota)
Mons A. Teig Golden Valley, MN	Director for Parish Worship, The American Lutheran Church, Minneapolis, MN (Graduate Theological Union, Berkeley, CA)
Robert A. Ubbelohde Ashland, WI	Dean of Student Development, Northland College, Ashland, WI (Harvard University)
Stephen B. Wellington, Jr. Saint Paul, MN	Deputy Director for Development, City of Saint Paul, Saint Paul, MN (Stanford University)
Ronald Williams Egan, MN	National Sales and Marketing Manager, Control Data Cor- poration, Minneapolis, MN (Massachusetts Institute of Technology)

1983 BUSH SUMMER FELLOWS

Lynne A. Alpert Minneapolis, MN	General Manager/President, New French Cafe, Minneapolis, MN (Cornell School of Hotel Administration)
Jean B. Anderson Moorhead, MN	Executive Director, Rape and Abuse Crisis Center, Fargo, ND (Simmons College Middle Management Program)
Robert M. Berdahl Plymouth, MN	Manager, Product Conformance Engineering, Tennant Com- pany, Minneapolis, MN (Columbia University Executive Program)
William T. Brown Eau Claire, WI	Associate Professor, University of Wisconsin-Eau Claire, Eau Claire, WI (Harvard Trade Union Program)
Dale L. Dinger Devils Lake, ND	President, Federal Land Bank Association of Devils Lake, De- vils Lake, ND (University of Minnesota Management Institute)
Linda Feist Saint Paul, MN	Director, Reference Library, Minnesota State Legislature, Saint Paul, MN (Catholic University Institute on Federal Libraries)
Joan M. Graffius Plymouth, MN	Manager, Cyber 200 OS Development, Control Data Cor- poration, Arden Hills, MN (Carnegie-Mellon Executive Program)
Margot Hood-Rogers Dell Rapids, SD	Director, Special Programs, Sioux Falls College, Sioux Falls, SD (Syracuse University Sales and Marketing Executives Pro- gram, and Bryn Mawr Summer Institute for Women in Higher Education)
Bruce C. Jacobsen Grand Forks, ND	Dean, College of Fine Arts, University of North Dakota, Grand Forks, ND (Harvard Institute for Educational Management)

Name and Residence	Employment at the Time of Selection for Fellowship (1983–84 Study Site in Parenthesis)
Steven W. Laible New Brighton, MN	Senior Manager, Peat, Marwick, Mitchell & Company, Minneapolis, MN (Harvard Program for Senior Executives in State and Local Government)
Michael J. Lane Duluth, MN	Director, Glensheen, Duluth, MN (University of California-Berkeley Museum Management Institute)
Charles N. Lentz Fridley, MN	Executive Director, Minnesota Education Association, Saint Paul, MN (Harvard Trade Union Program)
Richard J. Lovett Saint Paul, MN	Assistant Vice President, Norwest Corporation, Minneapolis, MN (Cornell Executive Development Program)
Omelan A. Lukasewycz Duluth, MN	Associate Professor, School of Medicine, University of Minnesota-Duluth, Duluth, MN (Carnegie-Mellon College Management Program)
Mark K. Mahoney Oakdale, MN	Planning Administrator, Ramsey County Community Human Services Department, Saint Paul, MN (Cornell Executive Development Program)
Mark J. Meister Saint Paul, MN	Executive Director, The Children's Museum, Inc., Minneapolis, MN (University of California-Berkeley Museum Management Institute)
Linda L. Miller Saint Peter, MN	Director of Food Service, Gustavus Adolphus College, Saint Peter, MN (Cornell School of Hotel Administration)
Jesseli M. Moen Waverly, MN	Director of Treatment, Maryville Treatment Center, Waverly, MN (Rutgers School of Alcohol Studies and University of Minnesota Management Academy)
A. Dwayne Nelson Stillwater, MN	Laboratory Manager, 3M Company, Saint Paul, MN (University of Minnesota Management Institute)
Karen E. Pearson Pierre, SD	Health Services Administrator, South Dakota Department of Health, Pierre, SD (Simmons College Middle Management Program)
Peggy A. Reichert Saint Paul, MN	Deputy Director-Planning, City of Saint Paul, Saint Paul, MN (Harvard Program for Senior Executives in State and Local Government and University of Minnesota Executive Program)
Dorothy J. Simpson Saint Cloud, MN	Director of Outreach and Educational Conferences, Saint Cloud State University, Saint Cloud, MN (Bryn Mawr Summer Institute for Women in Higher Education)
James M. Sulerud Chaska, MN	Business Manager, Dakota County, Hastings, MN (Harvard Program for Senior Executives in State and Local Government)
Carol J. Swenson Fergus Falls, MN	Administrator, Otter Tail Historical Society, Fergus Falls, MN (University of California-Berkeley Museum Management Institute)
Margaret S. Walker-Hunter Saint Paul, MN	Senior Consultant, Strategic Planning, Control Data Corporation, Minneapolis, MN (Dartmouth Tuck School of Business Administration)

Name and Residence	Employment at the Time of Selection for Fellowship (1983-84 Study Site in Parenthesis)
Janis H. Weiss Saint Paul, MN	Associate Dean of Instruction, North Hennepin Community College, Minneapolis, MN (Harvard Institute for Educational Management)
Karen E. Wilson Saint Paul, MN	President, SunFormations, Inc., Saint Paul, MN (Smith College Management Program)

BUSH PUBLIC SCHOOL EXECUTIVE FELLOWS PROGRAM

The eighth annual group of Bush Public School Executive Fellows was selected in May, 1983, to enter this training program.

The program provides an intensive six-week course for experienced public school superintendents and assistant superintendents in Minnesota and is designed to improve their leadership and financial management capacity. The six weeks of their participation are spread over eighteen months, and include the following segments: a twelve-day opening session emphasizing case study and discussion; three five-day sessions analyzing specific study projects; and a four-day final session. Participants also spend approximately six months of independent work on a major project within their own school districts.

The curriculum emphasizes management skills, labor relations, and long-range planning for school districts. Professor John J. Mauriel of the University of Minnesota School of Management is the Academic Director of the Program. The fiscal agent is the Minnesota Association of School Administrators.

Inquiries concerning the program are welcomed by the Minnesota Association of School Administrators, 1910 West County Road B, Roseville, Minnesota 55113. The phone number is 612-636-6210.

Following is a list of the individuals selected in 1983 to receive Bush Public School Executive Fellows award:

BUSH PUBLIC SCHOOL EXECUTIVE FELLOWS

Name	Title	District
Almlie, Orlo C.	Director of Business Affairs	Willmar, MN
Anderson, Bruce R.	Superintendent	West Saint Paul, MN
Bourne, Barbara L.	Director of Special Education	Wayzata, MN
Brynildson, Gerald A.	Superintendent	Forest Lake, MN
Brown, Judith L.	Coordinator of Special Education Programs	Minneapolis, MN
Bolton, Julie A.	Superintendent	Pine Point, MN
Folstrom, Raymond J.	Superintendent	Deer River, MN
Foster, Philip L.	Superintendent	Sauk Centre, MN
Gothberg, Bridget B.	Community Education Director	Buffalo, MN
Grossbach, Sharon K.	Manager, Minnesota Department of Education	Minnesota
Hayden, J. Gary	Superintendent	LeSueur, MN
Hegre, Richard T.	Executive Director, E.C.S.U.-5	Staples, MN
Holman, Clifford W.	Director of Instruction	Circle Pines, MN

Jorstad, Robert C.	Superintendent	Stewartville, MN
Marsh, Marilyn A.	Director of Special Services	Duluth, MN
Mattison, John M. J.	Superintendent	Wabasha-Kellogg, MN
McCoy, Gerald L.	Superintendent	Eden Prairie, MN
Nachatilo, William R.	Superintendent	Saint Louis County, MN
Nelson, Milan W.	Director of Special Education	Minnetonka, MN
Ness, Robert R.	Superintendent	Detroit Lakes, MN
Noennig, John A.	Superintendent	Glencoe, MN
Nygren, Burton M.	Superintendent	Mounds View, MN
Olson, Robert O.	Director of Personnel	Osseo, MN
Rolek, Warren J.	Superintendent	Cook County, MN
Volker, Robert C.	Superintendent	New Ulm, MN
Widvey, John V.	Superintendent	Battle Lake, MN

BUSH CLINICAL FELLOWS PROGRAM

In October, 1978, the Foundation began the Bush Clinical Fellows Program. A total of thirty-four fellowships have been awarded in the first five award cycles. The program seeks to improve the quality of health care in individual communities and to develop individual rural physicians' potential for leadership and inventiveness in clinical medicine, health care delivery, administration, and education. The Program also seeks to improve the linkages between rural communities and health training institutions.

The Bush Clinical Fellows Program provides selected rural physicians in Minnesota, the Dakotas, and western Wisconsin with an opportunity to pursue individually-designed programs of study which also take explicit account of health care needs of their individual communities.* Approved programs are for three to twelve months. They usually include clinical study at a major teaching center and also study to improve administrative, planning, and leadership skills. Award winners receive monthly stipends of \$3,000. They also receive tuition and travel allowances totaling up to \$4,000 over the full term of their fellowship programs. Stipends are intended to cover Fellows' living expenses for the period of study during which their income from medical practice will be reduced or nonexistent.

Applicants must be physicians currently practicing general or family medicine or other primary care specialties in non-metropolitan areas. They must be at least thirty-five years of age with seven or more years of clinical practice experience and be able to state clearly their needs and the opportunities available in their communities for the application of new skills they seek. Upon request, the Program Director will help Fellows design appropriate educational programs and identify sources of temporary practice coverage.

Inquiries about the Bush Clinical Fellows Program should be directed to Jon D. Wempner, M.D., Program Director Bush Clinical Fellows Program, Box 206, Waconia, Minnesota, 55387.

*These counties in Wisconsin are: Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Douglas, Dunn, Eau Claire, Florence, Forest, Iron, LaCrosse, Lincoln, Oneida, Pepin, Pierce, Polk, Price, Rush, Saint Croix, Sawyer, Taylor, Trempeleau, Vilas, and Washburn.

1983 BUSH CLINICAL FELLOWS

Name and Residence	Fellowship Purpose	Location of Program Activity
Gary Kohls, M.D. Pine River, MN	To study pre-hospital care and emergency medicine in order to develop a system of pre-hospital emergency care in Pine River.	University of Minnesota, University of Wisconsin, Hennepin County Hospital, Ramsey County Hospital, Minnesota State Department of Health
Donald McIntyre, M.D. Rugby, ND	To study oncology and psychiatry in order to improve referral patterns in these areas; to develop systems of 24-hour emergency care for small communities.	Mayo Clinic, Hennepin County Hospital, Fargo Clinic, University of Wisconsin
Ronald Menk, M.D. Mora, MN	To study high-risk obstetrics in order to develop a system of family-oriented maternity care; to develop and promote a system of alcohol counseling and rehabilitation.	University of Minnesota, Saint Louis Park Medical Center, Methodist Hospital
Donald Pine, M.D. Minnetonka, MN	To study family medicine, medical administration, and the use of computers in medical practice; to develop a program of preventive medicine.	University of Wisconsin, Hennepin County Hospital, Preceptorship with private physicians, University of Minnesota
Lawrence Ringhoffer, M.D. New Ulm, MN	To study the treatment of psychosocial illnesses in order to develop a counseling system for treating psychosocial problems; to develop allergy testing services	University of Minnesota, Saint Louis Medical Center, Willmar Clinic, Neurolinguistic Program in Chicago, Illinois
Richard Stewart, M.D. Alexandria, MN	To study neonatology and pediatric critical care.	University of Minnesota, Minneapolis Children's Hospital
Ernest Swihart, M.D. Minnetonka, MN	To study pediatric critical care in order to upgrade and improve new born care in a community hospital; to develop an infant-oriented pre-natal teaching program.	Minneapolis Children's Hospital, Harvard Medical School, University of California, Los Angeles
Thomas Weaver, M.D. Saint Cloud, MN	To study obstetrics, pediatrics, geriatrics, and clinical administration in order to develop programs in patient education and self care.	University of Minnesota, Saint Louis Park Medical Center, Group Health Clinic in Saint Cloud, Saint Paul Ramsey Hospital
Michael Wilcox, M.D. New Prague, MN	To study high risk obstetrics and acute care.	Abbott-Northwestern Hospital, Minneapolis Children's Hospital, Hennepin County Hospital.

