


COLLECTIVE  
ACTION  N  
CREATES  
POSITIVE  
CHANGE

the beldon fund annual report 2001

## ADDENDUM TO 2001 ANNUAL REPORT

December 4, 2002

Dear Beldon Fund friends and colleagues:

In May 2001, the Beldon Fund focused its grantmaking in three major program areas: human health and the environment, key states, and corporate campaigns. While grantmaking was initiated immediately in the first two areas, we delayed the launch of corporate campaigns at the request of the Board of Trustees. The purpose of the delay was to allow time for a thorough evaluation of grantmaking opportunities in this important area. We have not entertained unsolicited proposals to the corporate campaign area during this evaluation period.

After considerable analysis and discussion in the past year, the Board of Trustees decided in its most recent board meeting not to initiate a separate corporate campaigns program. Instead, the Beldon Fund will focus its work solely in human health and the environment, key states, and its discretionary program. This decision is effective as of November 1, 2002.

The Board of Trustees believes there is considerable merit in using corporate campaign strategies to promote environmental protection. However, the foundation found that limited funding, the challenges in mounting successful multi-year corporate campaigns, the limited lifespan of the Beldon Fund, and the comparative importance of Beldon's existing grantmaking, did not permit the launch of a separate corporate campaigns program.

The Beldon Fund's guidelines have been modified to reflect this change at <http://www.beldon.org>. Please direct any questions you may have to Holeri Faruolo or Avery Wentzel at (212) 616-5600. We welcome your questions and comments and thank you for your ongoing support of our mission.

With best wishes,

William J. Roberts

Executive Director



# OUR ENVIRONMENT CONNECTS US ALL

Environmental concerns connect us in ways that few things do: Linda, a thirty year-old attorney in New York is battling her endometriosis; Ray an Ohio farmer struggles with lymphoma; Jorge is fighting to grow up with lungs weakened from living in the shadow of an oil refinery. All of us are personally impacted by the environmental conditions in which we live.

the most daunting challenges will not be met unless people take far-reaching action to safeguard the future. yet, individuals feel increasingly powerless to change their environment for the better. working together can give us the power to protect ourselves and shape a healthier planet.

We cannot allow apathy to substitute for action. In 2001, the Beldon Fund focused its grants on transforming personal environmental awareness into collective action that fuels change.



# A REPORT FROM THE PRESIDENT

There is no way a private foundation can support grassroots activists, right? WRONG. And there is no way a private foundation can support a public charity that lobbies, right? WRONG AGAIN. In fact, private foundations are allowed by law to do both of the above, and as you peruse this Beldon Fund Annual Report you will find plenty of examples to illustrate both situations. So the question obviously arises, why don't foundations support more grassroots groups and public charities that lobby? Why are so many foundations scared of advocacy in general?

While I'm sure there are many answers to these questions, one key reason is that timid foundation lawyers find it easier to tell board members and staff to avoid advocacy rather than taking the time to find the permissible limits of grantmaking. Thus, the first rule for board members of any private foundation that wants to become more active in supporting grass roots activists—to give voice to the voiceless—is to get a lawyer on board who is intimately familiar with what the law does and does not allow.

The best resource available to staff, board members and lawyers is from The Alliance for Justice (202-822-6070) ([www.afj.org](http://www.afj.org)) and entitled *Myth v. Fact-Foundation Support of Advocacy*. Check it out!

The Beldon Fund will continue to fund hard-hitting advocacy to the fullest extent of the law because we believe that without this kind of commitment, special interests will continue to block progress on environmental issues.

In conclusion, I'd like to make a few comments about some of the changes in our board since our last annual meeting. I regret to announce that Roger Milliken Jr. has resigned from the board to spend more time and energy on behalf of The Nature Conservancy where he is now a board member. Roger rendered the Beldon Fund invaluable service in getting us started and especially in helping us in our early financial planning. We will miss his gentle manner, insightful wisdom and heartfelt advice. I know that the whole board joins me in wishing him well in his work with The Nature Conservancy.

We are very fortunate to have as our latest addition to the board, Ruth Hennig, Executive Director of the John Merck Fund. Ruth's lengthy foundation experience in general, and her knowledge about environmental health in particular are already proving helpful to the operations of the Beldon Fund.

Finally, I wish to thank all the board members for their hard work in keeping the foundation on a steady course. And my thanks once again to Bill Roberts, Anita Nager, Dick Mark, Azade Ardali, and all staff members for their individual contributions in making the Beldon Fund a growing force for protecting our hurting planet.



John R. Hunting, President





# A LETTER FROM THE EXECUTIVE DIRECTOR

Last year, the Beldon Fund sharpened the focus of its grantmaking and the results are beginning to pay off—in many ways.

Our Key States program seeks to strengthen the advocacy capacity of environmentalists in a select number of important states. Already, collaborations of groups in Michigan, Minnesota, and Wisconsin are making the environment a pivotal issue for policymakers. Michigan environmental groups have recently sponsored a nonpartisan forum on the environment for the state's gubernatorial candidates for the first time in decades, and a similar forum was held in Wisconsin earlier this year, hosted by the Wisconsin Stewardship Network.

Dozens of Minnesota groups, working under the banner of the Minnesota Environmental Partnership (MEP), have mounted a statewide campaign to protect Minnesota's water resources. And, the North Carolina Conservation Network has made tremendous strides to link together the dispersed environmental community in that state (see the profile on page 15). Finally, Beldon has redoubled its efforts to address advocacy needs in Florida, with stepped up grantmaking planned for the latter half of 2002 and early 2003.

Meanwhile, Beldon's Human Health and the Environment program is hitting its stride. The New Advocates focus, which seeks to raise awareness of environmental health concerns among doctors, nurses, health-affected groups, public health professionals, parents and teachers, has supported the advocacy work of breast cancer survivors, parent-teacher organizations, medical associations, nurses associations, hospital workers, and many others who are not customarily considered 'environmentalists', in the battle against toxic chemicals.

The Human Exposure focus, which is intended to reveal the link between toxic chemicals and health, is taking root. Right-to-know about toxic exposure in communities, in products, and in our bodies is at the core of our program interests. We are actively exploring whether new advances in medical technology, genomics, biomonitoring, and other scientific trends may help us finally

to produce the 'smoking gun' that links long-term chronic chemical exposure to disease. We have already seen how scientific advances and genetic technologies have reshaped the debate in death penalty cases. Brand new technologies, like toxicogenomics, may have similar dramatic impacts—both positive and negative—in how we control exposure to toxic chemicals.

We are also proud to support the groups working to train young leaders in the Environmental Justice movement. We have profiled one of these groups, the Asian-Pacific Environmental Network (APEN), later in this report (page 12). But, APEN represents only one example of many terrific efforts to nurture a new generation of environmental leaders.

Finally, we continue to explore ways to assist the environmental community in reducing the influence corporations have in shaping environmental policy. Thus far, we have sponsored trainings designed to improve advocacy skills, while determining whether or not the Beldon Fund can play a meaningful role in corporate campaigns.

