SEVENTY-FIVE YEARS OF SOCIAL CHANGE
The Ford Foundation works with visionary leaders and organizations worldwide to change social structures and institutions so that all people have the opportunity to reach their full potential, contribute to society, have a voice in the decisions that affect them, and live and work in dignity.

This commitment to social justice is carried out through programs that strengthen democratic values, reduce poverty and injustice, promote international cooperation, and advance human knowledge, creativity and achievement.
For 75 years, we’ve partnered with visionaries who have transformed the human experience.
But the fight for a world defined by opportunity, fairness and dignity is far from over.

Today, in a time of extraordinary change, we believe there is a rare opportunity to transform the world anew.
For three-quarters of a century, the Ford Foundation has partnered with visionary organizations and individuals who have helped to transform the world. Together, we have worked to seed the green revolution, build the human rights movement and empower social entrepreneurs around the globe. In the United States, we worked to create Head Start, launch public broadcasting and build many of the civil rights organizations that today continue to fight for equality. Any accounting of the foundation’s illustrious history is inadequate; the accomplishments are too numerous. Many of the ideas we advanced and the institutions we launched or supported were profoundly unconventional at the time; now, they are the very foundation of our public life.

What unites these efforts are the values of fairness and self-determination that have defined the Ford Foundation since our founding in 1936 by Edsel Ford. We were established at a time of great economic and social upheaval. Our nation was suffering through a profound and traumatic economic crisis; hints of war abounded; questions about citizenship, its meaning and who did and did not qualify were openly debated. But out of that tumult came an era of unprecedented individual and national growth, prosperity and freedom.

Our work today must aspire to no less. As we prepare the foundation for its next generation of impact, we know that there is much work yet to be done. We continue to face enormous obstacles to the cause of social justice. Our societies are contending with a trio of modern challenges not dissimilar from those of 75 years ago—globalization and its economic, political and cultural dislocations; a scarcity of natural resources that threatens to become even more acute; and technological change that brings people together but can also create division and inequality.

Far too often our hardest-working and most vulnerable citizens are being asked to shoulder these burdens alone. The commitment to Ford’s bedrock values demands that we reverse this trend. It demands that we provide support to those who work hard but are still living in poverty. It demands that we give voice to those who are not heard, counted or represented. And it demands that we throw open the doors of opportunity so that all individuals can make the most of their human potential. These are issues not merely of social justice but of basic fairness.

Moving forward on these fronts is more vital than ever, particularly as the financial gap—and the opportunity gap—between the rich and the poor is growing wider. Too many voices today are silenced or ignored by their leaders, too many economic, technological and social opportunities are closed off and restricted to the wealthy few, and too many public institutions are impervious and closed to scrutiny. In the United States, the sense of union and shared purpose that has been at the core of our national progress is being lost.

We believe that meeting the challenges of these times requires that we take the kinds of risks that are the distinguished legacy of this foundation. It also requires that we advance programs and initiatives that have the potential to be transformative, even when the approach is new and unproven. After all, risk and challenge are more than just the privilege of philanthropy—they are its responsibility.

We pursue these aspirations, as we always have, in deep engagement with a range of partners, led by our grantees. In this report you will meet some of our most visionary social innovators. In honor of our 75th year, we are recognizing 12 remarkable leaders with a special Ford Foundation Visionaries Award. These change makers have brought breakthrough insights to some of our most challenging social problems. They are thinkers who make change happen and who pursue their vision with determination and an unstinting focus on impact.

Here in the United States and around the world, they are making markets work for the poor; expanding community ownership over natural resources; unleashing the opportunities for free expression; democratizing the global financial system; increasing citizen engagement in democratic processes; and fulfilling the promise of technological possibility. These innovations address some of the greatest social challenges of the 21st century, and they reflect the full scale of our ambitions.

The challenges before us are clear. But if the past 75 years have taught us anything, it is that we, together with our grantees and partners, have the ability to make the enduring vision of transformative social change a reality. Making progress is not the work of days, months or years—it is the work of generations.

Luis A. Ubiñas
President
Explore our work

10. Making markets work for the poor
14. Lifting up families for greater economic independence
19. Expanding community ownership for a sustainable future
22. Unleashing free expression to inspire social change
24. Creating a more just global financial system
28. Engaging citizens to strengthen democracy
30. Opening the digital future to all Americans
32. Governance, leadership, grant spending and financials

Ford Foundation Visionaries Awards

To mark our 75th anniversary, we are honoring 12 extraordinary social change leaders whose work is improving the lives of millions of people around the world. This report introduces eight of these visionaries—please visit our website to meet them all.

For more information about the Ford Foundation and our grant making, visit fordfoundation.org
Decades of experience in the fight against poverty show that simply supplementing family income is not enough. Low-income families need opportunities to build assets that help them handle crises, take advantage of opportunities and, above all, create a secure future through homeownership and other investments in long-term financial independence. Good financial services targeted to the daily realities of low-income people—such as flexible savings products, fair credit, and affordable loans—must be part of any real solution.

Conventional thinking says that low-income Americans don’t use financial services—their immediate needs are so great that they never acquire the habits of saving, borrowing and investing. In fact, they use financial services every day. Unfortunately, the outlets most readily available to them—check cashing services, subprime mortgages, payday lenders—are overpriced and often exploitive, depleting their resources and plunging many into unmanageable debt. A typical response is to offer low-income consumers financial education that informs them of the dangers of predatory loans or the advantages of saving. We see it differently.

To create smarter financial tools for low-income customers, we are helping to change the financial services market to make it more responsive, more accountable and more fair. The stakes couldn’t be higher, in both human and economic terms. Alternative financial services alone are a $29 billion industry—a substantial pool of resources that could help improve the lives of low-income people if more of it remained in their hands.

Lasting change requires three key elements. First, low-income consumers who are “unbanked” or “underbanked” need financial products that are attractive and build their personal assets; products also need to make financial sense for the companies offering them. (See a few of these products on page 13.) Second, distribution systems are needed to make good products truly accessible to their intended customers. Third, consumer-friendly public policies that encourage and even motivate banking and lending institutions to provide good service for low-income customers are essential.

We are partnering with organizations working on all three fronts. As new approaches gain visibility and acceptance over the next few years, we expect to see significant gains in access for low-income families to financial services and in the ability of the market to serve those families well.
“The most caustic, corrosive force in human history is having extreme wealth and extreme poverty in close proximity. Back in 1980, we felt that the civil rights and women’s movements had made great gains in the legal arena, but that these would mean little if they didn’t translate to the economic arena.

“We created Self-Help to try to build a more equitable financial system, so that people can own homes and start businesses even though their parents could not. We provide lending to homeowners and to entrepreneurs who would otherwise be left out of the mainstream. “We work to give people a chance to support their families with a good job and decent housing, so that their children can see a better life. We’ve helped 60,000 families become homeowners so far, and we’re vigilant about stopping the kind of financial misconduct that punishes people just because they’re poor.”

Innovative financial products for low-income customers

**ALTERNATIVE CHECK-CASHING**
Self-Help Credit Union’s Micro Branch is a fair and affordable check-cashing outlet, providing convenient check-cashing, remittances, money orders and bill pay services. It also offers products such as savings and checking accounts, home loans, IRAs and CDs.

**AFFORDABLE “SMALL-DOLLAR” LOANS**
Progreso Financiero provides “small-dollar” loans at fair rates, mainly to Latino customers who lack credit histories and traditional banking relationships. The company has proven that a borrower with a thin credit file is not necessarily a high risk.

**ALTERNATIVE CREDIT DATA**
RentBureau collects and reports apartment rent payment data, offering consumers with little access to traditional loans a way to build or rebuild their credit scores.

**RELOADABLE PRE-PAIRED DEBIT CARDS**
Accountnow offers customers a safe alternative to cash and a convenient way to pay bills and make purchases. It’s a new model of banking for the “unbanked.”

**SAVINGS PRODUCTS THAT ARE EASY AND FUN**
Save to Win gives credit union customers a chance to win cash prizes every time they make a $25 deposit. The accounts have motivated thousands of families to save for the first time.
Despite overall patterns of economic growth in the Western Hemisphere over the past decade, millions of people are being left behind. Across Latin America and the Caribbean one person in three—180 million people—lives in poverty, and the continent has the highest levels of income inequality in the world. In the United States, changing workforce patterns mean that a quarter of American workers, some 29.4 million, hold jobs that don’t pay enough to keep a family out of poverty, no matter how hard they work. The result is chronic economic insecurity, with working families caught in an unending struggle to support themselves, hold onto low-paying jobs and care for their children.

To lessen the effects of poverty on the next generation, many governments establish programs to help poor and working families buy food, keep their children healthy and pay their bills. The difficulty is that these efforts, vast in scale and aimed at reaching millions of households, are notoriously difficult to administer.

We recognize the value of these programs and want to see them do a better job. Governments have a responsibility to spend money wisely, especially in times of economic uncertainty. These responsibilities are self-reinforcing.

In the United States, we are partnering with a group of states and the federal government to improve a trio of long-established family benefit programs. In Latin America, we are working with national governments to help strengthen existing cash transfer programs, most of them quite new, by linking them with savings and access to financial services.

The collaborations differ, but they share two common goals: more effective government programs and greater economic security for millions of people.

For our public-sector partners, the collaborations are opportunities to experiment and learn from other governments that are facing challenges similar to their own, while benefiting from outside research and policy expertise.

For us, they are opportunities to effectively leverage the resources of government—our best hope for reducing family poverty at a scale that reaches across states and nations, and spreads worldwide.

These collaborations share two goals: more effective government programs and greater economic security for millions of people.
How CCTs have changed lives throughout Latin America

THE CONTEXT
Government across Latin America and the Caribbean has led the world in developing conditional cash transfer (CCT) programs, which currently provide assistance to 25 million families. With CCTs, parents typically receive monthly payments that help them meet immediate needs. In return, they must meet certain conditions, such as ensuring that their children attend school and get preventive healthcare. Extensive research has shown that CCTs are effective at promoting actions that increase children’s long-term chances for health and success.

THE CHALLENGE
Although CCTs help with immediate needs and spur on the development and adoption of children, they are less successful at helping families build assets in the medium term. Family members dependent on each payment and are unable to invest in assets. As an added incentive to save, CCTs open up the possibility of further innovations, such as savings-linked CCTs that can be used to invest in a business, home or other productive asset. As an added incentive to save, some countries are experimenting with benefits like matching gifts and lottery savings-linked CCTs open up the possibility of further innovation, such as mobile phone applications that could lower program costs, improve communications with beneficiaries, and add a measure of safety compared with cash or card-based systems.

PROJEC TO CAPITAL
PARTICIPATING COUNTRIES:
- Implementation: Peru, Colombia and Chile.
- Design and policy dialogue: Ecuador, Bolivia, Dominican Republic, Brazil and Mexico.
- Exploration: Paraguay, Guatemala and El Salvador.

THE INNOVATION
How CCTs have compared with cash or card-based systems.

WORK SUPPORT STRATEGIES
PARTICIPATING STATES:
- Colorado, Idaho, Illinois, Kentucky, New Mexico, North Carolina, Oregon, Rhode Island and South Carolina.