BUSH FOUNDATION FELLOWSHIPS FOR ARTISTS

The Bush Foundation Fellowships for Artists Program enables selected artists in Minnesota to set aside concentrated time for their work, and to increase the quality and pace of their career development. Short-term Bush Foundation support can be used to complete an artistic career. Since the program was initiated in 1976, a total of seventy-three Artist Fellowships

have been awarded, thirty-eight to creative writers and thirty-five to visual artists.

In March, 1983, the eighth group of Bush Artist Fellows was selected from 327 original applicants. The artists selected were:

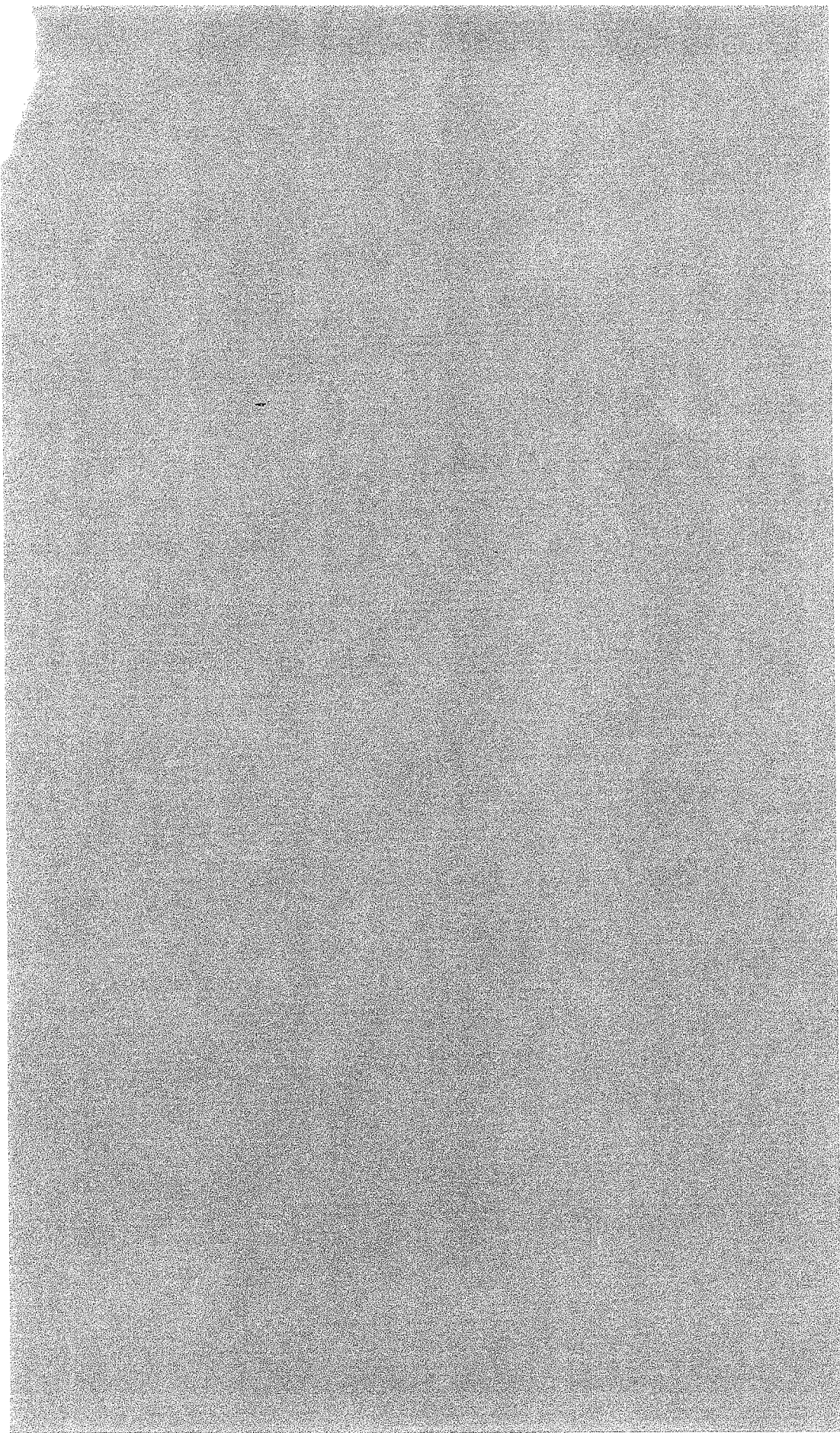
Laura Blaw, Saint Paul, painter
Martha Boesing, Minneapolis, playwright
Gloria Brush, Duluth, photographer
Kristi Duckwall, Saint Paul, fiction writer
Katherine Green, Saint Paul, poet
Andrew Leicester, Minneapolis, sculptor
Mary Rockcastle, Minneapolis, photographer
Cary Waterman, Mankato, poet
August Wilson, Saint Paul, playwright

Fellows are chosen from three artistic disciplines: literature (writers of fiction and creative non-fiction, poets, and playwrights); visual arts (painters, sculptors, graphic artists, still photographers, filmmakers, and video artists); and performing arts (composers of music and choreographers). Candidates must be at least twenty-five years old and residents of Minnesota for one year immediately preceding the application deadline. Major criteria for final selection are demonstrated artistic performance and the estimated importance of the applicant's Fellowship plan to his or her development as an artist.

Selection of Bush Artist Fellows is accomplished with a two-part panel review process. Separate preliminary judging panels for literature, visual arts, choreography, and music composition review application materials and select finalists. A final interdisciplinary panel then selects the Fellows. The judging panels, which are different every year, are composed of artists and curators from outside of Minnesota. Names of judges are announced following final selection of the Fellows.

Stipends for 1983 Artist Fellows were \$1,666 per month for six to eleven months, or a total possible stipend award of \$20,000 for a twelve to eighteen month Fellowship period. The program also provided additional funds of up to \$3,000 for travel and production expenses incurred in connection with each Fellow's work. The total amount of stipends and cost allowances authorized for 1983 Fellowships was \$230,000.

Inquiries about this program should be directed to Sally Dixon, Program Director, The Bush Foundation Fellowships for Artists Program, E-900 First National Bank Building, Saint Paul, Minnesota 55101.



GRANTMAKING POLICIES AND PROCEDURES



GRANTMAKING POLICIES AND PROCEDURES

MAJOR CURRENT INTERESTS

1. The Bush Foundation is predominantly a regional grantmaking foundation, with broad interests in education, human services, health, arts and humanities, and in the development of leadership.
2. The Foundation is interested in education at all levels, with major emphasis in higher education. In recent years, most of the Foundation's grantmaking in higher education has been in particular, predefined areas of emphasis. These include assisting private colleges with matching grants to complete capital fund drives, matching grants to improve annual unrestricted alumni giving, grants for faculty development, and for training in the joint fields of child development and social policy.
3. The Foundation seeks to support projects which may help demonstrate and evaluate ways to lessen, prevent or resolve contemporary social problems. Those projects which involve the elements of relatively early intervention and reasonable cost are of particular interest.
4. The Foundation seeks to encourage the delivery of good health care, at reasonable cost to recipients and to society. The Foundation wishes to consider proposals for programs that will improve the quality, accessibility, and efficiency of health care services within the Foundation's geographic region. Recently, grants have been approved for programs that seek to develop more information about the provision of health services within the region, to improve the clinical and leadership skills of rural physicians.
5. Within its geographic region of major interest, the Foundation supports the arts and humanities, including music, theater, dance, visual arts, and the general preservation of our cultural heritage. Since 1975 the Foundation also has provided fellowships for individual artists.
6. The development of leadership potential was of particular interest to the founder of The Bush Foundation, and will continue to command its interest and resources.

RESTRICTIONS AND AREAS OF HIGH SELECTIVITY

1. The Foundation will concentrate its major interest on projects originating in, or of special value to Minnesota, North Dakota and South Dakota. The Bush Leadership Fellows Program and the Bush Clinical Fellows Program include coverage of these states plus the counties of western Wisconsin which are part of the Ninth Federal Reserve District. A limited number of major non-regional programs have been approved, such as grants in child development and public policy, or support for historically black private colleges. In each such case, the program outlines are discussed and approved by the Foundation Board prior to making the related initial grants. Proposals for projects outside the United States ordinarily will not be approved.
2. The Bush Foundation ordinarily will not contribute to other private foundations, but this shall not preclude its joining with one or more foundations in a common effort of special interest.
3. The Foundation does not make direct grants to individuals except through established, defined programs such as the Bush Leadership Fellows Program, the Fellowships for Artists Program, and the Bush Clinical Fellows Program. Ordinarily the Foundation's grants are made only to non-profit, tax-exempt organizations.
4. Although the Foundation seeks to appraise each grant proposal on its merits, the following kinds of grant proposals are less likely to be approved than others:
 - a. Proposals for building construction in medicine.
 - b. Proposals requesting support to cover past operating deficits.
 - c. Proposals seeking general and continuing operating support.
5. The Foundation for some time has been reluctant to provide funds for basic research within established academic disciplines. In September, 1974 the Board of Directors voted to cease granting funds for project research in the biomedical and health sciences.

GRANTMAKING PROCEDURES

Responsibility of Decisions

All commitments of grant funds are made by the Board of Directors. The Board usually meets quarterly. The Grants Committee, a six-member subcommittee of the Board, discusses all grants prior to final Board action, and makes recommendations of final action to the Board.

All grant proposals to be considered by the Grants Committee and the Board are first investigated by the Foundation's staff. The results of these investigations are made available to the Grants Committee and the Board.

Time Required for Decisions

Grant proposals should be submitted to the President of the Foundation three months prior to the Board meeting at which consideration of the proposal is desired. This normally is a minimum time needed to complete the steps required for consideration. But if the proposal is highly specialized, if it requires the review of outside consultants, the process of consideration usually takes longer.

The Board has approved additional preliminary screening procedures for University of Minnesota proposals, and for requests seeking construction funds for major hospitals and medical centers. The Foundation staff will explain these steps to anyone wishing further information about them.

Ordinarily one member of the Foundation's program staff is assigned to work on a specific proposal when it is received by the Foundation. This staff member will suggest further discussion with the author of the proposal if it seems necessary, and may also seek other opinions and background information. This staff member will also be responsible for presenting the proposal, the results of the related investigation, and the staff's composite recommendation to the Grants Committee and to the Board.

Preliminary Inquiries

The Foundation staff welcomes brief preliminary letters inquiring about possible interest of the Foundation in providing funds for a particular project. The staff also is pleased to answer written or telephone inquiries concerning application procedures, desired documentation, timing problems, and so on.

In answering questions about the possible future Foundation action on a proposal idea, the staff replies usually will range from "possible" to "unlikely". These staff appraisals never signal quick, optimistic encouragement as to final outcome. At the same time, they rarely are so discouraging as to prohibit finally any further consideration. However, recent staff estimates suggesting that proposal ideas seemed "unlikely" to command board interest and final approval have almost always proven correct, even though the estimates in no way commit or limit later Board action.

Exploration of Other Sources of Support

Grant applicants ordinarily should explore all other possible sources of support in addition to The Bush Foundation. This exploration does not hurt the chances for a favorable decision by The Bush Foundation, but may improve the chances that the project will find support somewhere. In the event other sources do provide partial or full support, The Bush Foundation should be notified promptly, so that the staff may revise the amount requested in line with up-to-date and realistic needs.

GRANT PROPOSALS

Form of Presentation

There is no special form for applying for a grant. The proposals made to the Foundation vary widely as to purpose, and hence vary also as to the documentation needed for fair consideration. Plans which have been worked out thoughtfully and described concisely are always welcomed. Expensive brochures and extra packaging generally seem wasteful.