With seven years to go in the life of the Beldon Fund, we are hopeful and excited about the course we've charted and, most importantly, about the results from our grantees. We will continue to find ways to use our resources to strengthen the influence and reach of environmental advocacy. The planet deserves no less.



William J. Roberts, Executive Director





by focusing its efforts on three intertwined programs, human health and the environment, key states, and corporate campaigns, the beldon fund helps build the power necessary to achieve and sustain a healthy planet.

HUMAN  
HEALTH AND THE  
ENVIRONMENT  
KEY STATES  
CORPORATE  
CAMPAIGNS



The Human Health and the Environment program seeks to add new, powerful voices to promote a national consensus on the environment and to activate the public on issues that matter to people in a deeply personal and potent way.

The Key States program focuses on particular states where the power of a growing, energized consensus for environmental protection can be organized and brought to bear on public policy and policy makers.

The Corporate Campaigns program seeks to answer the constant and growing efforts by many corporations to block the development of a national consensus on the environment and the achievement of real, sustainable progress on the health of our planet.

“when it comes right down to it, protecting the environment means protecting ourselves and our children.”

— endometriosis association member: patty, ontario



# HUMAN HEALTH AND THE ENVIRONMENT

## KEY STATES CORPORATE CAMPAIGNS

endometriosis association, milwaukee, WI

\$90,000/3 years: to mobilize women and girls who have endometriosis to take action on behalf of their health by participating in campaigns to stop human exposure to environmental contaminants.

## FIGHTING DISEASE THROUGH ENVIRONMENTAL ADVOCACY

### endometriosis association

Crippled with abdominal pain and unable to get pregnant, Jenna was finally diagnosed with a disease called endometriosis. What doctors did not know at the time was that her disease could have been caused by exposure to toxic chemicals; it could have been prevented.

Endometriosis is an incurable endocrine and immune disease affecting an estimated 89 million women and girls around the world, regardless of ethnic or social origin. In endometriosis, tissue which is similar to that found in the uterus is found outside the uterus. A growing body of research has shown that organochlorines, including dioxin, leached into the environment from the incineration of PVC—the second most common plastic used in consumer products across the country—can imitate bodily hormones and trigger the disease. The EPA estimates that adults consume 300-600 times the daily “safe” dioxin intake levels. If Jenna, or any woman, breastfeeds her baby, some of the dioxin that has built up in her body will pass through her breastmilk to the infant, continuing the cycle of toxic contamination and disease.

Through their support groups around the country, the Endometriosis Association is helping women, girls, doctors, and their families not only cope with the disease but take action: demanding that hospitals stop using disposable products made from PVC and convincing government agencies of the danger that these toxic chemicals pose to our health. Before she was diagnosed with endometriosis Jenna never thought about the toxins in the environment and in her own body. She certainly never thought she'd become an activist. The Endometriosis Association helps these new voices take action to protect their own health, that of their families, and future generations.

# HUMAN HEALTH AND THE ENVIRONMENT

KEY STATES  
CORPORATE  
CAMPAIGNS

asian pacific environmental network:  
asian youth advocates, oakland, CA

\$50,000/2 years: to support the Network's  
Youth Initiative to develop the leadership and  
organizing capacity of young Laotian women in  
the San Francisco Bay area.

## BUILDING THE NEXT GENERATION OF CHAMPIONS

asian pacific environmental network:  
asian youth advocates

West Contra Costa County, in the shadow of the affluent San Francisco Bay, is home to Nita Sisamouth, a 17 year old Laotian immigrant. The county is also home to dozens of polluting industrial facilities: facilities that seriously endanger the health of Nita's community.

It has been easy for polluting facilities to locate in West Contra Costa County. Or, it was, until the Asian Pacific Environmental Network (APEN) launched a program called Asian Youth Advocates (AYA) helping high-school aged Laotian women become leaders, peer educators, and advocates for their community.

When AYA was launched Nita was already acting as a bridge for her family between Laotian tradition and American culture, but she never thought she could change the conditions under which they live. "Being in AYA has helped me have a positive voice, and to be heard not only by youth and our friends, but by the adults who make decisions affecting the places we live." Trained by APEN she became an outspoken community advocate for environmental and social justice issues.

Working alongside their elders in the Laotian Organizing Project, Nita and the other AYA members have organized and mobilized other residents to demand the clean up of the Drew Scrap Metal site that contaminates their community with lead and cadmium; to monitor toxic emissions from the General Chemical plant and the Chevron oil refinery; and to pressure the County to implement a multilingual phone-alert system.

The residents of West Contra Costa County aren't alone. Nita has made connections between the toxic conditions in which she lives to other poor neighborhoods throughout the country impacted by polluting companies, toxic

waste, and superfund sites. Through AYA, Nita has swapped personal experiences and campaign strategies with youth organizers in African-American, Latino, and other communities fighting for their right to live in a clean and safe environment.

AYA is growing the next generation of leaders, committed to their local communities as well as to the health and well-being of all people.

"my voice can be heard, not only by my friends, but by the adults who make decisions affecting the place I live."

— Nita, age 18





"through the collective work of the ConNet coordinated watershed alliance, I have learned more about the issues facing other watersheds and how the problems we face in common might be best solved through group effort."

—mary alsentzer; executive director; pamlico-tar river foundation

HUMAN  
HEALTH AND THE  
ENVIRONMENT  
KEY STATES  
CORPORATE  
CAMPAIGNS

north carolina conservation network,  
raleigh, NC

\$40,000/1 year: to collaborate with NetCorps, a technology assistance group, on a project to develop an information-sharing and communications system for North Carolina environmental groups.

## COMBINING FORCES TO WIN

### north carolina conservation network

Just over a year ago, North Carolina's rivers were in serious danger: Bills in the General Assembly took aim at the Tar-Pamlico and Neuse river buffer rules and would undermine clean-up standards from contaminated groundwater. At the same time the state's financial crisis threatened the Clean Water Management Trust Fund, and hiring freezes seemed likely to keep inspectors from enforcing the remaining water protections. Although a number of organizations were working independently of one another trying to stop the assault, none were having success.

Coordinated through the North Carolina Conservation Network(ConNet), a group formed in 1998 to facilitate collaborative advocacy, and in conjunction with river basin and water quality advocacy organizations, ninety activists from across North Carolina decided to work together. Their efforts included convening at the state capital to hold a "Clean Water Lobby Day" at the General Assembly. They got the word out to the public on the importance of the Clean Water Trust and its imperilment. As a result, most of the bills that threatened water quality protections were halted or improved. Encouraged by their success working together, eleven of the groups involved in the lobby day have decided to form a lasting coalition to be called the North Carolina Watershed Alliance and are developing a long-term coordinated campaign plan.

This isn't the only alliance convened by the North Carolina Conservation Network. Environmental justice groups, church groups, grassroots community groups, and the larger statewide advocacy groups have joined together in an effort to ban the landfilling of electronics waste in North Carolina—waste that leaches lead, mercury, and other toxics into groundwater. By providing the infrastructure for coordinated action and creating a forum for advocacy groups to identify areas of overlap in their agendas ConNet has already greatly strengthened environmental advocacy in the state and can pave the way for North Carolina to become a leader in environmental protection.