State governments are helping to put working families on the pathway to a better life

THE CONTEXT
In the United States, the federal government offers three programs to help low-income parents work and provide for their children: Medicaid/SCHIP (State Children’s Health Insurance Program), childcare assistance, and SNAP (formerly known as food stamps). Administered through the states, all three have been shown to help families remain in the workforce, meet immediate needs and reduce daily hardships. Overall, as many as 16 million working households—roughly one in five American working families—receive assistance through one or more of these programs.

THE CHALLENGE
Despite efforts by states to simplify enrollment, a lack of coordination across programs and ineffective data systems result in duplication and long bureaucratic delays, leaving millions of eligible families on the sidelines. States waste money, and working parents miss out on benefits designed to help them manage family obligations and hold jobs—child health insurance, for example, is crucial in getting care for a sick child without an emergency room visit. Benefits are often lost through improper applications, and families are forced to reapply, burdening agencies and recipients alike.

THE INNOVATION
Through the Work Support Strategies partnership, states are modernizing and coordinating their family work support programs, thus reducing bureaucracy and doing a better job of ensuring that benefits achieve their intended purpose—helping low-income working families become economically stable and move toward economic independence. Each participating state is designing a program of reforms to include changes in state policy and better cross-agency coordination, enrollment procedures and data systems. Enhancing data systems is an especially important goal, since most states currently lack the information they need to monitor program performance, reduce costs and improve outcomes. This partnership will also enable states to compare models and share the most effective and efficient practices.

Ellen Bravo
Executive Director
Family Values @ Work

“Any time there’s been a social reform, people say it’s a success, and it isn’t. And over and over, we see them. And over and over, we see them. In the cases of all of the states, we see them. And over and over, we see them. And over and over, we see them.”

“My vision of a just world is one where taking care of yourself and your loved ones, and doing work you are engaged by is the norm. The hard work that we do in this country is not valued. We’re punished for being good parents, sons or daughters.”

“States allow my family organization, to do, helped pass the Wisconsin Family and Medical Leave Act in 1988. The parents of a member of our family had a heart attack and a hip replacement between them. They couldn’t care for each other. Because of this law, she and her siblings were each able to take time off and take turns caring for their parents without jeopardizing their jobs. It was really important to the recovery of her parents, and also to the family’s emotional health and financial security. I know hundreds, if not thousands, of stories like that. States are the key to helping them from people who became engaged in the movement as a result of their experiences.”

“Any time there’s been a social reform, people say it’s a success, and it isn’t. And over and over, we see them. And over and over, we see them. In the cases of all of the states, we see them. And over and over, we see them.”

“Any time there’s been a social reform, people say it’s a success, and it isn’t. And over and over, we see them. And over and over, we see them. In the cases of all of the states, we see them. And over and over, we see them.”

“Any time there’s been a social reform, people say it’s a success, and it isn’t. And over and over, we see them. And over and over, we see them. In the cases of all of the states, we see them. And over and over, we see them.”
Expanding community ownership for a sustainable future

Traditional communities throughout the world are claiming their territorial rights and gaining control over land and resources.

In many regions of the world—from the forestlands of Indonesia, Mexico, Central America and the Amazon Basin to the grasslands of China, India and East Africa—the poorest rural residents live in communities whose commonly held resources are essential sources of both food and income. Without official recognition of their traditional rights, communities have little recourse when government or corporate interests attempt to seize their land and resources. Families can lose their livelihoods, their access to places of cultural or religious importance, even their homes and independence. In other cases, communities whose existence is not recognized by government have no access to public services.

We support partners worldwide whose pioneering efforts are helping to secure the rights of communities to land and natural resources, reduce global poverty and protect the quality of the environment. In Brazil, for example, the New Social Cartography Project of the Amazon (PNCSA) works with communities throughout the Amazon region—indigenous, quilombolas, rubber-tappers, and other groups—to map their territorial claims and document their uses of the land and its resources. By showing a community’s history, the project can help raise awareness among groups that qualify for land rights under Brazilian law. Merging the knowledge of traditional communities with both detailed GPS data and the legal and scientific expertise of PNCSA staff, the mapping process offers residents an unprecedented resource for defending their rights to the land, being involved in decisions regarding its use and maintaining their role as careful, long-term stewards.

Internationally, this work is contributing to an emerging understanding of traditional land rights, and how local communities can be part of a more balanced and sustainable approach to development in the world’s remaining natural regions.
In the Amazon, you cannot separate identity from territory. Indigenous people cannot imagine themselves without the river that crosses their land, or without the forest. But their land is under threat from those who want to use it to produce commodities.

“We’re trying to develop the unique perspectives of these communities by helping them map their own territories. They are the ones who decide what is relevant to include on the maps. We teach them how to use the technical instruments of mapping, like GPS, but we also encourage a perspective of self-definition that helps people understand themselves as agents,” says Berno de Almeida, coordinator of the New Social Cartography Project of the Amazon (PNCSA).

When it comes to their own territory, and we try to expand the meaning of citizenship to include territorial rights.

When a community is able to preserve its own land and natural resources, it is preparing for the future. Self-cartography enables those communities to define the shape of that future, putting them in a better position to safeguard their interests and demand that their rights be recognized.”

An Amazon community contacts PNCSA, explaining that it believes its land or resources are threatened. A team of anthropologists, attorneys, geographers and cartographers visits the community to offer workshops on mapping and GPS techniques. Community members create a map of the land—its features, boundaries, areas of special significance—and how they use it. Using GPS technology, they pinpoint exact locations and feed the information back to PNCSA for geo-referencing. PNCSA produces a map, using icons and drawings to show important features. The community reviews the map and makes revisions. PNCSA publishes a final map, with a booklet describing local challenges and first-person testimonials by residents.

The community owns the final map, which helps them represent their interests in settling a conflict—for example, when a new government highway imperils an area of forest—or advocate for services or rights they are entitled to under Brazilian law.
Unleashing free expression to inspire social change

A rising generation of artists is bringing diverse voices and fresh perspectives to today’s audiences.

The Ford Foundation has long been at the forefront of support for the arts in the United States and around the world. From funding regional theaters to sponsoring some of the world’s most daring dance companies, from helping filmmakers chronicle important social issues to supporting the design of spaces where artists can work and audiences can connect, we have nurtured creativity and expression through bold projects that amplify the rich diversity of our ever-changing world.

We know from experience that artists and their work can have a catalytic effect on social change movements, bringing focus, determination and inspiration in equal measure. With globalization reshaping the contours of society and new types of participation on the rise, art has a crucial role to play.

Our work today takes a fresh look at the arts—and invites artists and institutions to do so, too, through initiatives that are building new community centers of culture and advancing the medium of documentary film with new projects, formats and partnerships.

Along with our partners, we are seeking answers to today’s most pressing questions about the role of art in a fast-changing society: How can free expression be expanded and its value communicated worldwide? Where does new technology fit into an increasingly kaleidoscopic picture, and how is it changing the nature of the creative process? How can arts institutions nurture expression and creativity in ways that celebrate human imagination in all its diversity and potential, and shape our shared future for the better? As answers emerge, we continue to support artists and organizations whose work is enabling the next generation of creators, thinkers and citizens.

JustFilms

A new initiative is advancing social justice worldwide through the work of emerging and established filmmakers.

Courageous, probing documentary filmmakers are messengers to the world. They illuminate urgent problems and tell the stories of real people working to advance human rights, equal opportunity and human dignity. At the Ford Foundation, we know the power of documentary film and video, having supported many important documentary projects over the past three decades—projects that informed and inspired social change.

JustFilms deepens our longstanding commitment to socially engaged documentary work, while also enabling us to do more to help filmmakers reach new audiences and examine important global problems. Through partnerships with the Sundance Institute, the Tribeca Film Institute and the Independent Television Service, we are opening new doors for promising projects and making connections that can broaden the audience for eloquent, hard-hitting documentary work.

To invite experimentation, we are supporting projects that use unconventional formats—short, interactive, transmedia—to tell and share stories in compelling new ways. We are also building bridges between filmmakers and other partners, current projects cover tough issues such as HIV/AIDS, education reform, human rights, criminal justice, women’s rights and environmental justice. And, to provide talent whenever it may be, JustFilms has established an open application process and made an explicit pledge to support both established artists and newcomers in all parts of the world, especially the global South.

Learn more about Fresh Angle, a Ford Forum on the Arts exploring culture in a time of transformation, at fordfoundation.org/fresh-angle

UPCOMING JUSTFILMS DOCUMENTARIES

Detroit Hustles Harder* | Idris Elba | Directors: Heidi Ewing and Rachel Grady
Frontline: AIDS in Black America | Director: Wendell Serious
Garden of Paradise: Sweet Pictures | Director: Fernando Perez
Half the Sky: Turning the Tide of Women’s Poverty | Director: Abigail Disney
The Island President | Areanga Puka Puka Studio | Director: Jon Mandy
The Truth Will Set You Free | Director: Wendy Atkin
Women, War & Peace (series) | WNET | Director: Abigail Disney
For an arts organization on the rise, there’s often a moment of truth that comes right before a major leap. The organization has an exemplary record of creative success, deep connections with its community and a vision for the future that includes dedicated space that will serve as a resource for artists and audiences alike. What’s lacking is financial support for rigorous planning—the sort of planning that ensures that a new facility is financially viable and truly reflects an organization’s core identity and mission.

Over the next year, each of these institutions will have a chance to do the deep thinking and careful planning that precedes a major building project.

Working closely with our partners, leveraging investments in the Creativity (LINC), we are helping to meet that need by providing crucial pre-development funds and technical assistance to forward-looking organizations.

"Being able to tell stories through art is what moves me—the stories that open your eyes, not just about Africa but humanity. At the Museum for African Art, our exhibitions tell the stories of the dreams, the fears, the prayers and the aspirations of communities of people for generations. "We see ourselves as a bridge between diverse socioeconomic and religious communities. We’re making connections between cultures and using African art as the touchstone. And with our new building at Maxum Mile, we are lengthening and deepening the cultural backbone of New York City’s cultural tourist economy."

"When you come to the museum, what you’re seeing is literally the embodiment of our history: justice and lost pride, installation by installation, exhibit by exhibit. We want people to think of African art and say, ‘Now I know something more, not just about them, but about me.’"

"When I arrived in the border neighborhood of San Ysidro, I began to work with a nonprofit, community-based agency to design affordable housing projects. Through our conversations with people in the neighborhood, I began to rethink my own practice, and to investigate the impact of immigration in the transformation of the American city, and particularly the American neighborhood. "There is a very alive and very dynamic Mexican American culture in many American cities, with a huge cultural intelligence that has allowed them to produce a more inclusive idea of housing. Seeing that, we began to conceptualize a very different idea of development, one that would recognize a community’s patterns of living and make a housing project sustainable in the long term. "I want to reconnect the reality of environments like that with the way we actually produce urban policy."

"When you come to the museum, you’re seeing us literally the embodiment of our history: justice and lost pride, installation by installation, exhibit by exhibit. We want people to think of African art and say, ‘Now I know something more, not just about them, but about me.’"

"Being able to tell stories through art is what moves me—the stories that open your eyes, not just about Africa but humanity."
Creating a more just global financial system

Organizations worldwide are striving to make the global financial system more transparent and democratic.

The global financial system influences the well-being of all and democratic.