Desired Contents

A detailed list of "Application Requirements" is available at the Foundation office, and should be requested before drafting a final proposal. Following is a summary of the information which ordinarily should be provided in a completed proposal for a new project:

1. A clear description of the project, what it may be expected to achieve, and why it is important to undertake.
2. A detailed income and expense budget for the project, showing how the requested funds would be spent and during what time periods. The budget should make clear how the major elements of income and expense were estimated. Applicants should specify when the grant payment is requested under the grant, a suggested schedule of payments should be provided.
3. A statement of other possible sources of support, public or private, which have been or will be solicited concerning the project, including a statement of funds which have been received or pledged.
4. If the project is to be continued after the period for which support has been requested, an explanation of how continuation of the project is to be financed.
5. The procedure and criteria by which effectiveness of the grant should be judged after the grant funds have been expended.
6. Information concerning the organization and the responsible officers who intend to carry out the project:
 - a. A brief description of the organization making the proposal.
 - b. The names and primary affiliations of the organization's directors or trustees.
 - c. The name(s) and qualifications of the person(s) who would administer the grant.
 - d. An audited balance sheet and income statement, if available, for the organization's previous fiscal year.
7. A copy of the organization's most recent tax-exempt ruling from the Internal Revenue Service, along with either a statement as to any revisions which may be pending, or a statement that there has been no change and none is pending.

8. If the request comes from a department or individual in an organization, the request also should be endorsed by the administrative head of the organization. If possible, the endorsement also should comment upon the relative priority of the request compared with other needs which The Bush Foundation may be asked to support.
9. For demonstration projects, research studies, and experiments, a description of similar work which has been carried out previously by other agencies would be helpful, along with an estimate of the significance of this prior work to the proposed project.
19. Proposals seeking funds for basic research should be written so that the project and its importance may be understood by non-specialists, and also so that the specific work plan may be understood and reviewed by consultants in the specific discipline involved. The Foundation has been extremely selective in approving grants for basic research of all kinds.

APPROVED GRANTS

Notification of Approval

The Bush Foundation will send written notice to applicants concerning all Board decisions to approve or deny grant proposals, usually within ten days following the Board meeting involved. During this period, the Foundation notifies newspapers in Minnesota and the Dakotas and radio and television stations of grants which have been approved. The Foundation Center in New York City is also notified of approved grants so that its central data file may be kept current.

Reports to the Foundation

The Foundation will require progress reports at least annually stating what has been accomplished by expenditures of the grant funds, along with appropriate financial reports as to how the funds were spent. Grant funds may be spent only for the purposes granted. Uncommitted funds at the end of the grant period must be returned to the Foundation unless other arrangements have been proposed beforehand and approved formally by the Foundation's Board of Directors. Following the end of the period for which funds were granted, the grantee must provide the Foundation with a final financial accounting for the grant funds and an evaluation and summary of the results obtained.

Disposition of Foundation Papers

In October, 1980, The Bush Foundation Board approved an archive agreement with the Minnesota Historical Society which provides that

Foundation papers of potential historical interest will be catalogued and stored by the Society, and eventually will be available to scholars and other interested persons. The files of approved and denied grant applications and of fellowship applications will not be given public access, however, until fifty years following the date when those files were created. Other items such as annual reports or clipping files, which are either immediately publishable or already published, will be given immediate public access by the Society.

Summary Statistics for Recent Grants

The following tables summarize The Bush Foundation's recent grants, classified by the purpose for which funds were granted, by size and duration of grants, and by the geographic location of the grantees.

SUMMARY OF GRANTS APPROVED IN FISCAL YEAR 1983
CLASSIFIED BY SIZE, DURATION,
GEOGRAPHIC LOCATION OF GRANTS

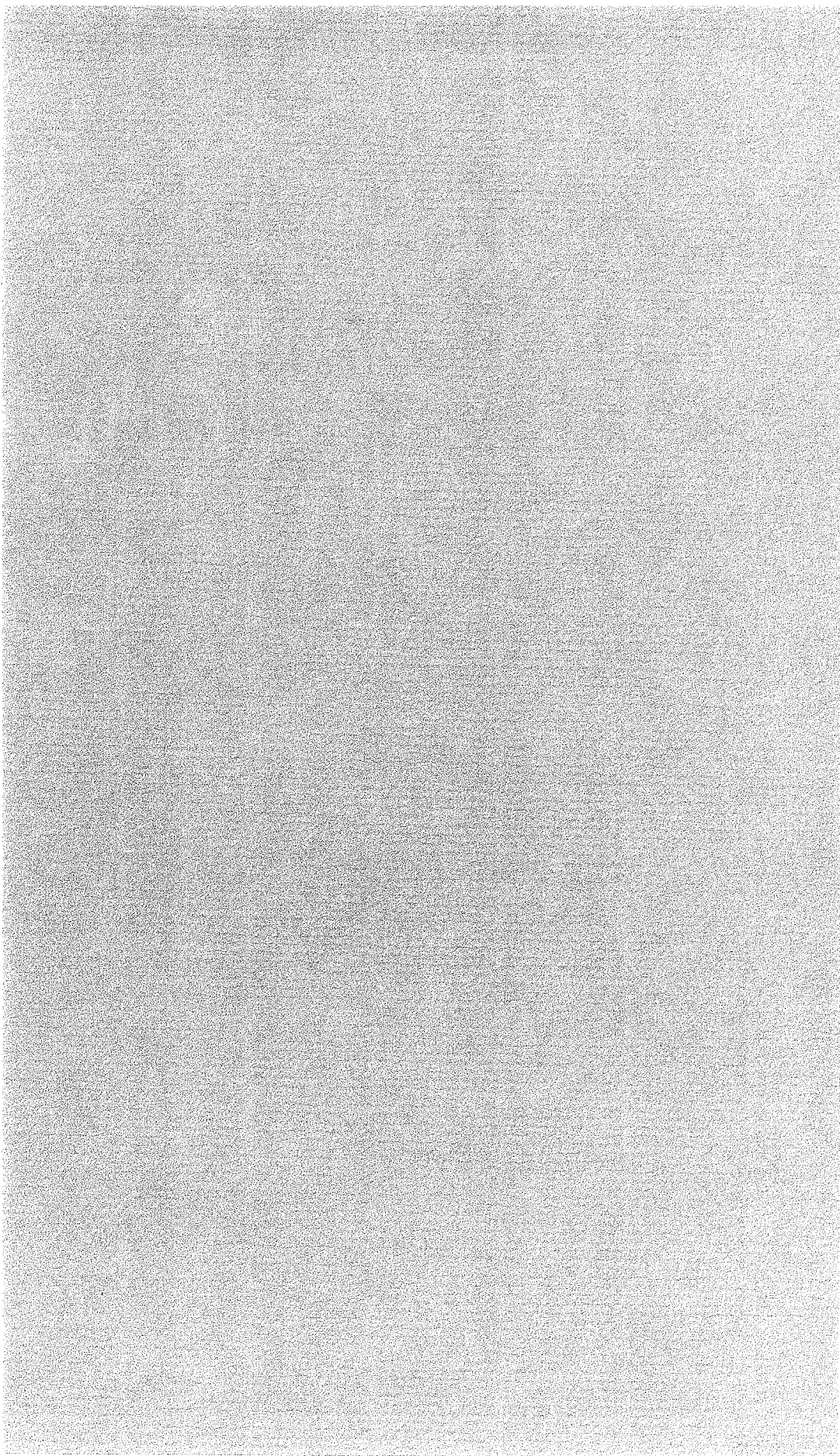
Classification of Grants		Number of Grants Approved
I. Size	\$0- 9,999	8
	10,000- 24,999	24
	25,000- 49,999	27
	50,000- 99,999	17
	100,000- 199,999	12
	200,000- 499,999	19
	500,000-1,500,000	5
	Total	112
II. Duration	1 year	59
	2 years	23
	3 years	27
	4 years	3
		Total	112
III. Geographic Location	Minnesota	75
	North Dakota	10
	South Dakota	10
	Other	17
		Total	112

**SUMMARY OF GRANTS APPROVED IN FISCAL YEARS 1981, 1982, 1983
CLASSIFIED BY PURPOSE FOR WHICH FUNDS WERE GRANTED¹**

Program Area	1981	1982	1983	3-Year Total
A. Arts & Humanities	\$ 1,922,500 (15) 12.1%	\$ 3,967,793 (11) 23.0%	\$ 1,145,050 (15) 8.0%	\$ 7,035,343 (41) 14.8%
B. Education	8,605,188 ² (49) 54.3%	8,446,855 (39) 49.1%	6,845,520 (35) 47.6%	23,897,563 (74) 50.4%
C. Health	638,171 ² (3) 4.0%	746,265 (6) 4.3%	1,443,140 (10) 10.0%	2,828,122 (19) 6.0%
D. Human Services	2,171,787 (24) 13.7%	2,182,366 (34) 12.7%	1,628,528 (29) 11.3%	5,982,681 (87) 12.6%
E. Miscellaneous	1,294,775 (10) 8.2%	630,000 (9) 3.7%	1,905,190 (20) 13.3%	3,829,965 (39) 8.1%
F. Fellowship Program Stipends	1,214,000 (3) 7.7%	1,236,000 (3) 7.2%	1,406,000 (3) 9.8%	3,856,000 (9) 8.1%
TOTALS	\$15,846,967 (104) 100%	\$17,209,279 (102) 100%	\$14,373,428 (112) 100%	\$47,429,674 (269) 100%

¹ In each cell, the dollar figure represents the total amount granted, the figure next below in parenthesis shows the number of grants made, and the bottom figure shows the percentage of all grant dollars awarded during that fiscal year.

² A grant for \$542,972 for the Center for Health Services Research at the University of Minnesota is counted in the Health program area.



GRANTS FOR THE YEAR ENDED NOVEMBER 30, 1987

STATEMENT OF GRANTS FOR THE PERIOD ENDED NOVEMBER 30, 1983

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appro- priated 1983	Amount Paid 1983	Unpaid Balance 1983
A. ARTS AND HUMANITIES					
Museums					
Science Museum of Minnesota, Saint Paul					
<i>Toward operating expenses</i>					
1982-83	\$ 50,000	. . . .	\$ 50,000	\$ 50,000	. . . .
1983-84	35,000	. . . .	35,000	35,000	. . . .
Theater					
Cricket Theatre Corporation, Minneapolis					
<i>Toward operating expenses for</i>					
1983-84	35,000	. . . .	35,000	. . . .	\$ 35,000
Guthrie Theater Foundation, Minneapolis					
<i>Toward operating expenses for</i>					
1983-84	126,000	. . . .	126,000	126,000	. . . .
Playwrights' Center, Inc., Minneapolis					
<i>Toward operating expenses for</i>					
1983-84 and 1984-85	17,500	. . . .	17,500	. . . .	17,500
Music					
Greater Twin Cities' Youth Symphonies, Minneapolis					
<i>Toward operating expenses for</i>					
1982-83	5,000	. . . .	5,000	5,000	. . . .
Minnesota Composers Forum, Saint Paul					
<i>To match new and increased</i>					
<i>contributions from individuals</i>	5,000	. . . .	5,000	5,000	. . . .
Minnesota Orchestral Association, Minneapolis					
<i>Toward \$30.7 million endowment</i>					
<i>fund drive</i>	2,000,000	\$ 2,000,000	. . . .	1,000,000	1,000,000
<i>Toward operating expenses for</i>					
1982-83	165,000	. . . .	165,000	165,000	. . . .