# BELDON FUND 2001 GRANTS

For a listing of current grants, please visit our website: [www.beldon.org](http://www.beldon.org)

## HUMAN HEALTH & THE ENVIRONMENT

### new advocates

#### **American Lung Association, Washington, DC**

\$75,000/1 year: to support the National Ambient Air Quality Standard Review Project to protect revised standards that set the legally allowable limits for various air pollutants in the United States.

#### **Beyond Pesticides/National Coalition Against the Misuse of Pesticides, Washington, DC**

\$100,000/2 years: to support the Healthy Schools Project, which supplies technical information to parents and teachers, so they can further policies at the local, state, and national levels to make schools safe and healthy for children.

#### **Californians for Pesticide Reform, a project of Pesticide Action Network, San Francisco, CA**

\$150,000/2 years: a grant to Pesticide Action Network recommended for its support of Californians for Pesticide Reform's work to coordinate a state level environmental health advocacy coalition, led by environmental and consumer groups, physicians, and women's cancer activists.

#### **Commonweal, Bolinas, CA**

\$200,000/2 years: to support Commonweal's Environmental Health Project, which will convene organizations that represent health-impacted people and help them develop their capacity for coordinated environmental health advocacy.

#### **Endometriosis Association, Milwaukee, WI**

\$90,000/3 years: to mobilize women and girls who have endometriosis to take action on behalf of their health by participating in campaigns to stop human exposure to environmental contaminants.

#### **Environment and Human Health, North Haven, CT**

\$40,000/1 year: a general support grant to support the programs of this organization, which is comprised primarily of medical and public health experts in the state of Connecticut, including its environmental health advocacy work.

#### **Institute for Agriculture and Trade Policy, Minneapolis, MN**

\$200,000/2 years: to support the Institute's Building Public Health Into Environmental Advocacy project to reach out and include medical and public health professionals in advocacy campaigns against pollution and overuse of antibiotics.

#### **Institute for Children's Environmental Health, a project of The Tides Center, San Francisco, CA**

\$25,000/1 year: a grant to The Tides Center recommended for support of its project the Institute for Children's Environmental Health's May 2001 conference of organizations working to protect children's environmental health.

**Massachusetts Precautionary Principle Project, a project of the Massachusetts Breast Cancer Coalition, Randolph, MA**

\$200,000/2 years: a grant to the Massachusetts Breast Cancer Coalition recommended for its support of the Massachusetts Precautionary Principle Project, which promotes the use of the Precautionary Principle in public policy.

## human exposure to toxic chemicals

**Citizens Policy Center, Cleveland, OH**

\$50,000/1 year: a general support grant to mobilize the public to strengthen and enforce environmental laws, develop strong public policy, protect vulnerable populations from the disproportionate effects of pollution, and challenge industrial practices.

**Clean Water Fund, Washington, DC**

\$200,000/2 years: to support the Fund's Campaign for Safe and Affordable Drinking Water and to increase the safety and health of people who depend on water resources, with a special emphasis on drinking water consumers.

**Communities for a Better Environment, Oakland, CA**

\$150,000/1 year: a general support grant to support programs that provide grassroots activism, environmental research and legal assistance within underserved urban communities and that directly equip residents impacted by industrial pollution with the tools to inform, monitor and transform their immediate environment.

**Friends of the Earth, Washington, DC**

\$150,000/2 years: a general support grant to support the activities of Friends of the Earth, including human health and the environment programs that include right-to-know initiatives, community support programs, and air monitoring of methyl bromide applications in Florida.

**Louisiana Bucket Brigade, New Orleans, LA**

\$50,000/1 year: a general support grant to support programs that train people who live near industrial production or waste sites to investigate and expose industry abuses by acting as air monitors, organizers, and community advocates.

**Ohio Environmental Council, Columbus, OH**

\$50,000/1 year: a general support grant to support the activities of the Council, including efforts to reduce the pathogens dumped into Ohio's waters by concentrated animal feedlot operations.

**Focus Project, Washington, DC**

\$300,000/2 years: a general support grant to support the programs of the Project, including an initiative to strengthen the public's right to know about toxics, health, and corporate power in order to protect public health and the environment.

**Oregon Environmental Council, Portland, OR**

\$50,000/1 year: a general support grant to support the activities of the Council, including the Healthy Environment Initiative to educate the public and decision makers about environmental risks to human health, to build partnerships and effective advocacy campaigns in support of new public policies to address those threats, and to secure major policy reforms.

**Silicon Valley Toxics Coalition, San Jose, CA**

\$60,000/1 year: a general support grant to support the programs of the Coalition, including sustainable water work in the San Francisco Bay region, the International Campaign for Responsible Technology, environmental health and justice programs, and the Clean Computer Campaign to champion the best practices in high-tech manufacturing.

**U.S. PIRG Education Fund, Washington, DC**

\$200,000/1 year: a general support grant to support the activities of the Fund, including the Campaign to Stop Global Warming to educate the public about the threat of global warming and the opportunities for domestic action and the Toxics and Public Health Campaign to defend and expand the public's right to know and to promote new strategies for protecting the public from toxic pollution.

**Vermont Public Interest Research & Education Fund, Montpelier, VT**

\$50,000/1 year: to support the Environment & Health Campaign to eliminate human health hazards stemming from environmental pollutants by conducting campaigns to advocate for the right to clean water; to protect children from exposure to environmental toxics, and to maintain a healthy food supply.

**Working Group on Community Right-To-Know, a project of U.S. Public Interest Research Group Education Fund, Washington, DC**

\$50,000/1 year: a grant to U.S. Public Interest Research Group Education Fund recommended for its support of the Working Group's efforts to implement strategic priorities to defend community right-to-know programs, policy debates, and to obtain and use information at local, regional and national levels.

**environmental justice**

**Active Element Foundation, a project of Third Sector New England, Boston, MA**

\$50,000/1 year: a grant to Third Sector New England recommended for its support of Active Element Foundation's efforts to encourage civic leadership among people under 30 years old engaged in environmental justice activism.

**Alternatives for Community and Environment, Roxbury, MA**

\$100,000/2 years: a general support grant to provide legal and technical support, educational programs, and organizing assistance to community groups throughout New England to solve environmental problems and develop local environmental leadership.

**Asian Pacific Environmental Network, Oakland, CA**

\$50,000/2 years: to support the Network's Youth Initiative to develop the leadership and organizing capacity of young Laotian women in the San Francisco Bay area.

**Environmental Justice Fund, Oakland, CA**

\$100,000/1 year: to support the Second National People of Color Environmental Leadership Summit (Summit II) Planning Committee's leadership development and youth organizing activities leading up to and including the October 2002 conference.

**Harambee House, Savannah, GA**

\$50,000/2 years: to support Harambee House's Black Youth Leadership Development Institute, a national training institute for young people between the ages of 12 and 21 who come from targeted African-American environmental justice communities.

**Labor Community Strategy Center, Los Angeles, CA**

\$150,000/2 years: to support the Center's National School for Strategic Organizing, which trains over 50 environmental and social justice leaders each year.