Our grantee partners are tackling these challenges from many angles. Some are shedding light on the workings of the banking system and documenting the global implications of its existing dynamics. Some are showing how regulatory bodies and agreements operate, and how they might be redesigned to protect the interests of working people. Others are emphasizing what needs to be done to democratize decision making and bring the voices of citizens into the conversation about global finance.

Our grantee partners are uncovering how the financial system works and envisioning what can be done to make it more fair and effective. Here’s a sample of their efforts.

Demystifying global finance

Our grantees are uncovering how the financial system works and envisioning what can be done to make it more fair and effective. Here’s a sample of their efforts.

The global financial system is immensely complex, deeply interconnected, largely opaque—and often unresponsive to the needs of the poor. We are working to change that.
Engaging citizens to strengthen democracy

In countries around the globe, citizens are staking their claim to self-determination and driving social change—often with help from new technology.

As recent democratic movements in the Middle East and North Africa have shown with startling clarity, people around the globe share a desire for government that is transparent, responsive and capable of improving the lives of citizens. We have long supported efforts to make government more effective and accountable by partnering with visionary organizations and leaders, and by building networks that channel popular desires for reform. Now, with the demand for good government ascendant worldwide, we see a pivotal moment for realizing the promise of that work through a sustained commitment to building a robust civil society.

In many regions, people are not only demanding change from government but forging new roles for themselves in making change a reality. We have been especially encouraged by the innovative use of new tools and technologies that increase opportunities for people to be active world citizens—and engage more people in building lasting democracy.

During the recent national elections in Nigeria, for example, individual voters used their mobile phones to send thousands of messages to ReclaimNaija, a national network of grassroots organizations dedicated to fair elections and democratic government. Having trained volunteers over many months to observe and report on the electoral process, ReclaimNaija was able to share information with the media and with the public. So far, so good. From morning to now, there is not a single incident that points to any form of violence or mago mago. 

During Nigeria’s 2011 elections, voters used text messages to report what was happening at polling places around the country.

Police in 7 vehicles stormed a collation center, Fassato Primary Sch Jalingo, Taraba State, around 7pm and carted away about 15 ballot boxes after teargasing and beating people.

Serious problem at unit 106, Kosofe L.G.A, Lagos, out of 700 registered voters only 300 were in the list brought. 400 of us have been disenfranchised, pls do something urgently.

Nothing has start at Unit 0, Yansiminti Jos, North Plateau State up to now. Pls make effort. Electorates are waiting. Thanks.

Even at the time mobile police are shooting at the air scaring people not to come out for election at Sir Kashim Ibrahim way, Maiduguri, Borno state.

So far, so good. From morning to now, there is not a single incident that points to any form of violence or mago mago. 

Polling station, Getso, Gwarzo L.G.A, Kano State.
“At Purpose, our vision is a deeply internationalist one—we believe in the idea of global citizenship. We want people to feel like the huge decisions that affect the lives of hundreds of millions (or in some cases billions) are actually decisions that ordinary people, if they combine their powers, can impact.

“We focus on mass mobilization. In the first campaign by our LGBT rights organization, All Out, we were able to actually stop the deportation of a woman from the U.K. to Uganda, where she would have faced persecution because she was a lesbian. There’s huge transnational solidarity on this issue: A gay person—or a straight person who’s an ally of LGBT people—immediately identifies with the persecution and oppression that someone on the other side of the world is experiencing.

“People fundamentally haven’t changed; what it takes to inspire them is the same. But technology has reshaped our ability to rapidly mobilize people. We’re using new tools to create 21st-century movements that channel individual people’s power into collective power.”

“With some of the drawings I do, I know there are going to be fireworks. If you are in the business of satire, that should be expected. On a personal level, it hasn’t been easy—I’ve received legal threats; my paper has been threatened with lawsuits because of my drawings.

“But I’d like to see the press have the kind of impact where the public takes notice, and then takes action. I want to contribute to that in some small way. And then, success is about sustainability: Finding others to carry on that work and do it even better.”

“You can always use humor to talk to people about very serious issues. That’s an entry point. But we want to see that humor has an impact tangibly. When it comes to corruption, we want to see people locked up for their crimes. We want to see public officials resigning when they are exposed.

“With some of the drawings I do, I know there are going to be fireworks. If you are in the business of satire, that should be expected. On a personal level, it hasn’t been easy—I’ve received legal threats; my paper has been threatened with lawsuits because of my drawings.

“But I’d like to see the press have the kind of impact where the public takes notice, and then takes action. I want to contribute to that in some small way. And then, success is about sustainability: Finding others to carry on that work and do it even better.”

“Visionaries
Award Recipient
Jeremy Heimans
Co-Founder and CEO
Purpose
New York, New York

“Visionaries
Award Recipient
Godfrey (Gado) Mwampembwa
Syndicated Editorial Cartoonist
Nairobi, Kenya

Nigeria’s Independent National Election Commission, allowing problems to be investigated and addressed while voting was still underway.

Social change activists are also using the Web to build sustained transnational movements. Purpose, for example, a New York-based organization that mobilizes social movements through the Internet is putting global momentum behind achieving full equality for LGBT people everywhere with its All Out project.

Moreover, new tools are sharpening the impact and expanding the reach of time-tested media. Thanks to communication media unheard of a generation ago, many more people can experience the biting humor of a political cartoon, learn a devastating truth from a documentary film or participate in a well-organized national campaign.

Through our continuing investments in innovative organizations and vibrant networks, we hope to accelerate efforts like these—and ensure that many more people can join in revitalizing the future of democracy.

Powerful social movements and strong democracies depend on communication and connection. Across the globe, our visionary grantees are using a powerful mix of traditional and new media to inspire creative dialogue.
Opening the digital future to all Americans

With partners around the country, we are seeking solutions that ensure the fastest Internet possible for everyone.

New technologies can be powerful tools for addressing persistent inequalities. For those who have access, the Internet offers opportunities to learn and work in the global economy, expand civic participation and bring new voices into conversations about the future. Yet millions of Americans still lack broadband that is both fast and affordable—the two components of the basic service every American requires.

We believe that affordable, high-speed Internet is an essential part of our national infrastructure—as important to the health of communities as clean water, highways or the electrical grid. We work with partners around the country to help ensure that reasonably priced, high-speed Web access develops as a right and a resource for all Americans and all communities, affluent or low-income, urban or rural.

We pursue this in several ways. First, recognizing that media companies and economists—into important discussions about the future of America’s Internet system. Third, we support public interest media organizations that advance privacy and the rights of consumers and citizens.

The stakes on this issue are high, and the questions are complex—making the involvement of philanthropy especially important. Questions are emerging, for example, about the lack of market competition, and what appears to be the resulting failure of companies to provide affordable, high-speed service in rural and working communities. Some localities are responding by establishing municipal broadband networks that meet the infrastructure needs of these citizens and ensure that local businesses and families are not left behind. Indeed, some regional projects, such as recently completed fiber networks in Louisiana and Tennessee, now offer the highest-speed Internet access in the country.

“Our grantee partners are increasingly informing public debates on issues like these, where the real future of Internet rights is being determined—and where the public interest can easily get lost.”

Yochai Benkler, Co-Director, Berkman Center for Internet and Society at Harvard University

“Particularly in the United States, we have built technological and organizational systems that are optimized for yesterday’s major economic players. My work is about designing interventions that will nudge these systems away from being optimal to yesterday’s incumbents and toward tomorrow’s innovation and those in society who are weaker politically and economically.”

Yochai Benkler

Visionaries Award Recipient

Visit our online map to learn about community efforts to make high-speed Internet more readily available to local residents and businesses (fordfoundation.org/broadband)

Source: Organization for Economic Co-operation and Development (OECD), September 2010

AVERAGE ADVERTISED BROADBAND SPEED BY COUNTRY (in Mbps)

<table>
<thead>
<tr>
<th>Country</th>
<th>Speed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>29.6</td>
</tr>
<tr>
<td>Italy</td>
<td>29.2</td>
</tr>
<tr>
<td>Greece</td>
<td>28.1</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>27.4</td>
</tr>
<tr>
<td>Austria</td>
<td>26.4</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>26.4</td>
</tr>
<tr>
<td>France</td>
<td>20.3</td>
</tr>
<tr>
<td>Norway</td>
<td>19.6</td>
</tr>
<tr>
<td>Denmark</td>
<td>19.6</td>
</tr>
<tr>
<td>Belgium</td>
<td>18.5</td>
</tr>
<tr>
<td>Sweden</td>
<td>16.8</td>
</tr>
<tr>
<td>Iceland</td>
<td>15.4</td>
</tr>
<tr>
<td>Netherlands</td>
<td>15.4</td>
</tr>
<tr>
<td>Spain</td>
<td>14.5</td>
</tr>
<tr>
<td>Portugal</td>
<td>13.6</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>12.9</td>
</tr>
<tr>
<td>Hungary</td>
<td>11.7</td>
</tr>
<tr>
<td>Slovakia</td>
<td>11.4</td>
</tr>
<tr>
<td>Denmark</td>
<td>9.7</td>
</tr>
<tr>
<td>Japan</td>
<td>8.6</td>
</tr>
<tr>
<td>Greece</td>
<td>5.9</td>
</tr>
<tr>
<td>Israel</td>
<td>3.4</td>
</tr>
<tr>
<td>Turkey</td>
<td>2.9</td>
</tr>
<tr>
<td>Germany</td>
<td>2.8</td>
</tr>
<tr>
<td>Austria</td>
<td>2.8</td>
</tr>
<tr>
<td>Norway</td>
<td>2.7</td>
</tr>
<tr>
<td>Finland</td>
<td>2.5</td>
</tr>
<tr>
<td>Iceland</td>
<td>2.4</td>
</tr>
<tr>
<td>Sweden</td>
<td>2.3</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>2.3</td>
</tr>
<tr>
<td>Portugal</td>
<td>2.1</td>
</tr>
<tr>
<td>Greece</td>
<td>2.0</td>
</tr>
<tr>
<td>Austria</td>
<td>1.9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1.8</td>
</tr>
<tr>
<td>Russia</td>
<td>1.6</td>
</tr>
<tr>
<td>China</td>
<td>1.2</td>
</tr>
<tr>
<td>Taiwan</td>
<td>1.0</td>
</tr>
<tr>
<td>Singapore</td>
<td>0.8</td>
</tr>
<tr>
<td>United States</td>
<td>0.5</td>
</tr>
<tr>
<td>Japan</td>
<td>0.2</td>
</tr>
<tr>
<td>South Korea</td>
<td>0.2</td>
</tr>
<tr>
<td>Brazil</td>
<td>0.1</td>
</tr>
</tbody>
</table>

“High-speed Internet is essential for remaining competitive, strengthening democracy and giving people a voice”

“Particularly in the United States, we have built technological and organizational systems that are optimized for yesterday’s major economic players. My work is about designing interventions that will nudge these systems away from being optimal to yesterday’s incumbents and toward tomorrow’s innovation and those in society who are weaker politically and economically.”

Yochai Benkler

Visionaries Award Recipient

Visit our online map to learn about community efforts to make high-speed Internet more readily available to local residents and businesses (fordfoundation.org/broadband)

“A particular area of our work is where the public interest can easily get lost.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

“High-speed Internet is essential for remaining competitive, strengthening democracy and giving people a voice.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

“A particular area of our work is where the public interest can easily get lost.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

Visit our online map to learn about community efforts to make high-speed Internet more readily available to local residents and businesses (fordfoundation.org/broadband)

“A particular area of our work is where the public interest can easily get lost.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

“High-speed Internet is essential for remaining competitive, strengthening democracy and giving people a voice.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

“A particular area of our work is where the public interest can easily get lost.”