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Saint Paul Chamber Orchestra Society, Saint Paul					
<i>Toward operating expenses for 1982-83</i>	150,000	.....	150,000	150,000	.....
<i>for 1983-84 and 1984-85</i>	300,000	.....	300,000	300,000	.....
Other					
COMPAS, Inc., Saint Paul					
<i>Toward operating expenses for 1982-83 and 1983-84</i>	45,000	.....	45,000	45,000	.....
Minnesota Historical Society, Saint Paul					
<i>Toward purchase of rare books and works of art for the Society's collection</i>	120,000	.....	120,000	120,000	.....
Minnesota Independent Choreographers' Alliance, Minneapolis					
<i>To support a Dance Production Clearinghouse</i>	16,550	.....	16,550	10,350	6,200
The Network, Saint Paul					
<i>Toward the Twin Cities Ticket Service program, an activity of the Network</i>	15,000	.....	15,000	15,000	.....
Saint Paul-Ramsey Arts and Science Council, Saint Paul					
<i>To support United Arts Fund in 1983 and 1984</i>	60,000	.....	60,000	40,000	20,000
TOTAL — ARTS		<u>\$ 2,000,000</u>	<u>\$ 1,145,050</u>	<u>\$ 2,066,350</u>	<u>\$ 1,078,700</u>
B. EDUCATION					
Elementary and Secondary Education					
Archdiocese of Saint Paul and Minneapolis, Saint Paul					
<i>Toward a mid-career training program to improve administrative skills of elementary school principals</i>	\$ 25,640	.....	\$ 25,640	\$ 25,640	.....
Fond du Lac Ojibway School, Cloquet, Minnesota					
<i>To help purchase initial collection for the School library</i>	30,000	.....	30,000	30,000	.....
Heart of the Earth Survival School, Inc., Minneapolis					
<i>For capital improvements to a school for Indian children</i>	25,000	.....	25,000	25,000	.....
Independent School District #625 (Saint Paul Public Schools), Saint Paul					
<i>Toward a faculty development program at Central High School</i>	166,000	\$ 79,000	.....	79,000	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983	
Macalester College, Saint Paul <i>To help expand the Minnesota High School Mathematics League</i>	50,780	.....	50,780	13,758	\$ 37,022
Minnesota Association of School Administrators, Saint Paul <i>Toward a management training program for public school district superintendents in Minnesota</i>	1980 grant 1982 grant	607,450 1,041,945	197,450 1,041,945	130,000 160,000	67,450 881,945
Saint Joseph's Indian School, Chamberlain, South Dakota <i>Construction of new residences</i>	250,000	.....	250,000	250,000	.....
Higher Education						
Alumni Challenge Grants (in cooperation with The William and Flora Hewlett Foundation)						
UNCF COLLEGES						
Barber-Scotia College, Concord, North Carolina <i>Third renewal, 1982-83</i>	14,400	14,400	.....	.....	14,400
Benedict College, Columbia, South Carolina <i>Third renewal, 1982-83</i>	24,000	24,000	.....	24,000	.....
<i>Fourth renewal, 1983-84</i>	20,500	.....	20,500	.....	20,500
Clark College, Atlanta, Georgia <i>Third renewal, 1982-83</i>	39,500	39,500	(738)	38,762	.....
<i>Fourth renewal, 1983-84</i>	37,000	.....	37,000	.....	37,000
Huston-Tillotson College, Austin, Texas <i>First renewal, 1982-83</i>	30,030	30,030	.....	30,030	.....
<i>Second renewal, 1983-84</i>	23,100	.....	23,100	.....	23,100
Jarvis Christian College, Hawkins, Texas <i>First renewal, 1982-83</i>	32,000	32,000	(2,100)	29,900	.....
<i>Second renewal, 1983-84</i>	50,000	.....	50,000	.....	50,000
Lane College, Jackson, Tennessee <i>Third renewal, 1982-83</i>	30,000	30,000	.....	30,000	.....
<i>Fourth renewal, 1983-84</i>	50,000	.....	50,000	.....	50,000
Livingstone College, Salisbury, North Carolina <i>Third renewal, 1981-82</i>	15,000	15,000	(15,000)	.....	.....
Morehouse College, Atlanta, Georgia <i>Second renewal, 1981-82</i>	75,000	75,000	(35,000)	40,000	.....
Morris Brown College, Atlanta, Georgia <i>Third renewal, 1982-83</i>	20,900	20,900	.....	20,900	.....
<i>Fourth renewal, 1983-84</i>	18,400	.....	18,400	.....	18,400
Oakwood College, Huntsville, Alabama <i>Third renewal, 1982-83</i>	32,500	32,500	.....	32,500	.....
<i>Fourth renewal, 1983-84</i>	26,000	.....	26,000	.....	26,000
Saint Paul's College, Lawrenceville, Virginia <i>Third renewal, 1982-83</i>	16,750	16,750	.....	16,750	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Talladega College, Talladega, Alabama <i>Third renewal, 1981-82</i>	37,975	37,975	(37,975)	.....	.....
Voorhees College, Denmark, South Carolina <i>First renewal, 1982-83</i>	30,000	30,000	(600)	29,400	.....
<i>Second renewal, 1983-84</i>	10,000	.....	10,000	.....	10,000
Capital Challenge Grants					
Augustana College, Sioux Falls, South Dakota <i>Matching grant for buildings and endowment</i>	450,000	450,000	.....	450,000	.....
Carleton College, Northfield, Minnesota <i>Matching grant to support capital fund drive by endowing book purchases</i>	1,000,000	.....	1,000,000	1,000,000	.....
College of Saint Catherine, Saint Paul <i>Matching grant for building renovations and endowment</i>	400,000	400,000	.....	200,000	200,000
College of Saint Teresa, Winona, Minnesota <i>Matching grant for endowment and building renovations</i>	150,000	150,000	.....	150,000	.....
Gustavus Adolphus College, Saint Peter, Minnesota <i>Matching grant to help build new physical education center</i>	900,000	900,000	.....	900,000	.....
Macalester College, Saint Paul <i>Matching grant for endowment and building renovations</i>	1,000,000	1,000,000	.....	1,000,000	.....
Mary College, Bismarck, North Dakota <i>Matching grant for endowment</i>	240,000	.....	240,000	.....	240,000
Saint John's University, Collegeville, Minnesota <i>Matching grant for endowment and building renovation</i>	475,000	.....	475,000	.....	475,000
Saint Mary's College, Winona, Minnesota <i>Matching grant for endowment</i>	226,500	226,500	.....	226,500	.....
Capital Challenge Grants to UNCF Colleges (in cooperation with The William and Flora Hewlett Foundation)					
Florida Memorial College, Miami, Florida <i>Matching grant for two building projects</i>	150,000	150,000	.....	150,000	.....
Hampton Institute, Hampton, Virginia <i>Matching grant to support building construction and renovation</i>	1,250,000	.....	1,250,000	805,683	444,317

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Talladega College, Talladega, Alabama <i>Third renewal, 1981-82</i>	37,975	37,975	(37,975)	.....	.....
Voorhees College, Denmark, South Carolina <i>First renewal, 1982-83</i>	30,000	30,000	(600)	29,400	.....
<i>Second renewal, 1983-84</i>	10,000	.....	10,000	.....	10,000
Capital Challenge Grants					
Augustana College, Sioux Falls, South Dakota <i>Matching grant for buildings and endowment</i>	450,000	450,000	.....	450,000	.....
Carleton College, Northfield, Minnesota <i>Matching grant to support capital fund drive by endowing book purchases</i>	1,000,000	.....	1,000,000	1,000,000	.....
College of Saint Catherine, Saint Paul <i>Matching grant for building renovations and endowment</i>	400,000	400,000	.....	200,000	200,000
College of Saint Teresa, Winona, Minnesota <i>Matching grant for endowment and building renovations</i>	150,000	150,000	.....	150,000	.....
Gustavus Adolphus College, Saint Peter, Minnesota <i>Matching grant to help build new physical education center</i>	900,000	900,000	.....	900,000	.....
Macalester College, Saint Paul <i>Matching grant for endowment and building renovations</i>	1,000,000	1,000,000	.....	1,000,000	.....
Mary College, Bismarck, North Dakota <i>Matching grant for endowment</i>	240,000	.....	240,000	.....	240,000
Saint John's University, Collegeville, Minnesota <i>Matching grant for endowment and building renovation</i>	475,000	.....	475,000	.....	475,000
Saint Mary's College, Winona, Minnesota <i>Matching grant for endowment</i>	226,500	226,500	.....	226,500	.....
Capital Challenge Grants to UNCF Colleges (in cooperation with The William and Flora Hewlett Foundation)					
Florida Memorial College, Miami, Florida <i>Matching grant for two building projects</i>	150,000	150,000	.....	150,000	.....
Hampton Institute, Hampton, Virginia <i>Matching grant to support building construction and renovation</i>	1,250,000	.....	1,250,000	805,683	444,317

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Johnson C. Smith University, Charlotte, North Carolina <i>Matching grant for construction, renovation and endowment</i>	500,000	500,000	.....	.....	500,000
Faculty Development Program Grants					
Augsburg College, Minneapolis	186,050	66,050	.....	66,050	.....
Augustana College Association, Sioux Falls, South Dakota	180,000	60,000	.....	60,000	.....
Bethel College and Seminary, Saint Paul	105,500	30,100	.....	30,100	.....
Carleton College, Northfield, Minnesota	116,000	60,000	.....	60,000	.....
College of Saint Catherine, Saint Paul	104,000	52,000	.....	52,000	.....
College of Saint Scholastica, Duluth, Minnesota	177,713	60,770	.....	60,770	.....
College of Saint Teresa, Winona, Minnesota	75,000	25,000	.....	25,000	.....
College of Saint Thomas, Saint Paul	270,000	90,000	.....	90,000	.....
Concordia College, Moorhead, Minnesota	147,050	94,350	.....	55,750	38,600
Concordia College, Saint Paul	75,000	50,000	.....	25,000	25,000
Dakota Wesleyan University, Mitchell, South Dakota	71,250	.....	71,250	23,750	47,500
Gustavus Adolphus College, Saint Peter, Minnesota	180,000	125,000	.....	60,000	65,000
Hamline University, Saint Paul	180,000	120,000	.....	60,000	60,000
Macalester College, Saint Paul	180,000	120,000	.....	60,000	60,000
Mary College, Bismarck, North Dakota	25,000	.....	25,000	16,618	8,382
Minnesota State University System, Saint Paul					
1980 grant	989,950	503,375	.....	332,500	170,875
1983 renewal	967,355	.....	967,355	.....	967,355
Mount Marty College, Yankton, South Dakota	74,900	25,800	.....	25,800	.....
North Dakota State Board of Higher Education, Bismarck, North Dakota	359,950	.....	359,950	128,234	231,716
North Dakota State University of Agriculture and Applied Science, Fargo, North Dakota	300,000	100,000	.....	100,000	.....
Saint John's University, Collegeville, Minnesota	179,971	118,381	.....	75,910	42,471
Saint Olaf College, Northfield, Minnesota	178,500	119,000	.....	59,500	59,500
University of Minnesota, Minneapolis*	900,000	750,000	.....	300,000	450,000

* See also University grants in child development, other education, and health.

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
University of Minnesota, Duluth, Minnesota	208,822	. . . .	208,822	62,392	146,430
University of North Dakota, Grand Forks, North Dakota	375,000	. . . .	375,000	125,000	250,000
University of South Dakota, Vermillion, South Dakota	280,980	. . . .	280,980	280,980	. . . .
Other Faculty Development Grants					
Saint Mary's College, Winona, Minnesota <i>Planning grant for a faculty development program</i>	10,000	. . . .	10,000	10,000	. . . .
Sinte Gleska College Center, Rosebud, South Dakota <i>Planning grant for a faculty development program</i>	10,009	. . . .	10,009	10,009	. . . .
Sioux Falls College, Sioux Falls, South Dakota <i>Planning grant for a faculty development program</i>	9,950	. . . .	9,950	9,950	. . . .
University of Michigan, Ann Arbor, Michigan <i>To evaluate the Bush faculty development program</i>	150,730	114,264	. . . .	114,264	. . . .
University of North Dakota, Grand Forks, North Dakota <i>To support continuation of faculty development regional network activities</i>	5,517	. . . .	5,517	5,517	. . . .
Other Higher Education					
Associated Colleges of the Twin Cities, Saint Paul <i>To support a summer training program for teachers of writing</i>	45,000	10,000	. . . .	10,000	. . . .
Hamline University, Saint Paul <i>Faculty development program for Hamline University School of Law</i>	288,000	. . . .	288,000	. . . .	288,000
Metropolitan State University, Saint Paul <i>To help support the minority services program</i>	100,000	50,000	. . . .	30,000	20,000
Minnesota Private College Fund, Minneapolis <i>To support programs selected by the presidents of the fifteen member colleges in 1981, 1982, and 1983</i>	600,000	100,000	. . . .	100,000	. . . .
United Negro College Fund, Inc., New York, New York <i>To support annual fund drives in 1983, 1984, and 1985</i>	240,000	240,000	. . . .	80,000	160,000