**National Black Environmental and Economic Justice Coordinating Committee, a project of the Preamble Center, Washington, DC**

\$15,000/1 year: a grant to the Preamble Center recommended for its support of the National Black Environmental and Economic Justice Coordinating Committee's meetings on alternative economic development and clean production strategies for communities.

**People Organizing to Demand Environmental and Economic Rights (PODER), a project of The Tides Center, San Francisco, CA**

\$50,000/2 years: a grant to The Tides Center recommended for its support of its project PODER, which sponsors the Common Roots: Youth Organizer Program, in conjunction with the Chinese Progressive Association, to develop low-income immigrant youth of Chinese and Latino descent in San Francisco's Chinatown and Mission districts into youth leaders and organizers for environmental and economic justice.

**Southern Echo, Jackson, MS**

\$150,000/2 years: to support Southern Echo's Environmental Justice Project, which provides training and technical assistance to community organizations to enable poor people, people of color, and youth to work more effectively for their interests regarding environmental policies.

**Southwest Network for Environmental and Economic Justice, a project of Community Networking Resources, Albuquerque, NM**

\$50,000/1 year: a grant to Community Networking Resources recommended for its support of the Network and its Environmental Justice Youth Leadership Project, which is designed to build long-term capacity for the environmental justice movement by training and incorporating a cadre of people of color youth.

**Southwest Organizing Project, a project of Southwest Community Resources, Albuquerque, NM**

\$50,000/1 year: a grant to Southwest Community Resources recommended for its support of the Project's efforts to train youth in disenfranchised communities in the Southwest to be environmental justice advocates and leaders.

**Southwest Public Workers' Union, a project of Centro Por La Justicia, San Antonio, TX**

\$25,000/1 year: a grant to Centro Por La Justicia recommended for its support of the Union's public education, advocacy and training, and leadership development for youth in low-income communities in Southern Texas.

**Corporate Campaigns, Texas Fund for Energy and Environmental Education, Austin, TX**

\$60,000/1 year: to convene organizers and activists involved in corporate action campaigns at a two-day conference at which participants from the environmental movement and other movements can share history, best practices and plans for the future.

## KEY STATES

**Center for Public Interest Research, Boston, MA**

\$250,000/1 year: to support the efforts of Public Interest Research Groups in Florida, Michigan, New Mexico, North Carolina, and Wisconsin to become more active on state level environmental issues.

**Sustain, Chicago, IL**

\$75,000/1 year: to support Sustain's Midwest Environmental Communications Initiative to offer media expertise to environmental groups in Michigan, Minnesota, and Wisconsin, and to build the environmental movement's capacity to create messages that resonate with policy makers and the public.

## florida

### **Clean Water Network, a project of the Natural Resources Defense Council, New York, NY**

\$250,000/2 years: a grant to the Natural Resources Defense Council recommended for its project the Clean Water Network. To support the efforts of the Network's national office and the regional Florida office to use the media and grassroots advocacy to raise public awareness of the need for strong clean water policies by providing state and grassroots groups concerned about water issues with timely information, policy analysis, financial assistance, and communications coordination on national clean water and wetlands policy campaigns.

### **Earthjustice Legal Defense Fund, Oakland, CA**

\$100,000/1 year: to support the Florida Sustainable Waters Program to protect Florida's water resources through strategic litigation and public policy development.

### **Farmworker Association of Florida, Apopka, FL**

\$40,000/1 year: to support the Association's Pesticide Safety and Environmental Health Project to inform and empower farmworker and non-farmworker communities to organize around issues of pesticide exposure.

### **Florida Wildlife Federation, Tallahassee, FL**

\$50,000/1 year: to support the Lake Okechobee Conservation Action Project's citizen conservation education and action campaign to benefit the lake.

## michigan

### **Arab Community Center for Economic and Social Services, Dearborn, MI**

\$25,000/1 year: to support the Center's Environmental Program to raise environmental awareness and leadership in the Arab-American communities of southeastern Michigan.

### **Ecology Center, Ann Arbor, MI**

\$35,000/1 year: a general support grant to support the Center's activities, including environmental advocacy in Michigan and its national work linking health issues with environmental health issues.

### **Maurice and Jane Sugar Law Center for Economic and Social Justice, Detroit, MI**

\$40,000/1 year: to fund the Environmental Justice Training Project to provide technical assistance on environmental issues to communities in the Greater Detroit area.

### **Michigan Environmental Council, Lansing, MI**

\$1.5 million/3 years: to fund a collaborative project with 12 Michigan environmental advocacy organizations to strengthen the capacity of these groups to promote positive environmental change.

### **National Wildlife Federation, Great Lakes Natural Resources Center, Ann Arbor, MI**

\$50,000/1 year: to support the Federation's Clean the Rain Campaign to educate the public about mercury contamination in the states of the Great Lakes region by collecting, analyzing and disseminating data on the mercury content of rainfall.

## minnesota

### **Clean Water Fund – Minnesota, Minneapolis, MN**

\$50,000/1 year: a general support grant to support the Fund's efforts to promote environmental protection in Minnesota.

**Honor the Earth, a project of The Tides Center, San Francisco, CA**

\$20,000/1 year: a grant to The Tides Center recommended for support of its project Honor the Earth's role in a corporate accountability campaign in defense of Native communities impacted by the XCEL Corporation utility company.

north carolina

**North Carolina Conservation Network, Raleigh, NC**

\$40,000/1 year: to collaborate with NetCorps, a technology assistance group, on a project to develop an information-sharing and communications system for North Carolina environmental groups.

**Water Keeper Alliance, White Plains, NY**

\$15,000/1 year: to support a national conference on sustainable hog farming with the North Carolina River Keepers and the organizations of the North Carolina Hog Roundtable.

**Western North Carolina Alliance, Asheville, NC**

\$30,000/1 year: to support the Sabbath Project to work with religious leaders to find common ground between the faith community and the environmental community in western North Carolina.

wisconsin

**Center on Wisconsin Strategy(COWS), a project of the University of Wisconsin, Madison, WI**

\$25,000/1 year: a grant to the University of Wisconsin, Madison recommended for its support of the efforts of its COWS project to provide the environmental movement in Wisconsin with an ongoing analysis of the proposed state budget and its impact on people and ecosystems.

**Churches Center for Land and People, Sinsinawa, WI**

\$10,000/1 year: general support grant to support the activities of the Center; including a conference to explore how leaders of the Roman Catholic, Evangelical Lutheran, Episcopal, United Methodist and United Churches in Wisconsin, Iowa and Illinois can become involved in advocating environmental protection in rural areas.

**River Alliance of Wisconsin, Madison, WI**

\$50,000/1 year: to support a 12-month advocacy effort to obtain the strongest possible state regulations governing the control of polluted runoff in Wisconsin.

DISCRETIONARY FUND

**Alliance for Justice, Washington, DC**

\$25,000/1 year: a general support grant to support advocacy to strengthen the role of not-for-profit organizations in the public debate on environmental protection and other issues.

**Center for Environmental Citizenship, Washington, DC**

\$250,000/2 years: a general support grant to support the activities of the Center; including efforts to recruit, train and track the college students who are likely to become organizers and leaders of the environmental movement in the decades ahead.