Yochai Benkler

Co-Director, Berkman Center for Internet and Society at Harvard University

Cambridge, Massachusetts

Visit our online map to learn about community efforts to make high-speed Internet more readily available to local residents and businesses (fordfoundation.org/broadband)
A culture of impact

The Ford Foundation provides support to courageous leaders and organizations working on the frontlines of social change. Our grantees have extraordinary vision and take on enduring problems that require sustained effort and resolve. Their work offers clear pathways to improved economic opportunities and expanded political and social participation for millions of people worldwide.

Through our initiatives, we generally make long-term investments in grantees, understanding that patient capital and well-reasoned risk are required to chart solutions to complex social problems.

In building and continuously fostering an impact culture, we have been guided by five core principles:

• Clear, focused strategic vision
• Dynamic resource allocation
• Accountability based on clearly delineated roles and responsibilities
• Listening to grantees and, importantly, to non-grantees
• Attention to impact across the organization, not just the grant-making program

Adhering to these principles has sometimes required that we listen to criticism as well as praise, make hard choices and assume more responsibility for performance. We believe that our commitment to an impact culture has strengthened our work and will continue to do so in the future. Further, we believe that it provides a strong basis for the candid dialogue—among trustees, staff, grantees and other partners—that is essential to inform the wise use of the foundation’s resources.
Looking forward in a time of global change

Message from the Chair

This year is my first as chair of the board, and it comes at an exciting moment for the Ford Foundation—our 75th anniversary as a philanthropic institution. Motivated by a desire to better the human experience, we strive to be bold in the work we support while also ensuring that our choices are prudent ones. As trustees, we aim for the highest standards of integrity in our governance and fiscal management, understanding that the work of social change is the work of generations. Continuity and a commitment to excellence are crucial to Ford’s ability to fulfill its mission.

Over the past year, my fellow trustees and I have had the opportunity to meet with many of our grantees and learn about their inspiring work. We have studied the efforts of the many institutions—both fledgling and established—that receive our support, and have considered the roles they play in driving social change. Traveling with the foundation’s executive leaders, my colleagues and I surveyed the landscape of human rights in Chile and Peru, discussed how best to support the American workforce with state and national policymakers, and witnessed the excitement with which our JustFilms initiative was greeted at the Sundance Film Festival.

Each of those experiences underscored the extraordinary depth of Ford’s mission, as well as the values that connect our efforts worldwide. They were reminders to me and my board colleagues that, in every area we work, a better world is within reach—and that our partners working on the ground are making that goal a reality.

As we celebrate our 75th year, we are also reminded that change is constant. In 2010, four board members concluded their service to the foundation. Kathryn S. Fuller, chair of the National Museum of Natural History, preceded me as chair of the foundation’s board, which she led with wisdom and dexterity. In her 17 years as a trustee, she served the foundation in many capacities, including troubleshooter and goodwill ambassador. While engaging the foundation’s global community across many disciplines and geographies, she dispatched her responsibilities with thoughtfulness and sensitivity. Anke A. Ehrhardt, vice chair for academic affairs, professor of medical psychology in the Department of Psychiatry at Columbia University and a noted researcher on sexuality and human development, enriched our deliberations with her deep understanding of how academic research, skillful advocacy and direct service can combine to benefit individuals and society. Richard Moe, president emeritus of the National Trust for Historic Preservation, brought his keen eye for the workings of government to the table, often helping us to navigate relationships with the public, business and nonprofit sectors, while also informing our thinking about preservation and community development. W. Richard West Jr., founding director emeritus of the National Museum of the American Indian and an attorney, consistently urged us to find the synergies across our programs, and to see the centrality of culture in all we do. He brought a special combination of idealism and pragmatism to the board, as well as a lifelong devotion to social justice.

Each of these accomplished people contributed tirelessly to the collective knowledge of the foundation. They enhanced our work immeasurably and helped to put us in a strong position to recognize and take on the challenges ahead.

I am pleased to report that the Ford Foundation is in excellent condition—strong in the work we support, our financial position, and the talent and commitment of our leadership and staff. As we rise to meet new challenges and embrace new opportunities, it is my great honor to be leading the board of trustees into this next era.
The president meets with people around the world to discuss the issues the foundation works on, to share what we have learned, to ensure that our grant making is transparent and accessible, and to ensure that our grant spending and financial information are transparent and accessible.

Today, high-impact grant making remains our chief priority. Our governance and budget policies are designed to help fulfill our mission and broaden the impact of our grant support. We are committed, as well, to ensuring that our grant spending and financial information are transparent and accessible.

FOUNdATION PRESIdENT
Luis A. Ubiñas, president of the foundation, implements board policies and oversees the foundation’s operations, looking for opportunities to hone strategies and improve effectiveness.

The president continuously re-examines the foundation’s work, looking for opportunities to hone strategies and improve effectiveness.

Governance and leadership

From our founder Edsel Ford to our current trustees and officers, the Ford Foundation has been served by extraordinary leadership in every era of its 75-year history.

Over the years, the foundation’s board of trustees has consistently provided sound guidance, while the president has ensured that the foundation’s programs and operations are managed responsibly and meet the highest standards of effectiveness.

Today, high-impact grant making remains our chief priority. Our governance and budget policies are designed to help fulfill our mission and broaden the impact of our grant support. We are committed, as well, to ensuring that our grant spending and financial information are transparent and accessible.

BOARD OF TRUSTEES
A co-mandate board of trustees, which includes Ford foundation President Luis A. Ubiñas, governs the foundation. Our governance practices adhere to a set of policies—including bylaws, committee charters, standards of independence and a code of ethics—adopted by the board of trustees. The board sets policies related to grant making, geographic focus, spending, investment, management, governance and professional standards. The board also oversees internal and independent audits.

The board’s Audit Committee sets compensation and reviews the performance of the president and all foundation officers. Trustees are nominated by a committee of the board, appointed by the full board, and generally serve two six-year terms. The board, board committees and individual trustees are evaluated on an annual basis. Ford trustees bring a wide range of knowledge and experience to the task of governing the foundation. They come from four continents and have extensive experience in the worlds of scholarship, business and finance, law, government and nonprofit management.

FOUNDATION PRESIDENT
Luis A. Ubiñas, president of the foundation, implements board policies and oversees foundation programs and operations on a day-to-day basis. The president and other officers of the foundation share responsibility for representing Ford in the public sphere. The president continuously re-examines the foundation’s work, looking for opportunities to hone strategies and improve effectiveness.

The president meets with people around the world to discuss the issues the foundation works on, to share what we have learned, to ensure that our grant making is transparent and accessible, and to ensure that our grant spending and financial information are transparent and accessible.

TRUSTEE INDEPENDENCE
The foundation places a high value on the independence of our board members. We require that a majority of our trustees be independent, that all trustees serving on the audit and nominating committees be independent, and that trustees on the Audit Committee satisfy additional standards of independence.

When the staff proposes that the foundation fund an organization with which a trustee is affiliated as an employee, officer or trustee, that grant must be reviewed and approved by the Audit Committee. The grant action document, which is reviewed and approved by management before submission to the Audit Committee, details the nature of the trustee affiliation and confirms that the trustee played no role in the initiation or negotiation of the grant.

BOARD COMMITTEES
A seven-person Executive Committee, composed of Board Chair Irene Hirano Inouye, foundation President Luis A. Ubiñas and five other trustees, works with the foundation’s officers and acts on behalf of the board between board meetings. Trustee committees dedicated to management and governance, audit, finance, investment, trustee nominations, proxy votes, and the foundation’s three program areas, meet regularly and guide foundation activities throughout the year.

Public documents that describe the foundation’s governance practices are available on our website. The foundation’s bylaws and articles of incorporation and the board’s committee charters and code of ethics are among the documents posted at fordfoundation.org/about-us/governance.

AUDIT
Irene Hirano Inouye (Chair)
J. Clifford Hudson
Robert S. Kaplan

EXECUTIVE
Irene Hirano Inouye (Chair)
J. Clifford Hudson
Thurgood Marshall Jr.

FINANCE
Cecile Richards (Chair)
Kofi Appenteng
Robert S. Kaplan

FINANCE
Cecile Richards (Chair)
J. Clifford Hudson
Robert S. Kaplan

INVESTMENT
Peter A. Nadosy

NOMINATING
Irene Hirano Inouye (Chair)
Thurgood Marshall Jr.
Peter A. Nioday

PROXY
Juliet V. García (Chair)
Irene Hirano Inouye
N.R. Narayana Murthy

MANAGEMENT AND GOVERNANCE
Kofi Appenteng (Chair)
Alphonse M. Beschloss
Irene Hirano Inouye
Yolanda Kakabadse
Thurgood Marshall Jr.
Luis A. Ubiñas

TRUSTEE INDEPENDENCE
The foundation places a high value on the independence of our board members. We require that a majority of our trustees be independent, that all trustees serving on the audit and nominating committees be independent, and that trustees on the Audit Committee satisfy additional standards of independence.

When the staff proposes that the foundation fund an organization with which a trustee is affiliated as an employee, officer or trustee, that grant must be reviewed and approved by the Audit Committee. The grant action document, which is reviewed and approved by management before submission to the Audit Committee, details the nature of the trustee affiliation and confirms that the trustee played no role in the initiation or negotiation of the grant.

BOARD COMMITTEES
A seven-person Executive Committee, composed of Board Chair Irene Hirano Inouye, foundation President Luis A. Ubiñas and five other trustees, works with the foundation’s officers and acts on behalf of the board between board meetings. Trustee committees dedicated to management and governance, audit, finance, investment, trustee nominations, proxy votes, and the foundation’s three program areas, meet regularly and guide foundation activities throughout the year.

Public documents that describe the foundation’s governance practices are available on our website. The foundation’s bylaws and articles of incorporation and the board’s committee charters and code of ethics are among the documents posted at fordfoundation.org/about-us/governance.

AUDIT
Irene Hirano Inouye (Chair)
J. Clifford Hudson
Robert S. Kaplan

EXECUTIVE
Irene Hirano Inouye (Chair)
Kofi Appenteng
Yolanda Kakabadse
Thurgood Marshall Jr.
Peter A. Nioday
Cecile Richards
Luis A. Ubiñas

FINANCE
Cecile Richards (Chair)
Kofi Appenteng
J. Clifford Hudson
Robert S. Kaplan

INVESTMENT
Peter A. Nadosy (Chair)
Alphonse M. Beschloss
J. Clifford Hudson
Irene Hirano Inouye
Robert S. Kaplan
Luis A. Ubiñas

NOMINATING
Irene Hirano Inouye (Chair)
Thurgood Marshall Jr.
Peter A. Nioday

PROXY
Juliet V. García (Chair)
Irene Hirano Inouye
N.R. Narayana Murthy
Peter A. Nioday
Cecile Richards

MANAGEMENT AND GOVERNANCE
Kofi Appenteng (Chair)
Alphonse M. Beschloss
Irene Hirano Inouye
Yolanda Kakabadse
Thurgood Marshall Jr.
Luis A. Ubiñas

TRUSTEE INDEPENDENCE
The foundation places a high value on the independence of our board members. We require that a majority of our trustees be independent, that all trustees serving on the audit and nominating committees be independent, and that trustees on the Audit Committee satisfy additional standards of independence.