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
University of North Dakota, Grand Forks, North Dakota <i>Toward a special teacher training and educational research project</i>	231,360	.....	231,360	231,360	.....
Child Development					
Bush Centers in Child Development and Public Policy					
PROGRAM SUPPORT GRANTS					
University of California, Los Angeles, California					
1978 grant	675,046	70,000	.....	70,000	.....
1982 grant	150,000	150,000	.....	75,000	75,000
University of Michigan, Ann Arbor, Michigan					
1978 grant	684,574	74,000	.....	74,000	.....
1982 grant	750,000	750,000	.....	112,500	637,500
University of North Carolina, Chapel Hill, North Carolina					
1978 grant	661,381	50,000	.....	50,000	.....
1982 grant	750,000	750,000	.....	112,500	637,500
Yale University, New Haven, Connecticut					
1981 grant	205,114	100,000	.....	100,000	.....
1982 grant	750,000	750,000	.....	112,500	637,500
TO SUPPORT CENTERS' NETWORK ACTIVITIES					
University of California, Los Angeles, California	43,562	.....	43,562	43,562	.....
University of Michigan, Ann Arbor, Michigan					
1981 grant	118,059	60,000	.....	60,000	.....
1983 grant	85,765	.....	85,765	13,927	71,838
University of North Carolina, Chapel Hill, North Carolina	73,316	.....	73,316	14,791	58,525
Yale University, New Haven, Connecticut	176,264	.....	176,264	51,243	125,021
Other Child Development					
Erikson Institute for Early Education, Chicago, Illinois <i>Toward a leadership training program</i>					
1982-83 grant	250,000	160,000	.....	70,000	90,000
Greater Minneapolis Day Care Association, Minneapolis <i>Toward a program to assist Minnesota businesses develop child-care services for their employees</i>	90,000	25,000	.....	25,000	.....
Positive Parent Network, Rapid City, South Dakota <i>Start-up support for a parent education program</i>	42,000	.....	42,000	20,000	22,000

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
University of Chicago, Chicago, Illinois <i>To support research by Dr. Harold A. Richman on Illinois state policies toward children and families</i>	140,000	50,000	.....	50,000	.....
University of Minnesota, Minneapolis <i>To support a training program for mid-career child development professionals</i>	423,889	68,300	.....	68,300	.....
Other Education					
INROADS/Minneapolis-Saint Paul, Inc., Saint Paul <i>To recruit and train minority youth who wish careers in business and engineering</i>	60,000	10,000	.....	10,000	.....
Minnesota Arboretum Foundation, Chaska, Minnesota <i>To purchase adjacent land for the Minnesota Landscape Arboretum</i>	213,000	57,162	.....	.....	57,162
State of Minnesota, Office of the Governor, Saint Paul <i>To help establish an executive development program for state officials</i>	45,000	15,000	.....	15,000	.....
University of Minnesota, Minneapolis <i>To support a project to improve instruction in science and mathematics in elementary and secondary schools</i>	166,000	62,000	.....	62,000	.....
WICAT, Inc., New York, New York <i>To develop and test a computer assisted reading program for elementary schools</i>	300,000	50,000	.....	50,000	.....
TOTAL — EDUCATION		<u>\$11,828,502</u>	<u>\$ 6,754,107</u>	<u>\$ 9,984,600</u>	<u>\$ 8,598,009</u>
C. HEALTH					
Benedictine Health Center, Duluth, Minnesota <i>Toward support for an adult day care program</i>	\$ 45,000	\$ 25,000	.....	\$ 15,000	\$ 10,000
Central Minnesota Senior Federation, Saint Cloud, Minnesota <i>To develop health programs for the elderly</i>	13,100	.....	\$ 13,100	13,100	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Community Health Center of Saint Paul, Inc., Saint Paul <i>Toward construction of a neighborhood clinic</i>	100,000	100,000	. . . .	100,000	. . . .
Ebenezer Society, Minneapolis <i>To support an experimental social/health maintenance organization for elderly people</i>	300,000	. . . .	300,000	300,000	. . . .
Health Systems Agency of Western Lake Superior, Inc., Duluth, Minnesota <i>To develop a home support program for elderly in Aitkin County</i>	20,000	. . . .	20,000	20,000	. . . .
Lutheran Church in America, New York, New York <i>To develop outreach programs in church-sponsored nursing homes</i>	50,000	. . . .	50,000	50,000	. . . .
Mayo Foundation, Rochester, Minnesota <i>To expand the Health Care Studies Unit</i>	356,265	217,535	. . . .	122,225	95,310
Meharry Medical College, Nashville, Tennessee <i>Alumni challenge grant for alumni giving Fourth renewal, 1982-83</i>	75,000	75,000	. . . .	75,000	. . . .
Metro Community Health Consortium, Minneapolis <i>For a market research study for community clinics</i>	16,983	. . . .	16,983	16,983	. . . .
Minnesota Coalition on Health Care Costs, Minneapolis <i>Program support</i>	20,000	. . . .	20,000	20,000	. . . .
Saint Louis Park Medical Center Research Foundation, Minneapolis <i>Toward development of the International Diabetes Center</i>	300,000	. . . .	300,000	300,000	. . . .
Saint Paul-Ramsey Hospital Medical Education and Research Foundation, Saint Paul <i>Toward the Mental Health Hearing Impaired program</i>	150,000	75,000	. . . .	50,000	25,000
South Central Minnesota Senior Federation, Mankato, Minnesota <i>To develop health programs for the elderly</i>	10,100	. . . .	10,100	10,100	. . . .

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
State of Minnesota, Department of Health, Minneapolis <i>Feasibility study for a statewide cancer surveillance system</i>	394,357	.....	394,357	394,357	.....
University of Minnesota, Minneapolis <i>Center for Health Services Research</i> <i>Toward research programs and for a new technical assistance program for public agencies</i>	542,972	144,731	.....	95,478	49,253
<i>Medical School</i> <i>To provide scholarships for minority medical students</i> <i>1978 grant</i>	1,000,000	350,000	(187,000)	163,000	.....
<i>1983 grant</i>	318,600	.....	318,600	.....	318,600
TOTAL — HEALTH*		<u>\$ 987,266</u>	<u>\$ 1,256,140</u>	<u>\$ 1,745,243</u>	<u>\$ 498,163</u>
D. HUMAN SERVICES					
Health and Rehabilitation					
Courage Center, Golden Valley, Minnesota <i>Toward expansion of a residence for handicapped adults</i>	\$ 300,000	\$ 300,000	.....	\$ 300,000	.....
Deafness Education and Advocacy Foundation, Inc., Saint Paul <i>Toward support of a multi-service communications center for deaf persons</i>	15,000	.....	\$ 15,000	15,000	.....
Nat G. Polinsky Rehabilitation Center, Inc., Duluth, Minnesota <i>Toward a renovation and construction project</i>	50,000	50,000	.....	50,000	.....
Sharing Life in the Community, Inc., South Saint Paul <i>Toward program support</i>	45,000	20,000	.....	20,000	.....
South Dakota Guardianship Program, Inc., Pierre, South Dakota <i>Program support for a guardianship program for developmentally disabled persons</i>	42,389	.....	42,389	29,200	\$ 13,189
South Dakota Human Services Center, Yankton, South Dakota <i>To develop patient education materials</i>	57,464	28,358	.....	28,358	.....
United Funds					
United Way of the Saint Paul Area, Saint Paul <i>For the 1983 annual campaign</i>	350,000	350,000	.....	350,000	.....
<i>For the 1984 annual campaign</i>	382,000	.....	382,000	382,000	.....

* See also grants to rural physicians under Bush Clinical Fellows Program.

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Family Violence					
Abused Women's Resource Closet, Bismarck, North Dakota <i>To support a family violence program</i>	15,000	.....	15,000	15,000	.....
Anoka County Task Force for Battered Women, Anoka, Minnesota <i>To expand a counseling program for children of battered women</i>	15,000	.....	15,000	15,000	.....
Baptist Hospital Fund, Inc., Saint Paul <i>Toward support of a treatment program for violent men and their families</i>	35,000	.....	35,000	35,000	.....
Community Mercy Hospital, Onamia, Minnesota <i>To support a crisis intervention counseling program for women</i>	5,000	.....	5,000	5,000	.....
Mid-Minnesota Women's Center, Inc., Brainerd, Minnesota <i>Toward support for a community education project of a battered women's shelter</i>	35,000	12,500	.....	.....	12,500
Minneapolis Crisis Nursery, Minneapolis <i>To help start a nursery for abused children</i>	25,000	.....	25,000	25,000	.....
Minnesota Migrant Council, Lewisville, Minnesota <i>Toward support of a program to assist Hispanic Migrant women farmworkers who experience physical abuse</i>	29,271	.....	29,271	19,466	9,805
Minnesota Program Development, Inc., Duluth, Minnesota <i>Toward support for a training program to encourage appropriate police intervention in family violence cases</i>	71,725	18,525	.....	18,525	.....
Northwoods Coalition for Battered Women, Inc., Bemidji, Minnesota <i>Toward support for a shelter for battered women</i>	30,000	10,000	.....	10,000	.....
Phyllis Wheatley Community Center, Minneapolis <i>Toward support for a treatment program for black men who batter their wives</i>	143,000	25,000	.....	25,000	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Rape and Abuse Crisis Center of Fargo-Moorhead, Fargo, North Dakota <i>Toward support for a community education project on spouse abuse</i>	73,277	33,664	. . . .	33,664	. . . .
Southside Family Nurturing Center, Minneapolis <i>Toward a therapy program for abusive parents, and for building repair</i>	85,000	35,000	. . . .	25,000	10,000
Washington County Battered Women's Task Force, Oakdale, Minnesota <i>Program support for a family violence network program</i>	24,000	. . . .	24,000	15,000	9,000
West Central Community Services Center, Inc., Willmar, Minnesota <i>To expand a public education program for a women's shelter</i>	22,500	. . . .	22,500	15,000	7,500
Women's Resource Center of Winona, Winona, Minnesota <i>Towards support of an advocacy program for battered women in Winona County</i>	7,223	. . . .	7,223	7,223	. . . .
Youth and Family Services					
Episcopal Community Services, Inc., Minneapolis <i>Toward capital fund drive to construct a school building for emotionally-disturbed children at the Archdeacon Gilfillan Center</i>	125,000	. . . .	125,000	125,000	. . . .
Family Service of Saint Paul, Saint Paul <i>Toward support for a series of public education forums on family problems</i>	45,000	10,000	. . . .	10,000	. . . .
Girls Club of Rapid City, Inc., Rapid City, South Dakota <i>Toward increased family participation in Girls Club programs</i>	54,388	27,793	. . . .	20,150	7,643
Lutheran Social Service of Minnesota, Saint Paul <i>Toward support for a program to prevent teen-age prostitution</i>	59,938	6,971	. . . .	6,971	. . . .
Minneapolis Urban League, Minneapolis <i>Toward its Street Academy Program</i>	60,000	60,000	. . . .	60,000	. . . .