**Clearinghouse on Environmental Advocacy and Research (CLEAR), a project of The Tides Center, Washington, DC**

\$35,000/1 year: a grant to The Tides Center recommended for its support of its CLEAR project, which tracks and analyzes the corporate, governmental and nonprofit opponents of environment protection and public health.

**Defenders of Wildlife, Washington, DC**

\$50,000/1 year: to support Defenders' State Environmental Advocacy Center.

**Earth Share, Washington, DC**

\$250,000/1 year: a general support grant to launch a unified campaign by state and national environmental groups to participate in workplace giving programs that allow public and corporate employees to support environmental organizations through payroll deductions.

**Ecopledge.com, a project of Green Corps, Boston, MA**

\$55,000/1 year: a grant to Green Corps recommended for its support of Ecopledge.com's efforts to persuade college students to turn down job offers from companies whose business practices and policies do serious damage to the environment.

**Environmental Defense, New York, NY**

\$300,000/2 years: to support and expand the activities of the Action Network, a web-based activists tool that can be used by environmental and other advocacy groups to mobilize activists.

**Environmental Grantmakers Association, a project of the Rockefeller Family Fund, New York, NY**

\$20,000/1 year: a grant to the Rockefeller Family Fund recommended for its support of the Environmental Grantmakers Association 2001 annual retreat.

**Environmental Support Center, Washington, DC**

\$600,000/2 years: to support the State Environmental Leadership Program in its efforts to counter the influence of corporate power at the state level by establishing a permanent coordination and strategy capability for state-level environmental advocacy groups.

**Environmental Support Center, Washington, DC**

\$200,000/1 year: a general support grant to support the Center's efforts to serve as a resource for state-based grassroots organizations in Beldon's Key Places and among Beldon's Human Health & the Environment grantees to help the organizations to improve management, increase funding, build infrastructure, boost advocacy capacity and strengthen leadership.

**Environmental Support Center, Washington, DC**

\$33,000/1 year: to support the public education programs on national environmental issues conducted by the Center's State Environmental Leadership Program.

**Federation of State Conservation Voter Leagues, a project of the League of Conservation Voters Education Fund, Seattle, WA**

\$100,000/1 year: a grant to the League of Conservation Voters Education Fund recommended for its support of the Federation's efforts to strengthen and establish 501(c)(3) education funds for state conservation voter leagues.

**Free the Planet!, a project of Green Corps, Boston, MA**

\$30,000/1 year: a grant to Green Corps recommended for its support of Free the Planet's efforts to build student environmental networks on major campuses in Florida, Michigan and North Carolina, and to help campus environmentalists organize student and faculty opposition to global warming, damage to wilderness areas, and genetic engineering.

**Institute for Conservation Leadership, Takoma Park, MD**

\$60,000/1 year: to support the Institute's Executive Director Development Program to train executive directors of environmental advocacy and grassroots organizations working in Beldon Key States in basic issue campaign and management skills.

**League of Conservation Voters Education Fund, Washington, DC**

\$300,000/1 year: a general support grant to support the activities of the League, including providing infrastructure support to issue-based environmental advocacy groups, particularly those in Beldon Key States.

**National Environmental Trust, Washington, DC**

\$100,000/1 year: a general support grant to provide public education campaign expertise and communications services on national environmental issues.

**National Network of Grantmakers, San Diego, CA**

\$15,500/1 year: to support the National Network of Grantmakers 2001 Conference.

**National Religious Partnership for the Environment, New York, NY**

\$45,000/1 year: a general support grant to support the activities of the Partnership, including public education programs on national environmental issues.

**National Wildlife Federation, Reston, VA**

\$55,000/1 year: a general support grant to support the activities of the Federation, including public education programs on national environmental issues.

**Partnership Project, Washington, DC**

\$350,000/1 year: a general support grant to support programs designed to bring the full measure of the national environmental community to bear on shared policy concerns and to encourage policymakers to place a higher priority on environmental issues.

**Progressive Technology Project, Washington, DC**

\$50,000/1 year: a general support grant to support the activities of the Project, including programs that build the capacity of grassroots community organizing groups—particularly environmental and economic justice organizations—to use new information technologies in strategic ways to advance their work.

**Sierra Club Foundation, San Francisco, CA**

\$350,000/1 year: a general support grant to provide public education campaign expertise and communications services on national environmental issues.

**Vermont Law School, South Royalton, VT**

\$2,500/1 year: to support the preparation and filing of an amicus brief in the U.S. Supreme Court in the Palazzolo case, a regulatory takings challenge spearheaded by the Georgetown University Law Center's Environmental Policy Project, concerning a decision by the Rhode Island coastal council preventing the fill of 18 acres of private coastal wetlands.

**Washington Environmental Alliance for Voter Education, Seattle, WA**

\$50,000/1 year: a general support grant to support the activities of the Alliance, including efforts to encourage voter participation by environmentalists in Washington State and to share the Alliance's innovations with other state organizations.

**Western Organization of Resource Councils Education Project, Billings, MT**

\$150,000/1 year: a general support grant to strengthen the work of seven state chapter-based organizations, based in Montana, Wyoming, Colorado, North Dakota, South Dakota, Idaho, and Oregon, and to coordinate the defensive and offensive multi-state environmental policy campaigns run by those groups.



## DISCONTINUED PROGRAMS

The following programs were discontinued as of May 14, 2001:

### new mexico

**New Mexico Mining Act Network, a project of New Mexico Community Foundation, Santa Fe, NM**

\$100,000/2 years: a grant to the New Mexico Community Foundation recommended to coordinate the Network of seven organizations that advocates the creation and enforcement of strong environmental policies for existing mining operations in the state of New Mexico.

**Southwest Research and Information Center, Albuquerque, NM**

\$100,000/2 years: a general support grant to provide technical and policy advocacy assistance to New Mexico community groups that work on environmental issues, including sprawl, mining and nuclear waste.

**Stewards of Creation, a project of the Archdiocese of Santa Fe, Albuquerque, NM**

\$25,000/1 year: a grant to the Archdiocese of Santa Fe recommended for its support of the Stewards of Creation's efforts to work with The New Mexico Catholic Conference and The New Mexico Conference of Churches to offer a training academy to the clergy and laity in Catholic and Protestant churches. The academy will focus on the stewardship of creation, analysis of environmental justice issues, and the collaboration of faith communities with other environmental groups.

## RELIGION & THE ENVIRONMENT

**National Catholic Rural Life Conference, Des Moines, IA**

\$100,000/1 year: a general support grant to support the activities of the Conference, including efforts to expand its advocacy of care of creation within the context of Catholic Church's social teaching and to deepen its collaboration on issues with mainstream environmental groups.

**National Council of Churches of Christ in the U.S.A., New York, NY**

\$150,000/1 year: to deepen the public's understanding of global warming by educating congregations and creating energy-efficient, zero-emission houses of worship and by developing opportunities for faith communities to buy green power.

## GLOBAL WARMING

**Transnational Resource Action Center (TRAC), A project of The Tides Center, San Francisco, CA**

\$5,000/1 year: a grant to The Tides Center recommended for its support of the efforts of its TRAC project, to send two environmental justice advocates from Louisiana to the climate negotiations in The Hague and to the Transnational Resource Action Center Climate Justice Summit.