When the staff proposes that the foundation fund an organization with which a trustee is affiliated as an employee, officer or trustee, that grant must be reviewed and approved by the Audit Committee. The grant action document, which is reviewed and approved by management before submission to the Audit Committee, details the nature of the trustee affiliation and confirms that the trustee played no role in the initiation or negotiation of the grant.

BOARD COMMITTEES
A seven-person Executive Committee, composed of Board Chair Irene Hirano Inouye, foundation President Luis A. Ubiñas and five other trustees, works with the foundation’s officers and acts on behalf of the board between board meetings. Trustee committees dedicated to management and governance, audit, finance, investment, trustee nominations, proxy votes, and the foundation’s three program areas, meet regularly and guide foundation activities throughout the year.

Public documents that describe the foundation’s governance practices are available on our website. The foundation’s bylaws and articles of incorporation and the board’s committee charters and code of ethics are among the documents posted at fordfoundation.org/about-us/governance.

AUDIT
Irene Hirano Inouye (Chair)
J. Clifford Hudson
Robert S. Kaplan

EXECUTIVE
Irene Hirano Inouye (Chair)
Kofi Appenteng
Yolanda Kakabadse
Thurgood Marshall Jr.
Peter A. Nioday
Cecile Richards
Luis A. Ubiñas

FINANCE
Cecile Richards (Chair)
Kofi Appenteng
J. Clifford Hudson
Robert S. Kaplan

INVESTMENT
Peter A. Nadosy (Chair)
Alphonse M. Beschloss
J. Clifford Hudson
Irene Hirano Inouye
Robert S. Kaplan
Luis A. Ubiñas

NOMINATING
Irene Hirano Inouye (Chair)
Thurgood Marshall Jr.
Peter A. Nioday

PROXY
Juliet V. García (Chair)
Irene Hirano Inouye
N.R. Narayana Murthy
Peter A. Nioday
Cecile Richards

MANAGEMENT AND GOVERNANCE
Kofi Appenteng (Chair)
Alphonse M. Beschloss
Irene Hirano Inouye
Yolanda Kakabadse
Thurgood Marshall Jr.
Luis A. Ubiñas

TRUSTEE INDEPENDENCE
The foundation places a high value on the independence of our board members. We require that a majority of our trustees be independent, that all trustees serving on the audit and nominating committees be independent, and that trustees on the Audit Committee satisfy additional standards of independence.

When the staff proposes that the foundation fund an organization with which a trustee is affiliated as an employee, officer or trustee, that grant must be reviewed and approved by the Audit Committee. The grant action document, which is reviewed and approved by management before submission to the Audit Committee, details the nature of the trustee affiliation and confirms that the trustee played no role in the initiation or negotiation of the grant.

BOARD COMMITTEES
A seven-person Executive Committee, composed of Board Chair Irene Hirano Inouye, foundation President Luis A. Ubiñas and five other trustees, works with the foundation’s officers and acts on behalf of the board between board meetings. Trustee committees dedicated to management and governance, audit, finance, investment, trustee nominations, proxy votes, and the foundation’s three program areas, meet regularly and guide foundation activities throughout the year.

Public documents that describe the foundation’s governance practices are available on our website. The foundation’s bylaws and articles of incorporation and the board’s committee charters and code of ethics are among the documents posted at fordfoundation.org/about-us/governance.
On the frontlines worldwide

We support visionary leaders and organizations across the United States and in 10 regions around the world.

This map charts FY 2010 grant spending by region. For a full list of our 2010 grantees, visit fordfoundation.org/2010-grants
Total program approvals
As of September 30, 2010

ECONOMIC OPPORTUNITY & ASSETS

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$120,353,638</td>
<td>3,855,000</td>
<td>3,980,000</td>
<td>1,870,000</td>
<td>3,856,000</td>
</tr>
</tbody>
</table>

Democracy, Rights & Justice

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$170,519,342</td>
<td>4,793,500</td>
<td>4,910,000</td>
<td>4,799,013</td>
<td>2,875,000</td>
</tr>
</tbody>
</table>

Education, Creativity & Free Expression

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$109,413,148</td>
<td>1,891,000</td>
<td>3,667,500</td>
<td>3,800,000</td>
<td>3,758,000</td>
</tr>
</tbody>
</table>

Foundationwide Actions

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,892,149</td>
<td>1,214,000</td>
<td>1,200,000</td>
<td>3,250,459</td>
<td>310,000</td>
</tr>
</tbody>
</table>

Global Initiative on HIV/AIDS

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$9,620,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Program-Related Investments

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$53,500,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

GRAND TOTAL

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$125,916,677</td>
<td>11,677,500</td>
<td>12,707,500</td>
<td>11,679,472</td>
<td>9,788,000</td>
</tr>
</tbody>
</table>

APPROVALS BY PROGRAM GRAND TOTAL: $125,916,677

ECONOMIC OPPORTUNITY & ASSETS

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$120,353,638</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Democracy, Rights & Justice

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$170,519,342</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Education, Creativity & Free Expression

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$109,413,148</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Foundationwide Actions

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,892,149</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Global Initiative on HIV/AIDS

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$9,620,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Program-Related Investments

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$53,500,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

GRAND TOTAL

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>ANDEAN REGION &amp; SOUTHERN CONE</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>EASTERN AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$125,916,677</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
Financial overview

Our mission demands the highest level of financial management. To meet our programmatic ambitions—and ensure that we maximize every possible resource for our grant making—we rigorously manage our endowment and bring exceptional prudence to our internal budgets.

INVESTMENTS

The foundation’s investment portfolio was valued at $10.5 billion at the end of fiscal 2010, versus $10.0 billion at the close of fiscal 2009. The rate of return on the total portfolio was 11.5 percent for the fiscal year, 4.0 percent annualized for the three-year period, 4.6 percent annualized for the five-year period, and 3.1 percent annualized for the 10-year period. For fiscal year 2010, the foundation’s portfolio return exceeded both its mandated minimum 5 percent payout requirement, as well as its internal performance benchmarks. The foundation’s portfolio was positioned to benefit from the ongoing recovery in global equity and fixed-income markets during the year. Primary drivers of performance included domestic and emerging markets equity, private equity, corporate and high-yield bonds, distressed securities and inflation-linked bonds.

The portfolio’s asset allocation changed substantially over the course of the year, as we took advantage of improved market valuations to reduce exposure to public equity, corporate and high-yield debt, and U.S. Treasury securities, and to increase exposure to hedged investments in global equity and credit, as well as opportunistic investments in real assets. This enabled the foundation’s portfolio to achieve strong performance with a moderate level of market risk. The foundation continued to maintain a highly liquid portfolio, providing it with the ability to meet ongoing spending needs and to pursue additional investment opportunities arising from the current economic and market environment.

Our board of trustees approves program and operational budgets on a two-year basis, appropriating one year’s funding at a time. The size of the two-year budget takes into account three considerations: the need to satisfy the U.S. federal payout requirement (the obligation to disburse annually about 5 percent of the average value of the investment portfolio); the objective of preserving the value of the endowment for long-term charitable funding; and program needs and opportunities. Program spending, shown in Chart 2, reflects the grants and program-related investments made in all of the foundation’s offices during the fiscal year. Funds are drawn on allocations made at the outset of the budget period, as well as from the general reserve, an annual set-aside of a portion of the budget. We made the strategic decision to raise our payout rate in 2009 and 2010 to meet all pre-existing commitments and provide grantees with added support in a time of severe economic crisis.

The foundation does not receive outside contributions to its endowment. Our policy has been to try to preserve the real (inflation-adjusted) value of the foundation’s endowment so as to maintain the real value of its program spending. As shown on Chart 3, notwithstanding the decline in investment portfolio values in fiscal year 2009, the foundation has disbursed 4.53 billion, more than four times its 1980 endowment value.
In fiscal year 2010, the foundation pursued several strategies to strengthen our financial position. We restructured our investment portfolio, which helped us realize significant investment gains. We reorganized operations, achieving significant cost reductions across all areas of the foundation. And throughout the year, we maintained our grant making at prior year levels.

Total income amounted to $1.1 billion in fiscal year 2010, compared with a loss of $180 million in fiscal year 2009. Total program activities (primarily grants to organizations and individuals, direct charitable activities and program management) were $521 million. Program management expenditures decreased by 16 percent to $49.6 million. Additionally, general management expenditures decreased 21 percent, to $29.4 million.

PORTFOLIO COMPONENTS
As of September 30 (in millions):

<table>
<thead>
<tr>
<th>Portfolio Component</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Equity Commingled funds</td>
<td>$1,312.8</td>
<td>$1,562.9</td>
</tr>
<tr>
<td>Public Equity Equities</td>
<td>12.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Total Public Equity</td>
<td>$1,325.3</td>
<td>$1,576.4</td>
</tr>
<tr>
<td>Limited marketability</td>
<td>$2,075.8</td>
<td>$197.5</td>
</tr>
<tr>
<td>Alternatives</td>
<td>19.7</td>
<td>19.7</td>
</tr>
<tr>
<td>Private equity &amp; venture capital</td>
<td>18.8</td>
<td>18.8</td>
</tr>
<tr>
<td>Total Limited Marketability</td>
<td>$3,362.9</td>
<td>$398.0</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>$3,715.7</td>
<td>$2,511.2</td>
</tr>
<tr>
<td>Fixed income investments</td>
<td>$697.8</td>
<td>$516.5</td>
</tr>
<tr>
<td>Short-term</td>
<td>23.9</td>
<td>2.9</td>
</tr>
<tr>
<td>Total Fixed Income</td>
<td>$4,010.0</td>
<td>$2,518.6</td>
</tr>
<tr>
<td>Total Portfolio</td>
<td>$10,513.3</td>
<td>$10,039.0</td>
</tr>
</tbody>
</table>

PRogRAM-RELATED INVESTMENTS SUMMARY
As of September 30 (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments outstanding, beginning of fiscal year</td>
<td>$168,752</td>
<td>$149,938</td>
</tr>
<tr>
<td>Activity during year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Investments disbursed</td>
<td>$187,947</td>
<td>$31,937</td>
</tr>
<tr>
<td>— Principal repaid</td>
<td>$11,369</td>
<td>$7,692</td>
</tr>
<tr>
<td>— Investments written off</td>
<td>$7,894</td>
<td>$3,907</td>
</tr>
<tr>
<td>Investments outstanding, end of fiscal year</td>
<td>$198,751</td>
<td>$168,762</td>
</tr>
<tr>
<td>Commitments for investment</td>
<td>$24,944</td>
<td>$21,747</td>
</tr>
<tr>
<td>Total investments and commitments outstanding</td>
<td>$223,695</td>
<td>$190,509</td>
</tr>
<tr>
<td>Allowance for possible losses</td>
<td>$26,219</td>
<td>$22,700</td>
</tr>
<tr>
<td>Program development and support*</td>
<td>$1,917</td>
<td>$2,508</td>
</tr>
<tr>
<td>Investment income received</td>
<td>$2,209</td>
<td>$1,288</td>
</tr>
</tbody>
</table>

* Includes the cost of providing technical assistance to develop new PRIs and manage ongoing investments.