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Northwest Suburban Youth Service Bureau, Roseville, Minnesota <i>To start a youth service program in middle and secondary schools</i>	23,187	13,436	.....	13,436	.....
South Dakota Children's Aid, Mitchell, South Dakota <i>To establish a child custody and divorce mediation program</i>	60,554	.....	60,554	45,054	15,500
South Dakota Children's Home Society, Sioux Falls, South Dakota <i>Toward a capital fund drive to construct a residential treatment facility for emotionally disturbed children</i>	75,000	.....	75,000	75,000	.....
State of Minnesota, Department of Public Welfare, Saint Paul <i>Toward development of a training program for providers of in-home services for families whose children have been abused or neglected</i>	42,833	.....	42,833	42,833	.....
Summit-University Teen Center, Inc., Saint Paul <i>Toward capital improvements</i>	25,000	.....	25,000	25,000	.....
Village Family Service Center, Fargo, North Dakota <i>To expand a family financial counseling program</i>	54,357	16,527	.....	16,527	.....
Washburn Child Guidance Center, Minneapolis <i>Toward diagnostic and counseling services for children with learning disabilities</i>	195,000	195,000	.....	.....	195,000
Law and Corrections					
City of Minneapolis, Minneapolis <i>To support a community crime prevention project</i>	75,000	.....	75,000	50,000	25,000
Correctional Service of Minnesota, Minneapolis <i>Toward support for five crime victim centers in Minneapolis and Saint Paul</i>	86,520	36,520	.....	36,520	.....
Mediation Center for Dispute Resolution, Minneapolis <i>Toward program support</i>	62,775	20,000	.....	20,000	.....
Chemical Dependency					
Children Are People, Inc., Saint Paul <i>Toward support for a chemical dependency prevention program for young children</i>	40,000	15,000	.....	15,000	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
The Duluth Bethel Society, Duluth, Minnesota <i>Toward expansion of housing for chronic alcoholics</i>	53,000	53,000	. . . .	53,000	. . . .
Granville House, Inc., Saint Paul <i>For Project Intercept, a chemical dependency assessment program for adolescents</i>	47,000	17,000	. . . .	17,000	. . . .
Hazelden Foundation, Center City, Minnesota <i>Toward construction of a renewal center</i>	150,000	. . . .	150,000	150,000	. . . .
Hispanos en Minnesota, Inc., Saint Paul <i>Toward support of a chemical abuse program for Hispanics</i>	24,081	. . . .	24,081	24,081	. . . .
Hope Transition Center, Inc., Saint Paul <i>To develop a chemical dependency program for mentally ill young adults</i>	20,000	. . . .	20,000	10,000	10,000
Sioux Empire Drug Education Committee, Inc., Sioux Falls, South Dakota <i>Toward support of a drug abuse prevention project for school-age children</i>	7,845	. . . .	7,845	7,845	. . . .
Other Human Services					
Channel One, Inc., Rochester, Minnesota <i>Program support for a regional food bank, for non-profit organizations serving poor people</i>	25,000	. . . .	25,000	15,000	10,000
CHART, Minneapolis <i>Toward expansion of an employment counseling and placement program for women</i>	200,000	. . . .	200,000	92,700	107,300
Chrysalis, A Center for Women, Minneapolis <i>Toward start-up costs of a mental health clinic</i>	42,396	. . . .	42,396	30,479	11,917
Common Space, Minneapolis <i>Toward development of a loan program for financing cooperative housing for low- and moderate-income families</i>	30,716	. . . .	30,716	22,828	7,888
Duluth Bethel Society, Inc., Duluth, Minnesota <i>Toward a renovation of Hillcrest House, a residence for homeless women</i>	15,000	. . . .	15,000	15,000	. . . .

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Mainstay: Exploring Opportunities for Homemakers, Inc., Marshall, Minnesota <i>Toward a career counseling program for women</i>	73,752	42,216	.....	24,704	17,512
New Beginning Center/606 Selby, Inc., Saint Paul <i>Toward support of day-labor employment program for hard-to-employ minorities</i>	67,720	.....	67,720	50,500	17,220
Project for Pride in Living, Inc., Minneapolis <i>Toward an employment project for non-skilled, hard-to-employ minorities</i>	50,000	15,000	.....	15,000	.....
State of Minnesota, Department of Economic Security, Saint Paul <i>Toward costs of distributing surplus USDA food to needy families in Minnesota</i>	25,000	.....	25,000	25,000	.....
Supplemental Enterprises, Inc., New Hope, Minnesota <i>Toward program support for Lake Country Food Bank, a program that distributes food to non-profit organizations which feed the poor</i>	45,000	15,000	.....	15,000	.....
TOTAL — HUMAN SERVICES		<u>\$ 1,426,510</u>	<u>\$ 1,628,528</u>	<u>\$ 2,568,064</u>	<u>\$ 486,974</u>
E. MISCELLANEOUS					
Communications					
Duluth-Superior Area Educational Television Corporation, Duluth, Minnesota <i>To match increased membership income</i>	\$ 35,000	.....	\$ 35,000	\$ 35,000	.....
Minnesota News Council, Minneapolis <i>Toward program expenses</i>	30,000	\$ 5,000	.....	5,000	.....
Minnesota Public Radio, Saint Paul <i>To match increased membership income</i>					
1982 grant	135,000	135,000	(1,860)	133,140	.....
1983 grant	110,160	.....	110,160	.....	\$ 110,160
Northern Minnesota Public Television, Bemidji, Minnesota <i>To support development activities and match new membership income</i>	66,697	.....	66,697	46,697	20,000
Prairie Public Television, Inc., Fargo, North Dakota <i>Toward construction of a new building</i>		150,000	.....	150,000	.....

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
<i>To match new membership income for Prairie Public Radio</i>	35,000	.....	35,000	.....	35,000
<i>To match increased membership income</i>	107,500	.....	107,500	.....	107,500
South Dakota Friends of Public Broadcasting, Volga, South Dakota					
<i>Toward expansion of public radio in South Dakota</i>	37,500	32,500	.....	.....	32,500
Twin Cities Public Television, Inc., Saint Paul					
<i>Toward program expenses</i>	1,000,000	125,000	.....	125,000	.....
University of North Dakota, Grand Forks, North Dakota					
<i>To support the development office of KFJM public radio</i>	5,000	.....	5,000	5,000	.....
Other Miscellaneous					
Citizens League, Minneapolis					
<i>To help initiate a program of organizational development</i>	85,000	.....	85,000	85,000	.....
City of Saint Paul, Saint Paul					
<i>To help fund the salary of a labor liaison officer in the Mayor's office</i>	14,000	.....	14,000	14,000	.....
Community Development Corporation for the Archdiocese of Saint Paul and Minneapolis, Saint Paul					
<i>Toward educational programs for residents of the Selby/Dale Cooperative in Saint Paul</i>	17,500	.....	17,500	10,000	7,500
Council on Foundations, Inc., Washington, D.C.					
<i>To support the Council's program development fund</i>	100,000	.....	100,000	100,000	.....
Countryside Council, Marshall, Minnesota					
<i>Program support</i>	35,000	.....	35,000	20,000	15,000
Duluth-Superior Area Community Foundation, Duluth, Minnesota					
<i>To support the Range Community Fund</i>	100,000	.....	100,000	100,000	.....
<i>Matching grant for endowment</i>	750,000	.....	750,000	.....	750,000
Foundation Center, Inc., New York, New York					
<i>Program support</i>	120,000	40,000	.....	40,000	.....
Independent Sector, Washington, D.C.					
<i>To support research programs</i>	25,000	.....	25,000	25,000	.....
Metropolitan Economic Development Association, Minneapolis					
<i>Program support</i>	70,000	.....	70,000	40,000	30,000

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Minnesota Parks Foundation, Red Wing, Minnesota <i>To help purchase land near Little Falls, Minnesota, which contains the archeological remains of an eighteenth century French fort</i>	70,333	.....	70,333	70,333	.....
Nature Conservancy, Arlington, Virginia <i>Toward purchase of the Cross Ranch in North Dakota</i>	135,000	135,000	.....	135,000	.....
Northern Minnesota Citizen's League, Grand Rapids, Minnesota <i>Program support</i>	35,000	.....	35,000	17,500	17,500
Saint Paul Foundation, Saint Paul <i>To support a revolving loan fund to help non-profit buildings join Saint Paul's hot water district heating project</i>	200,000	.....	200,000	200,000	.....
The Urban Institute, Washington, D.C. <i>To support a study of the effect of changes in government financing on Twin Cities non-profit organizations</i>	40,000	.....	40,000	40,000	.....
Women and Foundations/ Corporate Philanthropy, Inc., New York, New York <i>Toward program support</i>					
1981 grant	12,000	4,000	.....	4,000	.....
1983 grant	4,000	.....	4,000	.....	4,000
TOTAL — MISCELLANEOUS		<u>\$ 626,500</u>	<u>\$ 1,903,330</u>	<u>\$ 1,400,670</u>	<u>\$ 1,129,160</u>
F. FELLOWSHIP PROGRAMS					
Bush Leadership Fellows Programs					
<i>To provide mid-career study and internship opportunities for selected residents of Minnesota, North Dakota, South Dakota, and Western Wisconsin</i>					
1979 program	\$ 547,000	\$ 6,000	\$ (293)	\$ 5,707	.....
1980 program	603,000	47,509	(34,522)	12,987	.....
1981 program	686,000	74,199	(14,476)	43,723	\$ 16,000
1982 program	725,000	380,775	.....	328,900	51,875
1983 program	726,000	726,000	.....	302,249	423,751
1984 program	751,000	.....	751,000	.....	751,000
TOTAL — BUSH LEADERSHIP FELLOWS PROGRAMS		<u>\$ 1,234,483</u>	<u>\$ 701,709</u>	<u>\$ 693,566</u>	<u>\$ 1,242,626</u>

Organization and Purpose	Initial Grant	Unpaid Balance 1982	Appropriated 1983	Amount Paid 1983	Unpaid Balance 1983
Bush Foundation Fellowships for Artists					
<i>To enable selected writers and visual artists in Minnesota to set aside a significant period of time for work in their chosen art forms</i>					
1981 program	\$ 140,000	\$ 171	\$ (4)	\$ 167	.....
1982 program	180,000	113,830	.....	105,764	\$ 8,066
1983 program	230,000	230,000	.....	78,351	151,649
1984 program	375,000	.....	375,000	.....	375,000
TOTAL — BUSH FOUNDATION FELLOWSHIPS FOR ARTISTS		<u>\$ 344,001</u>	<u>\$ 374,996</u>	<u>\$ 184,282</u>	<u>\$ 534,715</u>
Bush Clinical Fellows Program					
<i>To provide mid-career study opportunities for primary care physicians in rural Minnesota, North Dakota, South Dakota, and Western Wisconsin</i>					
1981 program	\$ 216,000	\$ 40,000	\$ (15,537)	\$ 14,463	\$ 10,000
1982 program	309,000	287,062	(100,000)	94,621	92,441
1983 program	280,000	280,000	.....	24,309	255,691
1984 program	280,000	.....	280,000	.....	280,000
TOTAL — BUSH CLINICAL FELLOWS PROGRAM		<u>\$ 607,062</u>	<u>\$ 164,463</u>	<u>\$ 133,393</u>	<u>\$ 638,132</u>
GRAND TOTAL		<u>\$19,054,324</u>	<u>\$13,928,323*</u>	<u>\$18,776,168</u>	<u>\$14,206,479</u>

*This figure is the net total appropriated during the 1983 fiscal year. It represents gross appropriations of \$14,373,428 less cancellations of \$445,105.

REPORT OF THE TREASURER



REPORT OF THE TREASURER

The financial statements of the Foundation appear on the following pages. They have been audited by Deloitte Haskins & Sells.

Investment and other income for the year ended November 30, 1983, was \$17,535,872, a decrease of \$2,456,348 from 1981-82. Net investment income was also less at \$16,240,843 vs. \$19,152,454 in 1981-82. Investment expenses were \$642,663, with \$447,709 of it being fees for investment counsel.

The market value of the Foundation's assets increased to \$264,906,538 at November 30, 1983, from \$247,719,849 a year earlier. A detailed list of all securities held is a part of the financial statements. The time-weighted total return on investments (dividends, interest, and appreciation) was 16.2% in 1982-83 vs. 14.3% in 1981-82. The total return on equities was 21.5%.

New grant appropriations, net of cancellations, were \$13,928,323 in the year, a decrease of \$2,767,559 from 1981-82. Grant payments of \$18,776,168 were \$5,079,624 more than in 1981-82 and grant commitments payable were down from \$19,054,324 in 1981-82 to \$14,206,479 at November 30, 1983.

Brown Brothers Harriman & Company of New York, the First National Bank of Minneapolis, and the Harris Trust and Savings Bank of Chicago are investment managers for the Board of Directors. The Investment Committee of the Board meets regularly with the managers for review and evaluation of investment performance and a discussion of investment policy.