# OUR VISION

a planet with healthy people living in healthy ecosystems.

# OUR MISSION

by supporting effective, nonprofit advocacy organizations, the beldon fund seeks to build a national consensus to achieve and sustain a healthy planet.

the fund plans to invest its entire principal and earnings by 2009 to attain this goal. after three decades of progress protecting our environment, we have reached a critical moment. with daunting environmental challenges still ahead, we face the prospect of losing momentum and the environmental gains we have already made. now is the time to act.

# BELDON FUND PROGRAM GUIDELINES

The Beldon Fund focuses project and general support grants in three programs: Human Health and the Environment, Key States, and Corporate Campaigns. These programs are designed to work together to achieve the vision and mission of the Fund. Proposals that work synergistically across programs are encouraged.

## program: human health and the environment

The Human Health and the Environment program seeks to add new, powerful voices to promote a national consensus on the environment and to activate the public on issues that matter to people in a deeply personal and potent way. For many people there is a distinction between personal health and environmental health. For the Beldon Fund, there is no such distinction.

The Fund seeks proposals that engage new constituencies in exposing the connection between toxic chemicals and human health and in promoting public policies that prevent or eliminate environmental risks to people's health, particularly through application of the precautionary principle.

The program focuses grant making in three areas: New Advocates, Human Exposure to Toxic Chemicals, and Environmental Justice.

### **NEW ADVOCATES: BROADEN AND STRENGTHEN THE ENVIRONMENTAL MOVEMENT BY INCLUDING NEW, AND POTENTIALLY POWERFUL, VOICES FOR CHANGE.**

Goal: To encourage new-constituency groups to speak out, become advocates for environmental health and work for lasting improvement in health protections. The Fund will place high priority on the following specific constituencies: doctors, nurses, public health professionals, health-affected people, parents, and teachers.

Examples of work the Fund supports:

- Expanding the capacity of new-constituency organizations to work on environmental health issues.
- Building diverse state-level coalitions that include new constituencies working for state, regional and national policies that protect people from toxic chemicals.
- Environmental health campaigns that significantly involve new constituencies.

(For current guidelines information, please visit our website: [www.beldon.org](http://www.beldon.org))

**HUMAN EXPOSURE TO TOXIC CHEMICALS: REVEAL TO THE PUBLIC THE CONNECTION BETWEEN TOXIC CHEMICALS AND HEALTH SO THAT PEOPLE UNDERSTAND THE IMPORTANCE OF TAKING ACTION NOW TO PROTECT THEIR HEALTH AND TO ADVOCATE FOR CHANGE.**

Goals: To increase people's awareness and understanding of the connection between environmental toxins and personal health. To protect and strengthen existing right to know policies. To involve more citizens in innovative and replicable monitoring programs that increase individual and public awareness of our growing exposure to environmental toxins.

Examples of work the Fund supports:

- Educating the public about the presence of toxic chemicals in the environment and their bodies, particularly in disproportionately affected communities.
- Improving the public's understanding of the relationship between toxic chemicals and specific illnesses.
- Campaigns to protect and strengthen state and federal right to know policies.
- Expanding the responsible use of biomonitoring and other monitoring techniques to measure the public's exposure to toxic chemicals.

**ENVIRONMENTAL JUSTICE: TRAIN YOUNG LEADERS.**

Goal: To train a cadre of young leaders from the environmental justice movement in advocacy skills, and to provide them with the tools they need to lead the diverse constituencies engaged in environmental issues that affect human health.

Examples of work the Fund supports:

- Environmental justice advocacy through youth organizing and leadership development.
- Campaigns that foster youth organizing and leadership development from disproportionately affected communities.

**program: key states**

The Key States program focuses on particular states where the power of a growing, energized consensus for environmental protection can be organized and brought to bear on public policy and policy makers.

The Beldon Fund believes that states hold the key to bringing about rapid, real change on environmental issues and policy in the United States. By strengthening public support for environmental protection in several of these key states, the Fund hopes to transform our nation's approach to environmental protection.

The Fund is currently accepting proposals from Florida, Michigan, Minnesota, Wisconsin, and North Carolina for this program. Proposals do not need to be tied to any particular issue or set of issues, but targeted issues must be those that will build active public support for the environment. From time to time, the Fund will add and remove states from this program.

Goals: Achieve stronger pro-environmental support by national, state, and local policymakers through public education in selected Key States. Help advocates in selected Key States develop adequate resources to replace Beldon's support when funding ends.

Examples of work the Fund supports:

- Strengthening the advocacy, organizing and media capacity of organizations promoting environmental protection.
- Broad coalitions that promote pro-environmental decisions by policy makers.
- Developing the fund-raising capacity of groups involved in environmental advocacy, including donor development, planned giving, membership development, and major donor fundraising.

### program: corporate campaigns

Despite widespread public support to protect the environment, corporate interests have successfully slowed progress toward this goal, weakened existing protections, and worked to undermine the establishment of a national consensus on the environment. The Fund seeks proposals that promote permanent changes in the conduct of trend-setting corporations or corporate coalitions in key market sectors.

Goal: Compel industry leaders to stop activities that are environmentally damaging and to take responsibility for the environmental consequences of the products and services they sell.

Examples of work the Fund supports:

- Training advocates to conduct corporate campaigns.
- Innovative corporate campaigns that are targeted and designed to produce industry-wide changes.

[Please note: The Fund currently is not accepting letters of inquiry or making grants for new projects in this program while we conduct further research to identify grant opportunities.]

## other grants: the beldon discretionary fund

The Beldon Board of Trustees uses the Discretionary Fund to make special grants to projects and organizations consistent with the vision and mission of the foundation. The Fund does not accept unsolicited proposals for the Discretionary Fund.

## exclusions

The Beldon Fund does not offer grants for:

- International efforts.
- Academic or university projects, unless they are directly linked to environmental advocacy and have an impact well beyond the academic community.
- School- or classroom-based environmental education.
- Acquisition of land.
- Forest, wildlife habitat/refuges, land, marine, river, lake, wilderness preservation, protection or restoration.
- Film, video or radio production.
- Endowments.
- Capital campaigns.
- Deficit reduction.
- Acquisitions for museums or collections.
- Service delivery programs.
- Capital projects.
- Research.
- Arts and/or culture.
- Individuals.
- Scholarships.

# GRANT APPLICATION PROCEDURES

We appreciate your interest in applying for a grant from the Beldon Fund. We encourage you to review these procedures carefully and to visit the Frequently Asked Questions section of our website for more information: [www.beldon.org](http://www.beldon.org)

Organizations seeking grants from the Fund should begin the process by submitting a letter of inquiry in accordance with our Program Guidelines. The Fund grants both general support and project-specific support for one year or for multiple years. Content requirements and deadlines for letters of inquiry and invited proposals are specified under "Deadlines" below. We require letters of inquiry from all organizations seeking grants from the Fund, including former grantees and current grantees seeking renewal.