INCOME AND EXPENDITURES
In fiscal year 2010, the foundation pursued several strategies to strengthen its financial position. We restructured our investment portfolio, which helped us realize significant investment gains. We reorganized operations, achieving significant cost reductions across all areas of the foundation. And throughout the year, we maintained our grant making at prior year levels.

Total income amounted to $1.1 billion in fiscal year 2010, compared with a loss of $180 million in fiscal year 2009. Total program activities (primarily grants to organizations and individuals, direct charitable activities and program management) were $521 million. Program management expenditures decreased by 16 percent to $49.6 million. Additionally, general management expenditures decreased 21 percent, to $29.4 million.

PROGRAM-RELATED INVESTMENTS (PRIs)
Each year the foundation invests a portion of its endowment in projects that advance philanthropic purposes in various areas of the foundation’s interest. The trustees have earmarked up to $280 million of the corpus for these investments. The investments are in the form of debt, equity financing or loan guarantees.

As of September 30, 2010, the foundation had $198.7 million in investments and $24.9 million in funding commitments. During the fiscal year, new PRI loan commitments of $53.5 million were made and $49.5 million was disbursed. Principal repayments of $12.4 million were received. The following table summarizes the PRI program for fiscal years 2010 and 2009.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments outstanding, beginning of fiscal year</td>
<td>$168,752</td>
<td>$149,938</td>
</tr>
<tr>
<td>Activity during year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Investments disbursed</td>
<td>$187,947</td>
<td>$31,937</td>
</tr>
<tr>
<td>— Principal repaid</td>
<td>$11,369</td>
<td>$7,692</td>
</tr>
<tr>
<td>— Investments written off</td>
<td>$7,894</td>
<td>$3,907</td>
</tr>
<tr>
<td>Investments outstanding, end of fiscal year</td>
<td>$198,751</td>
<td>$168,762</td>
</tr>
<tr>
<td>Commitments for investment</td>
<td>$24,944</td>
<td>$21,747</td>
</tr>
<tr>
<td>Total investments and commitments outstanding</td>
<td>$223,695</td>
<td>$190,509</td>
</tr>
<tr>
<td>Allowance for possible losses</td>
<td>$26,219</td>
<td>$22,700</td>
</tr>
<tr>
<td>Program development and support*</td>
<td>$1,917</td>
<td>$2,508</td>
</tr>
<tr>
<td>Investment income received</td>
<td>$2,209</td>
<td>$1,288</td>
</tr>
</tbody>
</table>

* Includes the cost of providing technical assistance to develop new PRIs and manage ongoing investments.

FEDERAL REQUIREMENTS
The Internal Revenue Code imposes an excise tax on private foundations equal to 2 percent of net investment income, which is defined as interest, dividends and net realized gains less expenses incurred in the production of income. The tax is reduced to 1 percent for foundations that meet certain distribution requirements, as the foundation did in fiscal years 2010 and 2009. For fiscal year 2010, the tax is estimated to be $11 million, excluding the deferred portion of excise taxes resulting from unrealized appreciation/depreciation on investments. Since fiscal year 1971, the foundation has incurred federal excise taxes of $335 million.

The Internal Revenue Code also requires private foundations annually to disburse approximately 5 percent of the market value of investment assets, less the federal excise tax. The payout requirement may be satisfied by payments for grants, program-related investments, direct conduct of charitable activities and certain administrative expenses. In fiscal year 2010, the foundation had qualifying distributions of $602 million, exceeding the federally mandated payout requirement by $82 million. During the past five years, the foundation has made $3.3 billion in qualifying distributions, exceeding the federally mandated payout requirement by $421 million.
STATEMENTS OF FINANCIAL POSITION
As of September 30 (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>$10,611,679</td>
<td>$10,017,732</td>
</tr>
<tr>
<td>Accrued interest and dividends receivable</td>
<td>26,707</td>
<td>21,864</td>
</tr>
<tr>
<td>Pending securities, net</td>
<td>($2,525)</td>
<td>(8,019)</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$10,742,451</td>
<td>$10,234,860</td>
</tr>
<tr>
<td><strong>LIABILITIES AND UNRESTRICTED NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unpaid grants</td>
<td>$241,636</td>
<td>$243,968</td>
</tr>
<tr>
<td>Payables and other liabilities</td>
<td>67,206</td>
<td>60,500</td>
</tr>
<tr>
<td>Deferred federal excise tax liability</td>
<td></td>
<td>1,194</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>$308,842</td>
<td>$305,662</td>
</tr>
<tr>
<td>Contingencies, commitments and guarantees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriated</td>
<td>39,052</td>
<td>31,553</td>
</tr>
<tr>
<td>Unappropriated</td>
<td>92,535,937</td>
<td>93,897,665</td>
</tr>
<tr>
<td>Total unrestricted net assets</td>
<td>$92,575,089</td>
<td>$94,850,218</td>
</tr>
<tr>
<td><strong>Total Liabilities and Unrestricted Net Assets</strong></td>
<td>$10,742,451</td>
<td>$10,234,860</td>
</tr>
</tbody>
</table>

(See notes to financial statements.)

To The Board of Trustees of the Ford Foundation:

In our opinion, the accompanying statements of financial position and the related statements of activities and cash flows present fairly, in all material respects, the financial position of the Ford Foundation at September 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Ford Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

New York, New York
December 14, 2010

[Signature]
### OPERATING ACTIVITIES

#### INCOME

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends</td>
<td>$100,713</td>
<td>$110,436</td>
</tr>
<tr>
<td>Interest</td>
<td>203,626</td>
<td>171,619</td>
</tr>
<tr>
<td>Realized appreciation (depreciation) on investments, net</td>
<td>908,395</td>
<td>(105,902)</td>
</tr>
<tr>
<td>Unrealized (depreciation) appreciation on investments, net</td>
<td>(108,370)</td>
<td>116,169</td>
</tr>
<tr>
<td>Expenses incurred in the production of income</td>
<td>(54,017)</td>
<td>(29,979)</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>(<strong>1,074,455</strong>)</td>
<td>(<strong>180,407</strong>)</td>
</tr>
</tbody>
</table>

#### EXPENDITURES

<table>
<thead>
<tr>
<th>Program activities:</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants approved</td>
<td>457,172</td>
<td>457,050</td>
</tr>
<tr>
<td>Provision for possible losses on program-related investments</td>
<td>9,728</td>
<td>5,337</td>
</tr>
<tr>
<td>Direct conduct of charitable activities</td>
<td>4,204</td>
<td>3,827</td>
</tr>
<tr>
<td>Program management</td>
<td>49,620</td>
<td>3,827</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>520,724</td>
<td>525,580</td>
</tr>
</tbody>
</table>

#### General management

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for federal excise tax</td>
<td>29,192</td>
<td>37,411</td>
</tr>
</tbody>
</table>

#### NON OPERATING ACTIVITIES

| Pension-related and post-retirement changes other than net periodic pension cost | (402)   | (22,476) |

#### Change in unrestricted net assets from operating activities

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>508,600</td>
<td>(713,623)</td>
</tr>
</tbody>
</table>

### STATEMENTS OF CASH FLOWS

#### CASH FLOWS FROM OPERATING ACTIVITIES:

| Change in unrestricted net assets | $104,571 | $(79,310) |

#### Adjustments to reconcile change in unrestricted net assets to net cash used by operating activities:

- Realized (depreciation) on investments, net | (908,370) | 131,502 |
- Unrealized (depreciation) on investments, net | 108,516 | 116,549 |
- Depreciation | 5,933 | 5,817 |
- Pension-related and post-retirement changes other than net periodic pension costs | 4,029 | 22,076 |
- Provision for possible losses on program-related investments | 9,728 | 5,337 |
- (Decrease) increase in deferred federal excise tax liability | (1,194) | 1,194 |
- (Increase) decrease in federal excise tax receivable | 2,700 | 3,810 |
- Increase in other receivables and assets | (415) | (6,458) |
- Loans disbursed for program-related investments | (493,345) | (31,932) |
- Repayments of program-related investments | 12,369 | 7,492 |
- Grant approvals | 417,372 | 417,020 |
- Grant payments | (459,504) | (474,029) |
- (Decrease) increase in payables and other liabilities | 401 | (32,570) |

**Net cash used by operations**

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(319,758)</td>
<td>$(384,954)</td>
</tr>
</tbody>
</table>

#### CASH FLOWS FROM INVESTING ACTIVITIES:

| Proceeds from sale of investments | 10,956,400 | 7,938,188 |
| Purchase of investments | (10,632,426) | (7,443,898) |
| Purchase of fixed assets | (8,165) | (9,503) |

**Net cash provided by investing activities**

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>317,609</td>
<td>385,325</td>
</tr>
</tbody>
</table>

#### Net (decrease) increase in cash

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2,349)</td>
<td>1,969</td>
</tr>
</tbody>
</table>

**Cash at beginning of year**

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,815</td>
<td>2,815</td>
</tr>
</tbody>
</table>

**Cash at end of year**

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>466</td>
<td>2,815</td>
</tr>
</tbody>
</table>

(See notes to financial statements)
The amount of realized and unrealized appreciation (depreciation) associated with disposal, or market values at the last day of the fiscal year, respectively, and includes dividends and interest as recognized by the general partners. Dividends and interest are recognized as allocated by the general partners. The amount of realized and unrealized appreciation (depreciation) associated with these investments is reflected in the accompanying financial statements.

Investments at Fair Value

The Foundation may hold investments that are either directly purchased in various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) of a NAV investment. Directly owned positions are classified as financial assets. Short-term investments in NAV investments are classified for financial reporting as either available for sale or trading. Equity investments are generally valued based upon the final sales price quoted on major exchanges. Fixed income investments are generally valued based upon quoted market prices from brokers, which represent fair value. Short-term investments generally include credit or debt securities with maturities of less than 2 years.

For directly owned positions, transactions are recorded on a trade date basis. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and include such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation invests in US government and agency obligations, repurchase agreements with dealers, bank offering rate (LIBOR) index floating rate interest bearing obligations and US agency mortgage obligations. Fixed income investments are generally valued based upon quoted market prices from brokers, which represent fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable data (Level 3).

The Foundation invests in a variety of derivative instruments and contracts including forward contracts, futures contracts, swaps, options, and structured derivatives. The Foundation also invests in foreign currency denominated holdings. Derivatives and foreign currency denominated assets may be impacted by changes in currency exchange rates.

The Foundation transacts in a variety of derivative instruments and contracts including forward contracts, futures contracts, swaps, options, and structured derivatives. The Foundation also invests in foreign currency denominated holdings. Derivatives and foreign currency denominated assets may be impacted by changes in currency exchange rates.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.