George C. Power, Jr.
Treasurer



OPINION OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors of
The Bush Foundation:

We have examined the balance sheets of The Bush Foundation as of November 30, 1983 and 1982, and the related statements of revenue, expense, and changes in fund balance and changes in cash balance for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, such financial statements present fairly the financial position of The Bush Foundation at November 30, 1983 and 1982 and the results of its operations and the changes in its cash balance for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of investments at November 30, 1983 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplemental schedule has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

January 23, 1984

Deloitte Haskins + Sells

BALANCE SHEETS, NOVEMBER 30, 1983 AND 1982

ASSETS	NOTES	1983	1982
CASH AND INTEREST-BEARING DEPOSITS, including \$66,382 in 1983 and \$1,053,367 in 1982 held by fiscal agents for investment		\$ 406,244	\$ 2,681,433
INVESTMENTS, principally at quoted market value:			
Money market trusts, repurchase agreements, certificates of deposit, demand notes, commercial paper and U.S. Treasury Bills	1	21,025,436	26,365,671
Corporate, Foreign and U.S. Government and Government Agency bonds and notes, amortized cost of \$74,799,818 in 1983 and \$75,040,453 in 1982		75,647,927	81,185,963
Common stocks and equity-related preferred stocks and bonds, cost of \$124,516,958 in 1983 and \$106,409,022 in 1982		162,321,992	134,323,089
Total investments		<u>258,995,355</u>	<u>241,874,723</u>
DUE FROM FISCAL AGENTS FOR SECURITIES WITH SETTLEMENTS PENDING		1,830,186	—
DIVIDENDS AND INTEREST RECEIVABLE		2,701,147	3,120,155
REMAINDER INTEREST IN TRUST	4	930,000	—
FURNITURE, EQUIPMENT AND OTHER ASSETS, net of accumulated depreciation of \$22,328 in 1983 and \$21,614 in 1982	1	43,606	43,538
TOTAL ASSETS		<u>\$264,906,538</u>	<u>\$247,719,849</u>

LIABILITIES AND FUND BALANCE

ACCOUNTS PAYABLE	\$ 147,355	\$ 108,678
ACCRUED LIABILITIES	<u>47,317</u>	<u>52,064</u>
DUE FOR SECURITIES WITH SETTLEMENT PENDING	<u>—</u>	<u>1,131,052</u>
ACCRUED FEDERAL EXCISE TAXES:	2	
Current	<u>652,169</u>	<u>389,800</u>
Deferred	<u>85,876</u>	<u>673,800</u>
GRANTS SCHEDULED FOR PAYMENT IN FISCAL YEAR:		
1983		11,399,963
1984	7,281,816	4,128,296
1985	5,110,648	2,603,565
1986	<u>1,814,015</u>	<u>922,500</u>
Total unpaid grants	<u>14,206,479</u>	<u>19,054,324</u>
FUND BALANCE	<u>249,767,342</u>	<u>226,310,131</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$264,906,538</u>	<u>\$247,719,849</u>

See notes to financial statements.

**STATEMENTS OF REVENUE, EXPENSE AND
CHANGES IN FUND BALANCE FOR THE
YEARS ENDED NOVEMBER 30, 1983 AND 1982**

ASSETS	NOTES	1983	1982
INCOME FUND:			
Investment income:			
Dividends		\$ 5,429,498	\$ 5,599,824
Interest		11,753,066	14,310,004
Other income		353,308	82,392
Less:			
Investment expenses	3	(642,663)	(464,469)
Provision for Federal excise tax — current	2	(652,366)	(375,297)
Net investment income		16,240,843	19,152,454
Administrative expenses	3	(1,081,603)	(930,402)
Investment income available for grant appropriation		15,159,240	18,222,052
Grants appropriated during year — net of cancellations	1	(13,928,323)	(16,695,882)
Excess for the year		1,230,917	1,526,170
Balance at beginning of year		1,850,388	324,218
Balance at end of year		<u>3,081,305</u>	<u>1,850,388</u>
PRINCIPAL FUND:			
Credit (provision) for deferred Federal excise taxes	2	587,924	(239,200)
Net realized gain (loss) on security transactions		16,114,806	(467,226)
Net unrealized appreciation in market value of investments		4,593,565	11,204,472
Increase in remainder interest in trust	4	929,999	—
Excess for the year		22,226,294	10,498,046
Balance at beginning of year		224,459,743	213,961,697
Balance at end of year		<u>246,686,037</u>	<u>224,459,743</u>
COMBINED INCOME AND PRINCIPAL FUNDS:			
Excess of investment income, gains and appreciation over expenses, grants and taxes		23,457,211	12,024,216
Balance at beginning of year		226,310,131	214,285,915
BALANCE AT END OF YEAR		<u><u>\$249,767,342</u></u>	<u><u>\$226,310,131</u></u>

See notes to financial statements.

**STATEMENTS OF CHANGES IN CASH BALANCE FOR
THE YEARS ENDED NOVEMBER 30, 1983 AND 1982**

	1983	1982
CASH PROVIDED FROM INCOME AND GRANT TRANSACTIONS:		
Source:		
Receipts from dividends, interest and other	\$17,054,693	\$19,838,549
Less disbursements for investment and administrative expenses, Federal excise taxes and other expenditures	(2,080,401)	(1,784,624)
Cash available for grants	14,974,292	18,053,925
Application:		
Grants paid	(18,776,168)	(13,696,544)
Increase (decrease) in cash from income grant transactions	(3,801,876)	4,357,381
INVESTMENT TRANSACTIONS — Net	1,526,687	(2,338,471)
INCREASE (DECREASE) IN CASH	(2,275,189)	2,018,910
CASH BALANCE, Beginning of year	2,681,433	662,523
CASH BALANCE, END OF YEAR	\$ 406,244	\$ 2,681,433

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE
YEARS ENDED NOVEMBER 30, 1983 AND 1982

(1) *Accounting Policies*

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles. The more significant accounting policies are as follows:

Descriptions of Funds:

The principal fund represents assets which are invested in income-producing securities. The fund is not available for distribution unless authorized by the Board of Directors. Legal fees incurred for the protection of principal are charged to the principal fund balance.

The income fund primarily represents income earned on invested principal which is available for grant appropriation and payment of investment and administrative expenses.

Investments:

The investments are recorded at quoted market value or at cost which approximates market value. Realized and unrealized gains and losses on investment transactions are accounted for in the principal fund. The cost of investments sold was determined on a first-in, first-out basis.

Property:

For financial reporting purposes, the Foundation allocates the cost of property (principally office furniture and equipment) between income-producing and grant-making activities, using the method allowed by Internal Revenue Service regulations. The allocated cost of income-producing assets is capitalized and depreciated using the straight-line method over a useful life of ten years. The cost of assets allocated to grant-making activities is charged to operations in the year of acquisition, and amounted to \$50,476 in 1983 and \$541 in 1982.

Grant Appropriations:

Grants are recorded when approved by the Foundation's Board of Directors. Cancellations of grants occur when the grantees do not meet the grant terms or when grant program needs are less than the appropriated amount. Cancellations were \$445,105 in 1983 and \$539,437 in 1982.

(2) *Federal Excise Taxes and Distribution Requirements*

Federal Excise Taxes:

The Foundation is subject to a 2% excise tax on its taxable investment income which principally includes income from investments plus net realized capital gains (net capital losses, however, are not deductible).

Accrued Federal excise taxes at November 30, 1983 and 1982 included \$85,876 and \$673,800, respectively, of deferred Federal excise taxes resulting from recorded unrealized appreciation in the market value of investments of \$4,593,565 and \$34,059,577, respectively.

Distribution Requirements:

The Foundation is subject to the distribution requirements of the Internal Revenue Code. Accordingly, it must distribute, within one year after the end of each fiscal year, 5% of the average market value of its assets as defined. The Foundation has complied with distribution requirements through November 30, 1983.

(3) *Investment and Administrative Expenses*

The classification of expenses between investment and administrative (grant-related) activities is determined by either specific identification of the expenditure or by an allocation based on management estimates. The classifications for 1983 and 1982 are as follows:

1983	Investment	Administrative	Total
Salaries and staff benefits	\$110,314	\$ 452,512	\$ 562,826
Investment management	447,709	—	447,709
Program management	—	244,900	244,900
Consulting fees	—	65,205	65,205
Other administrative expenses	84,640	318,986	403,626
Total	<u>\$642,663</u>	<u>\$1,081,603</u>	<u>\$1,724,266</u>
1982	Investment	Administrative	Total
Salaries and staff benefits	\$ 94,335	\$412,841	\$ 507,176
Investment management	285,449	—	285,449
Program management	—	192,590	192,590
Consulting fees	—	79,560	79,560
Other administrative expenses	84,685	245,411	330,096
Total	<u>\$464,469</u>	<u>930,402</u>	<u>\$1,394,871</u>

(4) Remainder Interest in Trust

The Foundation has had a remainder interest in the net assets of a trust for several years. This trust was effectively terminated on August 9, 1983. The market value of the assets in the trust at November 30, 1983 is approximately \$930,000. The increase in the Foundation's remainder interest of \$929,999 in 1983 is an addition to the Principal Fund.

(5) Pension Plan

The Foundation has a defined contribution pension plan, whereby individual annuity contracts with Teachers Insurance and Annuity Association of America and College Retirement Equities Fund are purchased for all qualified employees. The expense of the plan for 1983 and 1982 was \$51,612 and \$46,924, respectively.

**SCHEDULE OF INVESTMENTS HELD
NOVEMBER 30, 1983**

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
U.S. Treasury Bills and Short-Term Investment Funds:			
U.S. Treasury Bills:			
Dated June 9, 1983, due December 8, 1983	\$ 1,500,000	\$ 1,478,197	\$ 1,478,197
Dated January 27, 1983, due January 26, 1984	2,500,000	2,433,939	2,433,939
Short-Term Investment Funds:			
Federated Master Trust	7,616,500	7,616,500	7,616,500
First National Bank of Saint Paul Money Market Savings Account — Daily Interest	9,496,800	9,496,800	9,496,800
Total U.S. Treasury Bills and Short-Term Investment Funds	<u>\$21,113,300</u>	<u>\$ 21,025,436</u>	<u>\$ 21,025,436</u>
Corporate, Foreign and U.S. Government and Government Agency Bonds and Notes:			
Federal Farm Credit Banks, dated September 1, 1982, 12.50%, due September 4, 1990	\$ 3,250,000	\$ 3,445,000	\$ 3,343,438
Federal Home Loan Mortgage Corporation Participation Certificate, Group Number 181689, 8%, March 1, 2009	1,349,877	984,387	1,034,342
Federal Housing Administration, 7.474% due March 15, 2019	480,977	397,977	326,462
Federal Housing Administration Mortgage Pool No. 23 Project Loan-Merrill Lynch Hubbard, Inc., 7.43%, February 1, 2022	3,235,936	2,336,685	2,123,583
Federal National Mortgage Association, dated April 11, 1983, 10.875%, due April 12, 1993	2,000,000	2,016,875	1,885,000
Federal National Mortgage Association, Pool No. CL002441, dated October 1, 1983, 15.50%, due October 1, 2012	2,878,991	3,013,992	3,040,935
Federal National Mortgage Association, Pool No. CL002157, dated August 1, 1983, 15.50%, due July 1, 2011	535,463	556,702	565,583
First Federal Savings & Loan Association Chicago, Illinois Mortgage-Backed Certificate Series A Pass Through Rate 8.75%, due June 1, 2006	263,832	263,832	197,544
Ford Motor Company Note, 7.85%, due March 1, 1988	1,000,000	848,940	848,750
General Mills Inc. Note, 12.625%, due August 15, 1985	1,000,000	1,001,541	1,040,000
General Motors Acceptance Corporation Debenture, 12%, due June 1, 2005	1,000,000	997,500	955,000
Government National Mortgage Association, Guaranteed Pass Through Certificate Pool No. 21895, Bailey Mortgage Company, dated December 1, 1977, 8%, due November 15, 2007	176,311	136,674	133,721
Government National Mortgage Association, Guaranteed Pass Through Certificate Pool No. 22544, The Georgia Company, dated February 1, 1978, 8%, due February 15, 2008	961,747	708,349	729,428