There is no specific limit on the number of requests we will consider from a single organization, nor is there a limit on the number of years we will continuously fund an organization. The amount granted depends on the scope of the project and the size of the applicant's budget. (To learn more about the kinds of grants we provide, please visit our website to review the List of Grants that we have awarded in the past.)

The Fund makes grants to public charities classified as tax-exempt under section 501(c)(3) of the Internal Revenue code. If you do not have 501(c)(3) tax-exempt status please indicate the name of the public charity that serves as your fiscal sponsor.

## deadlines

The Fund's staff reviews grant requests and makes recommendations to the Board of Trustees, which makes funding decisions three times a year at its meetings, usually in winter, spring, and fall. Letters of inquiry and proposals (at the Fund's invitation) must be received in our office within specified dates to be considered at the next Board meeting. Upcoming deadlines for letters of inquiry and proposals are listed under "Deadlines" in the Grant Applications Procedures posted on our website. Letters of inquiry and proposals received outside the specified dates will not be considered by the Fund. If a grant is awarded, we will inform you of the Board's decision immediately following the Board meeting at which your proposal is discussed. Requests for funding may be denied at any time.



## preparing letters of inquiry

Grant seekers should familiarize themselves with the Fund's Program Guidelines. Proposals are considered in three programs: Human Health and the Environment, Corporate Campaigns, and Key States. Applicants should consult the "Exclusions" section of the Program Guidelines to make sure that their type of project is one the Fund supports. If, after reviewing the Program Guidelines and the Exclusions, you wish to apply for a grant, you should submit a letter of inquiry to begin the process.

Please note that the Fund currently is not accepting letters of inquiry for new projects for the Corporate Campaigns program. Please send us two copies of a letter of inquiry of no more than three pages. Your letter must include the following information:

- Date.
- Name and address of organization.
- Executive director and contact person(s); telephone and fax numbers; and, if available, e-mail and web addresses.
- Name, address, telephone number; and executive director of your fiscal sponsor; if applicable.
- A paragraph summarizing the organization's mission and work.
- A paragraph summarizing the purpose of your request and the activities to be supported (indicate whether you seek general or project support, and include the project title, if project funding is requested).
- A paragraph describing the outcomes (goals) to be achieved by your project or organization.
- A paragraph summarizing the proposal's relevance to the Beldon Fund's Program Guidelines, identifying the Beldon Fund program(s) to which your request applies.
- Total dollar amount requested and time period the grant will cover.
- Total dollar amount committed or requested from other funding sources and the names of those sources.
- Total dollar amount of your organizational budget for the current fiscal year.
- Total dollar amount of your actual organizational expenses for the most recently completed fiscal year.
- Total dollar amount of the project budget for the current fiscal year; if applicable.
- The tax-exempt status of your organization or its fiscal sponsor.

Mail two copies of your letter of inquiry to Letters of Inquiry, Beldon Fund, 99 Madison Avenue, 8th Floor, New York, NY 10016. Please note that your letter of inquiry must be received in our office within the dates specified under “Deadlines” above. We do not accept applications electronically or by fax at this time. Please do not submit examples of past work, articles, reports, books, videos, CDs or other supporting materials with your letter of inquiry. Our staff will promptly acknowledge the receipt of your letter of inquiry and give it careful consideration.

### the fund’s response to your letter of inquiry

Within one month of the closing date for submission of letters of inquiry, organizations whose programs or projects fit the Beldon Fund’s Program Guidelines will be invited to submit a full proposal with supporting materials. All other applicants will be notified that the Beldon Fund will not be able to support their request.

If you have questions about our Program Guidelines or Grant Application Procedures, or about the status of a letter of inquiry you have submitted, please feel free to contact our Grants Manager, Holeri Faruolo, toll free at (800) 591-9595, or via email at [info@beldon.org](mailto:info@beldon.org).

### preparing a full proposal

If your organization is invited to submit a full proposal, it need not be elaborate. Your proposal should include a narrative of five-to-seven pages, and supporting material as detailed below. Proposals prepared for other foundations are acceptable as long as they include all of the Beldon Fund’s required information and attachments. Also acceptable are the National Network of Grantmakers’ Common Grant Application or an application used by another regional association of grant makers.

Please send us two complete copies of the proposal package. The proposal package should consist of the narrative plus financial information and attachments.

Your five-to-seven page narrative should include

- Organization background, including accomplishments and qualifications, particularly as they relate to the purpose for which you are requesting support.
- Immediate problems or needs to be addressed by your project or organization.
- The target population or community served by your project or organization and how that constituency is involved in the design and implementation of your work.
- Long-term systemic or social change being sought.



- Strategies for implementing the work and a timetable for achieving outcomes (goals).
- Plan for evaluating the work (including criteria for success) and disseminating the findings.
- If appropriate, a plan for continuing the work beyond the grant period.

If you are applying for renewal funding, submit a brief year-to-date narrative describing your use of the previous year's grant. (We will still expect a final grant report at the end of the year.) Your financial information should include

- Organizational budget for the current fiscal year.\*
- Actual organizational income and expenses for the past two years.\*
- List of your organization's (and, your project's, if applicable) ten largest foundation sources of funding and the dollar amounts committed or pending for the current fiscal year.
- List of your organization's ten largest foundation sources of funding over the last five years and their cumulative grant totals.
- For project grant requests, an annual project budget (for multi-year requests, include an annual budget for each year for which you request funding).
- For project grant requests, a statement of actual project income and expenses for the past two years, if available.

Include the following attachments

- IRS 501(c)(3) determination letter and all IRS rulings or notices regarding the tax-exempt status of your organization.
- If your organization does not have 501(c)(3) status, send the name and IRS 501(c)(3) determination letter of its fiscal sponsor.

- A letter from the fiscal sponsor; if applicable, confirming its Board's authorization to sponsor your project or organization and that your project or organization's purpose is consistent with the fiscal sponsor's exempt purpose, and a letter of agreement between your organization and the fiscal sponsor outlining the terms of this relationship.
- Most recent audited financial statements.\*
- Most recent IRS Form 990, including any schedules and attachments. \*
- Most recent annual report describing your organization's activities, if one is published. \*
- If your organization has made a 501(h) election, please include a copy of Form 5768 (Election to Make Expenditures to Influence Legislation). \*
- List of member organizations, if applicable.
- List of your organization's Board of Directors and staff (describe Board and staff responsibilities, work and leadership experience, and criteria for board selection). \*

\*The Beldon Fund provides grants to public charities. If your organization is not a public charity that has received tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and intends to operate as a project of another organization, please supply all of the information requested above for that organization. If you have any questions about this issue, please contact our Grants Manager, Holeri Faruolo, toll free at (800) 591-9595, or via e-mail at [info@beldon.org](mailto:info@beldon.org).

We encourage you to submit an environmentally sensitive application: avoid folders, plastic covers, or binders and use double-sided copying where possible. Mail two complete copies of the proposal package to Grant Proposals, Beldon Fund, 99 Madison Avenue, 8th Floor, New York, NY 10016. (Because proposals require a number of attachments, we do not accept proposals electronically or by fax.) Please note that your proposal must be received in our office within the dates listed under "Deadlines" above.