The Foundation makes investments by either directly purchasing various financial positions, or purchasing a portion of an investment fund’s partnership capital or shares representing net assets (NAV) (as adjusted for subsequent gains or losses through the effective date of reclassification) of a NAV investment. Realized appreciation and depreciation are recognized when realized. Unrealized appreciation and depreciation are recognized when NAV is determined and includes such investments as exchange traded securities and over the counter fixed income investments.
THE CLASSIFICATION OF INVESTMENTS BY LEVEL WITHIN THE VALUATION HIERARCHY
As of September 30, 2010 is as follows (in thousands):

<table>
<thead>
<tr>
<th>Quoted Prices (Level 1)</th>
<th>Significant Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
<th>Total as of 9/30/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$5,311,883</td>
<td>$9,026</td>
<td>$5,362,912</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>52,272</td>
<td>2,469,162</td>
<td>2,521,432</td>
</tr>
<tr>
<td>Short-Term</td>
<td>495,244</td>
<td>495,244</td>
<td>495,244</td>
</tr>
<tr>
<td>Commingled Funds</td>
<td>2,075,840</td>
<td>2,075,840</td>
<td>2,075,840</td>
</tr>
<tr>
<td>Limited Marketability:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alternatives</td>
<td>750,896</td>
<td>1,292,029</td>
<td>2,042,925</td>
</tr>
<tr>
<td>Private Equity &amp; Venture Capital</td>
<td>1,672,828</td>
<td>1,424,017</td>
<td>2,396,841</td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>$10,611,679</td>
<td>$6,348,328</td>
<td>$17,959,007</td>
</tr>
</tbody>
</table>

Accrued Income and Net Payables and Receivables (98,425)

Total investments $10,513,254


<table>
<thead>
<tr>
<th>Quoted Prices (Level 1)</th>
<th>Significant Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
<th>Total as of 9/30/2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$5,311,883</td>
<td>$9,026</td>
<td>$5,362,912</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>52,272</td>
<td>2,469,162</td>
<td>2,521,432</td>
</tr>
<tr>
<td>Short-Term</td>
<td>495,244</td>
<td>495,244</td>
<td>495,244</td>
</tr>
<tr>
<td>Commingled Funds</td>
<td>2,075,840</td>
<td>2,075,840</td>
<td>2,075,840</td>
</tr>
<tr>
<td>Limited Marketability:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alternatives</td>
<td>750,896</td>
<td>1,292,029</td>
<td>2,042,925</td>
</tr>
<tr>
<td>Private Equity &amp; Venture Capital</td>
<td>1,672,828</td>
<td>1,424,017</td>
<td>2,396,841</td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>$10,611,679</td>
<td>$6,348,328</td>
<td>$17,959,007</td>
</tr>
</tbody>
</table>

Accrued Income and Net Payables and Receivables (98,425)

Net Realized and unrealized appreciation (depreciation) in the table above is reflected in the accompanying financial statements. Net unrealized appreciation is related to those financial instruments held by the Foundation as of September 30, 2010.

As of September 30, 2010, the Foundation has investments with a total market value of $15,272 million that have been valued using the NAV as a practical expedient.
Generally refers to investments in private partnerships or investment companies with no redemption rights, the information reflects a range of various terms from multiple investments. Redemption not permitted during the life of the fund. Redistributions may be made at the discretion of the general partners. Not applicable – no redemption ability. Not applicable – no redemption ability.

As of September 30, 2010 and 2009, the Foundation is the buyer (receiving protection) to be made under these interest rate swaps were $4.5 million. As of September 30, 2010 and 2009, the Foundation had interest rate swaps in which the maximum potential liability to the Foundation under this contract is $4.5 million.

Funds generally have initial lockups of 1 year to 10 years including approximately 15% has initial lockups of 1 – 5 years. The remaining funds are redeemable within three years. Total side pockets or restricted assets across the funds are less than 0% of the total investment amount.

The above appreciation (depreciation) on derivatives has been recognized or realized and unrealized appreciation (depreciation) on investments of the Statements of Activities.

As of September 30, 2010, the Foundation had four futures contracts with notional amounts totaling $43.6 million and $0 million, respectively. Changes in the value of forward currency contracts are recognized as unrealized appreciation (depreciation) until such contracts are closed. As of September 30, 2010, the Foundation held interest rate swaps in which the Foundation is the buyer (receiving protection) on a total notional amount of $7.3 million and $0 million, respectively and is the seller (providing protection) on a total notional amount of $7.3 million and $0 million, respectively. The notional amounts of the swaps are not recorded in the financial statements; however, the notional amount does approximate the maximum potential amount of future payments that the Foundation could be required to make (receive) if the Foundation were the seller (buyer) of protection and a credit event were to occur.

CREDIT-RISK CONTINGENT FEATURES

Our derivative contracts generally contain provisions whereby if the Foundation were to default on its obligations under the contract, or if the Foundation were to terminate the management agreement of the investment manager who entered into the contract on our behalf, or if the NAV of the Foundation were to fall below certain levels, the counterparty could require full or partial termination, or replacement of the derivative instruments.

COUNTERPARTY CREDIT RISK

By using derivative instruments, the Foundation is exposed to the counterparty's credit risk—the risk that the derivative counterparties may not perform in accordance with the contractual provisions offset by the value of any collateral received. The Foundation has a counterparty risk associated with the unsecured positions in certain currency and interest rate derivatives.

As of September 30, 2010 and 2009, the Foundation had four futures contracts with notional amounts totaling $43.6 million and $0 million, respectively. Such contracts involve, to varying degrees, risks of loss from the possible inability of counterparties to meet the terms of their contracts. Changes in the value of forward currency contracts are recognized as unrealized appreciation (depreciation) until such contracts are closed.

As of September 30, 2010 and 2009, the Foundation had futures contracts with notional amounts totaling $43.6 million and $0 million, respectively. Such contracts involve, to varying degrees, risks of loss from the possible inability of counterparties to meet the terms of their contracts. Changes in the value of forward currency contracts are recognized as unrealized appreciation (depreciation) until such contracts are closed. As of September 30, 2010 and 2009, the Foundation had interest rate swaps in which the Foundation is the buyer (receiving protection) on a total notional amount of $7.3 million and $0 million, respectively and is the seller (providing protection) on a total notional amount of $7.3 million and $0 million, respectively. The notional amounts of the swaps are not recorded in the financial statements; however, the notional amount does approximate the maximum potential amount of future payments that the Foundation could be required to make (receive) if the Foundation were the seller (buyer) of protection and a credit event were to occur.
As of September 30, 2010, summarized as follows (in thousands):

### Written Credit Derivative Contracts

<table>
<thead>
<tr>
<th>Credit Default Swap Index</th>
<th>Asset Backed Securities</th>
<th>Corporate Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notional amount of future payments (notional amount)</td>
<td>$41,905</td>
<td>—</td>
</tr>
<tr>
<td>Recourse provisions with third parties to recover any amounts paid under the credit derivatives (including any purchased credit protection)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Collateral held by the foundation or other third parties which the foundation can obtain upon occurrence of a triggering event</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Periodic payments made or received on the swaps are included in net realized appreciation and totaled $0.8 million for the year ended September 30, 2010.</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

### Fixed Assets

As of September 30, fixed assets are comprised of (in thousands):

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture, Equipment and Leasehold Improvements, net of accumulated depreciation</td>
<td>$16,129</td>
<td>$14,481</td>
</tr>
<tr>
<td>Buildings, net of accumulated depreciation of $29,997 in 2010 and $30,912 in 2009</td>
<td>$14,687</td>
<td>$14,481</td>
</tr>
<tr>
<td>Land</td>
<td>$4,415</td>
<td>$4,415</td>
</tr>
<tr>
<td>Net of accumulated depreciation of $68,531 in 2010 and $63,101 in 2009</td>
<td>$14,687</td>
<td>$13,703</td>
</tr>
<tr>
<td>Total</td>
<td>$35,251</td>
<td>$32,819</td>
</tr>
</tbody>
</table>

### Other Postretirement Benefits

The Foundation’s defined benefit pension plans and the defined contribution plans cover substantially all New York appointed employees and staff who are locally appointed or overseen offices are covered by other retirement arrangements. The other postretirement benefits which include medical, dental and life insurance. New employees hired on or after June 1, 2009 will be eligible for postretirement medical and dental benefits when they retire with at least 10 years of service and who are at least age 65. The defined benefit pension plans are funded annually in accordance with the minimum funding requirements of the Employee Retirement Income Security Act. The other postretirement benefits are partially funded through a Voluntary Employees’ Beneficiary Association (VEBA).

### Pension Benefits

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial loss</td>
<td>$(527)</td>
<td>$(484)</td>
</tr>
<tr>
<td>Prior service cost</td>
<td>105</td>
<td>117</td>
</tr>
<tr>
<td>Total recognized in non-operating activities</td>
<td>$(104)</td>
<td>$(105)</td>
</tr>
</tbody>
</table>

### Retirement Plans

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial loss</td>
<td>$2,692</td>
<td>$1,061</td>
</tr>
<tr>
<td>Prior service credit</td>
<td>3,785</td>
<td>2,667</td>
</tr>
<tr>
<td>Prior service cost</td>
<td>105</td>
<td>117</td>
</tr>
<tr>
<td>Total recognized in non-operating activities</td>
<td>$5,426</td>
<td>$4,412</td>
</tr>
</tbody>
</table>

### Provisions for Federal Excise Tax

The Internal Revenue Code imposes an excise tax on private foundations equal to a percent of net investment income, which is defined as interest, dividends and net realized gains less expenses incurred in the production of income. The tax is reduced to 1 percent for foundations that meet certain distribution requirements. The current provision for federal excise tax is based on a 1 percent rate in fiscal year 2010 and 2009 on net investment income. The deferred provision on cumulative net unrealized appreciated gain realized in both fiscal years 2010 and 2009 is based on a 2 percent rate. In fiscal year 2010, the Foundation had cumulative unrealized appreciation and totaled $0.8 million for the year ended September 30, 2010.

### Provisions for Federal Excise Tax, See Note 4

Amounts recognized in non-operating activities consist of:

- Prior service cost (credit) | $(117) | $(216) |
- Net loss | 1,397 | 792 |
- Total amount recognized | $1,280 | $1,084 |
- Net periodic benefit cost recognized | 460 | 134 |
- Employer contribution | 799 | 700 |
- Benefits paid | 2,402 | 1,101 |

### Other Changes in Plan Assets and Benefit Obligations

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial loss</td>
<td>$18,064</td>
<td>$13,703</td>
</tr>
<tr>
<td>Prior service credit</td>
<td>3,738</td>
<td>2,667</td>
</tr>
<tr>
<td>Total recognized in non-operating activities</td>
<td>$21,802</td>
<td>$16,370</td>
</tr>
</tbody>
</table>

### Other Changes in Plan Assets and Benefit Obligations Recognized in Non-Operating Activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gains (loss)</td>
<td>$(1,017)</td>
<td>$(4,727)</td>
</tr>
<tr>
<td>Amortization of loss</td>
<td>(527)</td>
<td>(484)</td>
</tr>
<tr>
<td>Amortization of prior service cost</td>
<td>105</td>
<td>117</td>
</tr>
<tr>
<td>Recognition of actuarial gain due to special event</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Recognition of loss due to settlements</td>
<td>(249)</td>
<td>—</td>
</tr>
<tr>
<td>Recognition of PSC due to FAS 88 event</td>
<td>52</td>
<td>—</td>
</tr>
<tr>
<td>Total recognized in non-operating activities</td>
<td>$(2,270)</td>
<td>4,412</td>
</tr>
<tr>
<td>Total recognized in net periodic benefit cost and non-operating activities</td>
<td>$(5,537)</td>
<td>$12,727</td>
</tr>
</tbody>
</table>