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Government National Mortgage Association, Guaranteed Pass Through Certificate Pool No. 25076, Government Services Savings & Loan, dated June 1, 1978, 8%, due March 15, 2008	471,363	365,583	357,500
Government National Mortgage Association, Guaranteed Pass Through Certificate Pool No. 39209, Charter Mortgage Company, 11.50%, due March 15, 2010	925,550	900,392	870,887
Government National Mortgage Association, Guaranteed Pass Through Certificate Pool No. 56658, Mission Hills Mortgage, 11.50%, due July 15, 2012	39,798	38,750	37,447
Government National Mortgage Association, Guaranteed Graduated Payment Pass Through Certificate No. 97908, California Mortgage Service, 11.50%, due May 15, 2013	506,438	493,313	476,528
Government National Mortgage Association, Guaranteed Gradual Payment Pass Through Certificate No. 98013, Genstar Mortgage, 11.50%, due May 15, 2013	505,984	492,859	476,101
Government National Mortgage Association, Guaranteed Graduated Payment Pass Through Certificate No. 98971, Mason McDuffie, 11.50%, due May 15, 2013	101,272	98,648	95,292
International Bank of Reconstruction & Development, Washington, DC, Note, 13.45%, due September 1, 1987	2,000,000	2,208,320	2,107,500
International Telephone & Telegraph Financial Corporation, 11.25%, due January 15, 1990	1,000,000	997,500	966,250
McDermott Inc., Debenture, 10%, due April 1, 2003	1,000,000	830,000	807,500
PennCorp Financial, 10% subordinated debenture, due April 29, 1997	13,880	—	10,427
South Central Bell Telephone Company, 8.25%, due August 1, 2013	1,000,000	729,810	671,250
United States Treasury Bonds, dated November 15, 1979, 10.375%, due November 15, 2009	3,000,000	2,974,688	2,695,320
United States Treasury Bonds, dated November 15, 1982, 10.375%, due November 15, 2012	1,500,000	1,359,375	1,350,000
United States Treasury Notes, dated November 17, 1980, 13%, due November 15, 1990	2,000,000	1,886,835	2,131,240
United States Treasury Notes, dated March 4, 1981, 13.75%, due May 15, 1986	1,500,000	1,415,166	1,593,285
United States Treasury Notes, dated April 6, 1981, 13.25%, due April 15, 1988	1,500,000	1,469,895	1,595,625
United States Treasury Notes, Series H 1985, dated June 30, 1981 14%, due June 30, 1985	2,000,000	1,962,108	2,102,500
United States Treasury Notes, dated August 17, 1981, 14.875%, due August 15, 1991	2,000,000	1,996,267	2,322,500
United States Treasury Notes, dated September 8, 1981, 16.125%, due November 15, 1986	2,000,000	2,114,599	2,254,380
United States Treasury Notes, dated November 16, 1981, 14.25%, due November 15, 1991	4,000,000	3,972,421	4,526,240

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
United States Treasury Notes, dated February 16, 1982, 14.625%, due February 15, 1992	4,000,000	4,204,445	4,603,760
United States Treasury Notes, dated May 17, 1982, 14.125%, due May 15, 1985	2,000,000	2,007,527	2,101,240
United States Treasury Notes, dated September 30, 1982, 12.25%, due September 30, 1986	500,000	532,109	515,310
United States Treasury Notes, dated February 15, 1983, 10.875%, due February 15, 1993	5,700,000	5,779,062	5,477,358
United States Treasury Notes, dated April 4, 1983, 10.50%, due April 15, 1990	5,825,000	5,609,820	5,562,875
United States Treasury Notes, dated June 3, 1983, 10.50%, due August 15, 1988	1,500,000	1,458,281	1,454,055
United States Treasury Notes, dated August 15, 1983, 11.875%, due August 15, 1993	3,400,000	3,414,750	3,448,858
United States Treasury Notes, dated November 15, 1983, 11.75%, due November 15, 1993	8,750,000	8,778,841	8,812,913
Total Corporate, Foreign and U.S. Government and Government Agency Bonds and Notes	<u>\$76,872,419</u>	<u>\$74,799,818</u>	<u>\$75,647,927</u>
Equity-Related Preferred Stocks:			
American Savings & Loan Association Florida, Preferred Series A Convertible, \$2.19	\$ 20,000	\$ 496,500	\$ 377,500
Equity-Related Bonds:			
Barnett Banks Florida Inc., Subordinated Debenture Convertible, 12.25%, due December 15, 2006	200,000	223,500	279,000
CPT Corporation, Subordinated Debenture Convertible, 10%, due November 15, 2001	500,000	500,000	438,750
Computer Consoles, Inc., Subordinated Debenture Convertible, 7.75%, due February 15, 1998	525,000	522,750	630,000
Service Merchandise, Inc., Subordinated Debenture Convertible, 11%, due August 1, 2002	500,000	500,000	1,312,500
Sun Inc., Subordinated Debenture Convertible, 10.75%, due April 1, 2006	750,000	750,000	736,875
Tie Communications, Inc., Subordinated Debenture Convertible, 10.50%, due December 15, 2001	500,000	490,147	1,200,000
Wal Mart Stores, Inc. Subordinated Debenture Convertible, 9.50%, due December 1, 2006	500,000	500,000	1,498,750
Total Equity-Related Bonds	<u>\$3,475,000</u>	<u>\$3,486,397</u>	<u>\$6,095,875</u>
Common Stocks:			
Abbott Laboratories	40,000	\$ 477,473	\$ 1,795,000
Advanced Systems, Inc.	30,000	525,000	585,000
Allied Corporation	45,514	1,505,266	2,480,513
Aluminum Company of America	28,000	906,940	1,263,500
American Greetings Corporation Class A	46,000	1,227,625	1,316,750
American Standard Inc.	50,000	1,635,425	1,712,500
American Telephone & Telegraph Company	26,000	1,354,371	1,664,000
AMP Inc.	13,000	766,830	1,504,750
Angelica Corporation	45,000	1,259,250	1,125,000
Anheuser Busch Companies Inc.	17,000	816,085	1,134,750
Anixter Brothers Inc.	40,000	1,027,890	985,000

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
Apogee Enterprises, Inc.	14,000	209,255	196,868
Applied Materials, Inc.	11,000	534,750	360,250
Arkla Inc.	45,000	742,499	1,006,875
Atlantic Richfield Company	111,000	4,800,828	4,689,750
Avantek, Inc.	24,000	585,512	621,000
BMC Industries, Inc.	28,300	533,160	555,388
PBI Systems, Inc.	35,000	472,500	367,500
Baker International Corporation	80,000	1,836,013	1,470,000
Banta George, Inc.	16,600	372,025	369,350
CPT Corporation	39,087	481,475	478,816
CSX Corporation	75,852	1,130,067	2,038,522
C3, Inc.	30,000	485,000	465,000
Cameron Iron Works, Inc.	20,000	199,067	395,000
Caterpillar Tractor Company	27,000	1,087,015	1,208,250
Central & South West Corporation	100,000	1,836,700	2,000,000
Computervision Corporation	36,000	1,467,763	1,584,000
Convergent Technologies Inc.	25,500	645,864	589,688
Corvus Systems Inc.	35,000	455,000	472,500
Cullinet Software Inc.	22,000	501,104	946,000
DeLuxe Check Printers Inc.	30,000	913,464	1,192,500
Disney Walt Productions	25,000	1,293,779	1,206,250
Dow Chemical Company	96,000	3,298,719	3,144,000
E Z Em Inc.	39,000	546,000	555,750
Ericsson L M Telephone Company ADR Class B	13,200	806,025	706,200
Esmark Inc.	13,000	897,560	1,075,750
Exxon Corporation	50,300	1,772,246	1,898,925
Federal Express	15,000	700,949	673,125
First Union Corporation	40,000	908,988	1,600,000
GTE Corporation	57,000	2,261,159	2,636,250
General Electric Company	42,000	1,296,173	2,399,250
General Foods Corporation	55,000	2,348,010	2,880,625
General Mills, Inc.	35,000	1,697,013	1,846,250
General Motors Corporation	40,700	2,380,796	2,960,925
General Signal Corporation	34,000	1,516,298	1,755,250
Genuine Parts Company	33,000	1,233,580	1,460,250
Golden West Financial Corporation Delaware	62,000	1,233,006	1,441,500
Gould Inc.	50,000	1,561,900	1,462,500
Healthdyne Inc.	45,000	532,500	894,375
Hewlett Packard Company	44,000	1,831,490	1,749,000
Independence Health Plan Inc.	40,000	520,000	710,000
Infotron Systems Corporation	20,000	773,498	730,000
Inter Regional Financial Group Inc.	19,500	404,455	343,688
International Business Machines Corporation	66,000	4,697,115	7,746,750
International Telephone & Telegraph Corporation	42,000	1,227,252	1,837,500
KLA Instruments Corporation	10,000	530,000	482,500
Levi Strauss & Company	29,000	1,111,799	1,239,750
Loral Corporation	80,000	2,081,907	2,120,000
Macy R. H. & Company Inc.	27,500	1,566,838	1,502,188
McDonalds Corporation	20,000	1,072,987	1,417,500
Merck & Company, Inc.	9,000	780,229	879,750
Merrill Lynch & Company, Inc.	23,000	910,570	802,125
Minnesota Mining & Manufacturing Company	31,000	1,907,254	2,654,375
Mobil Corporation	35,000	1,064,395	997,500
Monsanto Company	20,000	999,628	2,150,000
Motorola, Inc.	10,000	667,786	1,410,000
NCR Corporation	12,300	1,101,105	1,649,738

Description	Number of Shares or Principal Amount	Cost or Stated Value	Market Value
National Med Care Inc.	56,250	336,813	843,750
North American Philips Corporation	15,000	975,000	1,162,500
Northwest Airlines Inc.	33,100	1,089,373	1,568,113
Norton Company	31,300	1,226,960	1,122,887
Nutri Systems Inc.	48,000	926,813	582,000
Park Hannifin Corporation	50,000	1,116,744	1,787,500
Penney J. C. Inc.	25,000	1,145,001	1,525,000
Perkin Elmer Corporation	55,000	1,782,973	1,567,500
Phibro Salomon Corporation	33,000	187,218	1,047,750
Philip Morris Inc.	42,000	2,238,323	2,961,000
Pioneer Hi-Bred International, Inc.	10,000	221,250	302,500
Plantronics Inc.	25,000	451,750	600,000
Polaroid Corporation	16,000	536,581	568,000
Prentice Hall Inc.	5,900	291,283	265,500
Public Service Electric & Gas Company	80,000	1,803,325	2,020,000
Quantum Corporation	25,000	527,500	581,250
Revco D. S. Inc.	75,000	1,228,000	2,512,500
Rockwell International Corporation	100,000	1,726,763	3,162,500
Rowan Companies, Inc.	40,000	156,350	440,000
Safety Stores Inc.	90,000	2,563,112	2,418,750
Santa Fe Industries, Inc.	38,000	1,226,598	1,211,250
Schlumberger, Ltd.	30,000	1,556,376	1,436,250
Sedco, Inc.	34,000	357,523	1,215,500
Smithkline Beckman Corporation	12,000	566,643	705,000
Southern California Edison Company	30,000	817,290	1,245,000
Standard Oil Company (Indiana)	26,000	703,875	1,267,500
Super Valu Stores Inc.	60,000	356,680	1,905,000
Superior Oil Company	50,000	425,240	1,706,250
Sysco Corporation	28,000	892,096	1,036,000
TRW, Inc.	18,000	724,467	1,426,500
Tandon Corporation	40,000	315,375	840,000
Tandy Corporation	20,000	634,430	792,500
Tektronix Inc.	20,000	1,196,407	1,540,000
Texas Commerce Bancshares Inc.	35,000	1,411,668	1,461,250
Texas Oil & Gas Corporation	36,000	1,186,598	1,548,000
Texas Utilities Company	40,000	842,000	1,050,000
Time, Inc.	22,727	807,991	1,349,415
Timeplex Inc.	30,000	792,341	765,000
Toys R Us	33,750	504,000	1,371,093
Union Camp Corporation	15,000	1,025,280	1,286,250
Union Carbide Corporation	12,700	655,587	850,900
Union Pacific Corporation	40,000	924,175	1,995,000
Wachovia Corporation	35,000	633,177	1,592,500
Westinghouse Corporation	30,000	1,122,887	1,620,000
Total Common Stocks	<u>4,061,080</u>	<u>\$120,534,061</u>	<u>\$155,848,617</u>
Total Investments Held as of November 30, 1983		<u>\$220,342,212</u>	<u>\$258,995,355</u>