### Other Operating and Finance Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual loss</td>
<td>$11,054</td>
<td>$8,445</td>
</tr>
<tr>
<td>Prior service credit</td>
<td>$(542)</td>
<td>$(565)</td>
</tr>
<tr>
<td>Total recognized in non-operating activities</td>
<td>$(11,606)</td>
<td>$(9,110)</td>
</tr>
</tbody>
</table>

### Weighted Average Assumptions (used to determine benefit obligations and net periodic costs)

- Discount rate (benefit obligation): 4.00% 4.00% 4.00% 4.00%
- Discount rate (net periodic costs): 5.50% 7.45% 5.75% 7.45%
- Expected rate of return on plan assets: 7.00% 7.00% 7.00% N/A
- Realized rate of return on plan assets: 4.00% 4.00% 4.00% 4.00%
For measurement purposes, a healthcare cost trend rate of 0% and 6% was used to measure the other postretirement benefit obligation at September 30, 2010 and 2009, respectively. As of September 30, 2010, the obligations reflect an initial trend for fiscal year 2011 of 5%. This trend is assumed to increase for the next several years to 7% and then begin a gradual decline to 5% in the year 2020 and beyond. A 1% point change in assumed healthcare cost trend rates would have the following effects:

<table>
<thead>
<tr>
<th>1% Increase</th>
<th>1% Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect on total of service and interest cost components</td>
<td>$762,801</td>
</tr>
<tr>
<td>Effect on other postretirement benefit obligation</td>
<td>17,012,891</td>
</tr>
</tbody>
</table>

The expense recorded by the Foundation related to contributions to the defined contribution plan aggregated $5.3 million and $5.9 million in each of the years ended September 30, 2010 and 2009, respectively.

LEVEL 3 INVESTMENT ASSETS

The Level 3 investment assets include TIAA Group Annuity Contract (Guaranteed Insurance Contracts). The classification of an investment within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

The investment strategy is to manage investment risk through prudent asset allocation that will produce a rate of return commensurate with the plans’ obligations. The Foundation expects to continue the investment allocations as noted above. The Foundation’s overall expected long-term rate of return on plan assets is based upon historical long-term returns of the investment performance adjusted to reflect expectations of future long-term returns by asset class. The Foundation is expected to make pension contributions of $889,500 in fiscal year 2011.

ESTIMATED FUTURE BENEFIT PAYMENTS, WHICH REFLECT EXPECTED FUTURE SERVICE, AS APPROPRIATE, ARE EXPECTED TO BE PAID AS FOLLOWS:

<table>
<thead>
<tr>
<th>As of September 30 (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-----</td>
</tr>
<tr>
<td>$2,934</td>
</tr>
</tbody>
</table>

The following table presents investments in the defined benefit pension plans and post-retirement plan at fair value by caption and by level within the valuation hierarchy as of September 30, 2010. The table also includes the combined weighted-average asset allocation for the Foundation’s defined benefit pension plans and post-retirement plan as of September 30, 2010 as follows:

<table>
<thead>
<tr>
<th>DEFINED BENEFIT PLAN</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Totals</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annuities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guaranteed Insurance Contracts</td>
<td>$5,927</td>
<td>$5,927</td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>$16,071</td>
<td>16,071</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td>9,364</td>
<td>9,364</td>
<td>30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate</td>
<td>$7,995</td>
<td>7,995</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total investments in defined benefit plans</td>
<td>$23,542</td>
<td>$23,542</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>POST-RETIREMENT PLAN</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vanguard Total Stock Market Index</td>
<td>$11,092</td>
<td>$11,092</td>
<td>28%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vanguard FTSE All-World Ex-US Index</td>
<td>11,282</td>
<td>11,282</td>
<td>29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vanguard Total Bond Market Index</td>
<td>13,029</td>
<td>13,029</td>
<td>41</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total investments in post-retirement plan</td>
<td>$33,403</td>
<td>$33,403</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

LEVEL 3 INVESTMENT ASSETS

The Level 3 investment assets include TIAA Group Annuity Contract (Guaranteed Insurance Contracts). The classification of an investment within Level 3 is based upon the significance of the unobservable inputs to the overall fair value measurement.

Guaranteed Insurance Contracts (in thousands)

<table>
<thead>
<tr>
<th>Balance at September 30, 2009</th>
<th>$3,961</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers</td>
<td>(15)</td>
</tr>
<tr>
<td>Interest</td>
<td>223</td>
</tr>
<tr>
<td>Distributions/Redemptions</td>
<td>(597)</td>
</tr>
<tr>
<td>Balance at September 30, 2010</td>
<td>$3,927</td>
</tr>
</tbody>
</table>

The investment strategy is to manage investment risk through prudent asset allocation that will produce a rate of return commensurate with the plans’ obligations. The Foundation expects to continue the investment allocations as noted above. The Foundation’s overall expected long-term rate of return on plan assets is based upon historical long-term returns of the investment performance adjusted to reflect expectations of future long-term returns by asset class. The Foundation is expected to make pension contributions of $889,500 in fiscal year 2011.

ESTIMATED FUTURE BENEFIT PAYMENTS, WHICH REFLECT EXPECTED FUTURE SERVICE, AS APPROPRIATE, ARE EXPECTED TO BE PAID AS FOLLOWS:

<table>
<thead>
<tr>
<th>As of September 30 (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-----</td>
</tr>
<tr>
<td>$2,934</td>
</tr>
</tbody>
</table>

NOTE 6

CONTINGENCIES, COMMITMENTS AND GUARANTEES

The Foundation is involved in several legal actions. The Foundation believes it has defenses for all such claims, believes the claims are substantially without merit, and is vigorously defending the actions. In the opinion of management, the final disposition of these matters will not have a material effect on the Foundation’s financial position. As part of its program-related investment activities, the Foundation is committed to provide $54.9 million of loans to not-for-profit organizations once certain conditions are met. Further, as part of its investment management activity, the Foundation is committed to additional funding of $0.6 billion in private equity and other investment commitments.

NOTE 7

SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through December 14, 2010, the date the financial statements were issued, and believes no additional disclosures are required in the financial statements.
Our programs

We work in three program areas that reflect our mission and values and encompass the nine issues and corresponding initiatives through which we make our grants to organizations working on the frontlines of social change around the world.

DEMOCRACY, RIGHTS AND JUSTICE
Maya L. Harris, Vice President

- Increasing Civic and Political Participation
- Strengthening Civil Society
- Promoting Electoral Reform and Democratic Participation
- Promoting Transparent, Effective and Accountable Government
- Reforming Criminal and Civil Justice Systems

ECONOMIC OPPORTUNITY AND ASSETS
Paula J. Farias, Vice President

- Ensuring Good Jobs and Access to Services
- Promoting the Next-Generation Workforce Strategies
- Building Economic Security Over a Lifetime
- Improving Access to Financial Services
- Expanding Livelihood Opportunities for Poor Households

EDUCATION, CREATIVITY AND FREE EXPRESSION
Darren Walker, Vice President

- Transforming Secondary Education
- Advancing Higher Education Access and Success
- Building Knowledge for Social Justice
- Promoting Media Rights and Access
- Supporting Diverse Arts Spaces

ECONOMIC FAIRNESS

- Promoting Metropolitan Land-Use Innovation
- Expanding Community Rights Over Poor Households
- Building Economic Security Over a Lifetime
- Ensuring Good Jobs and Access to Services
- Promoting the Next-Generation Workforce Strategies

EDUCATIONAL OPPORTUNITY AND SCHOLARSHIP

- Advancing Political Reform
- Promoting Electoral Reform and Democratic Participation
- Strengthening Civil Society
- Increasing Civic and Political Participation
- Reforming Criminal and Civil Justice Systems

HUMAN RIGHTS

- Strengthening Human Rights Worldwide
- Protecting Women’s Rights
- Reducing HIV/AIDS Disenfranchisement and Exclusion
- Protecting Immigrant and Migrant Rights
- Advancing Racial Justice and Minority Rights
- Reforming Civil and Criminal Justice Systems

METROPOLITAN OPPORTUNITY

- Supporting Community Rights Over Poor Households
- Building Economic Security Over a Lifetime
- Ensuring Good Jobs and Access to Services
- Promoting the Next-Generation Workforce Strategies
- Expanding Livelihood Opportunities for Poor Households

FREEDOM OF EXPRESSION

- Promoting Reproductive Rights and the Right to Reproduction
- Supporting Sexuality Research
- Expanding Community Rights Over Poor Households
- Building Economic Security Over a Lifetime
- Ensuring Good Jobs and Access to Services

SOCIALJustice PHILANTHROPY

- Mobilizing Philanthropic Resources for Social Justice
- Expanding Community Rights Over Poor Households
- Building Economic Security Over a Lifetime
- Ensuring Good Jobs and Access to Services
- Promoting the Next-Generation Workforce Strategies

SUSTAINABLE DEVELOPMENT

- Expanding Community Rights Over Poor Households
- Building Economic Security Over a Lifetime
- Ensuring Good Jobs and Access to Services
- Promoting the Next-Generation Workforce Strategies
- Expanding Livelihood Opportunities for Poor Households

SEXUALITY AND REPRODUCTIVE HEALTH AND RIGHTS

- Supporting Reproductive Health Education
- Promoting Reproductive and the Right to Reproduction
- Sexual and Reproductive Health Education Policies and Programs for Adolescent Sexual and Reproductive Health

Our offices worldwide

UNITED STATES
HEADQUARTERS
200 East 41st Street
New York, NY 10017

AFRICA AND MIDDLE EAST
EASTERN AFRICA
- Fahye, Lilian Towers, 12th Floor
- Upper Hill Road
- Nairobi, Kenya

MIDDLE EAST AND NORTH AFRICA
- Higher Building
- 12, Orixy Street, 13th Floor
- Garden City
- Caire, 1, 1911
- Egypt

SOUTHERN AFRICA
- 17th Floor, Braamfontein Centre
- 3, Jansen Street
- Braamfontein 2001
- Johannesburg, South Africa

WEST AFRICA
Ten 103 Close
Riverside Island, Ikoyi
Lagos, Nigeria

ASIA
CHINA
- International Civil Office Building
- Suite 301
- Jangoommun Daed No. 21
- Beijing, China 100020

INDIA, NEPAL AND SRI LANKA
- 12, Lodi Estate
- New Delhi 110 103
- India

INDONESIA
- Savandi Center, 11th Floor
- Jl. Jend. Sudirman 71
- Jakarta 129
- Indonesia

LATIN AMERICA AND CARIBBEAN
ANDean Region and South ern Cone
- Alamos Sánchez Fantasia 209
- Pto 74
- Lima
- Peru

BRAZIL
- Praia do Flamengo 54
- RJ Angra
- CEP 22200-002
- Rio de Janeiro, R.J.
- Brazil

MEXICO AND CENTRAL AMERICA
- Emilio Castellar 191
- Colima Palermo
- Mexico DF P

CREDITS

Red Foundation 2010 Annual Report
Since our founding in 1936, nine presidents have guided the foundation. Learn more about these dynamic leaders at fordfoundation.org/about-us/history/presidents
Watch your recent events.

Meet our visionaries.

Learn about our grant making.

Explore our annual report online.

fordfoundation.org