Our staff will promptly acknowledge receipt of your proposal. During our review of your proposal, we may contact you for additional information or material. An invitation to send a proposal and any requests for additional information should not be interpreted as a guarantee of future support. If a grant is awarded, you will be asked to sign a Grant Agreement that describes the reporting and other requirements of the grant.

If you have questions about the status of the proposal you have submitted, or if there are significant changes or news that you would like us to know about during the course of our review, please feel free to contact the program officer who invited your proposal toll free at (800) 591-9595.



beldonfund

# THE BELDON II FUND

## independent auditors' report

Board of Trustees  
Beldon II Fund  
99 Madison Avenue  
New York, NY 10016

We have audited the balance sheet of Beldon II Fund as of December 31, 2001, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The prior year summarized comparative information has been derived from the Fund's December 31, 2000 financial statements which were prepared on the Modified Cash Basis of accounting. In our report dated July 2, 2001, we expressed an unqualified opinion on those financial statements in accordance with that basis of accounting.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beldon II Fund as of December 31, 2001 its changes in net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Respectfully submitted,



Owen J. Flanagan & Company

New York, New York  
April 11, 2002

exhibit a: the beldon ll fund balance sheet  
 december 31, 2001 (with comparative totals for 2000)

assets	2001	2000
<b>Current Assets</b>		
Cash and cash equivalents	\$ 72,569	\$ 99,726
Interest receivable	697,590	-
Investments	86,172,569	79,506,290
Rental deposits	37,360	37,360
Other	<u>4,171</u>	<u>5,329</u>
	<u>86,984,259</u>	<u>79,648,705</u>
<b>Fixed Assets</b>		
Equipment	131,432	104,813
Furniture and fixtures	99,432	99,432
Leasehold improvements	<u>704,696</u>	<u>704,696</u>
	935,560	908,941
Accumulated depreciation	<u>(305,958)</u>	<u>(189,654)</u>
	<u>629,602</u>	<u>719,287</u>
<b>Total Assets</b>	<u><b>\$87,613,861</b></u>	<u><b>\$80,367,992</b></u>
liabilities and net assets	2001	2000
<b>Liabilities</b>		
Grants payable		
Current	\$ 5,705,000	\$ 4,779,000
Long-term	530,000	1,550,000
Accounts payable	130,731	-
Payroll related liabilities	17,135	13,893
Federal Excise Tax		
Current	30,000	-
Deferred	<u>16,960</u>	<u>-</u>
<b>Total Liabilities</b>	<u>6,429,826</u>	<u>6,342,893</u>
<b>Unrestricted Net Assets</b>	<u>81,184,035</u>	<u>74,025,099</u>
<b>Total Liabilities and Net Assets</b>	<u><b>\$87,613,861</b></u>	<u><b>\$80,367,992</b></u>

The accompanying notes to financial statements are an integral part of these statements.

exhibit b: the beldon II fund statement of activities  
 december 31, 2001 (with comparative totals for 2000)

	2001	2000
<b>Support and Revenue</b>		
Interest	\$ 3,927,914	\$ 3,895,975
Dividends	416,967	563,580
Gain on sale of investments & change in unrealized gain	(1,231,338)	<u>8,765,738</u>
<b>Total Support and Revenues</b>	<u>3,113,543</u>	<u>13,225,293</u>
<b>Expenses</b>		
Program		
Grants	11,475,500	14,915,000
Matching gifts	5,145	3,550
Foundation directed projects	<u>243,798</u>	<u>192,947</u>
	<u>11,724,443</u>	<u>15,111,497</u>
Administration		
Accounting and audit	34,623	33,691
Bank charges	630	381
Board meetings, conferences and meals	65,986	95,999
Consultants	333,586	198,138
Depreciation	116,304	117,950
Equipment	24,482	31,701
Excise taxes	193,175	171,009
Insurance	4,013	1,198
Investment fees	366,982	351,388
Legal	72,550	60,981
Memberships	16,206	24,572
Moving expenses	-	56,168
Office supplies	54,672	50,999
Payroll taxes and benefits	261,430	224,692
Rent and utilities	155,144	160,769
Repairs and maintenance	30,812	27,137
Salaries	1,063,737	919,729
Telephone	46,126	55,783
Travel	<u>98,917</u>	<u>144,560</u>
	<u>2,939,375</u>	<u>2,726,845</u>
<b>Total Expenses</b>	<u>14,663,818</u>	<u>17,838,342</u>
Change in Net Assets before Accounting Change	(11,550,275)	(4,613,049)
Accounting Change	<u>18,709,211</u>	-
Change in Net Assets for the Year	7,158,936	(4,613,049)
Net Assets, beginning of year	<u>74,025,099</u>	<u>78,638,148</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$81,184,035</u>	<u>\$74,025,099</u>

The accompanying notes to financial statements are an integral part of these statements.



exhibit c: the beldon ll fund statement of cash flows  
 december 31, 2001 (with comparative totals for 2000)

cash flows provided (used)	2001	2000
<b>From Operating Activities:</b>		
Change in net assets	\$ 7,158,936	\$(4,613,049)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	116,304	117,950
Accounting change	(18,709,211)	-
Realized gain on sale of investments	(15,058,514)	(8,765,738)
Change in unrealized appreciation	16,289,852	-
Decrease in interest receivable	59,341	-
(Increase) decrease in other assets	1,158	(4,541)
Decrease in rental deposits	-	18,590
Increase in accounts payable	113,378	-
Increase (decrease) in grants payable	(94,000)	5,679,000
Increase in Federal Excise tax payable - current	30,000	-
Increase (decrease) in payroll-related liabilities	<u>3,242</u>	<u>676</u>
	<u>(10,089,514)</u>	<u>(7,567,112)</u>
From Investing Activities:		
Purchase of fixed assets	(26,619)	(124,863)
Purchases of investments	(47,889,271)	(38,463,635)
Proceeds from sales or maturities of investments	<u>57,978,247</u>	<u>45,994,041</u>
	<u>10,062,357</u>	<u>7,405,543</u>
Net Increase (Decrease) in Cash	(27,157)	(161,569)
Cash, beginning of year	<u>99,726</u>	<u>261,295</u>
Cash, end of year	<u>\$ 72,569</u>	<u>\$ 99,726</u>
Supplemental Information:		
Cash paid for excise taxes	<u>\$ 163,175</u>	<u>\$ 171,009</u>

The accompanying notes to financial statements are an integral part of these statements.

exhibit d: the beldon II fund notes to financial statements  
december 31, 2001

note 1. organization

The Beldon II Fund (the Fund) was established in 1988 as a private foundation organized to distribute monies to public charities involved in environmental preservation.

note 2. summary of significant accounting policies

**Basis of Accounting**

The Fund's 2001 financial statements are presented on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred. The 2000 financial statements were prepared on the modified cash basis of accounting.

**Accounting Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingencies, if any, at the date of financial statements and revenue and expenses during the reporting period. Actual results could differ from these estimates.

**Investments**

In 2001, investments are reported at their fair value. Fair value is determined using quoted market prices. Realized gains and losses on sale are determined by comparison of purchase cost to proceeds. For donated investments, cost is the donor's cost. In 2000, investments were recorded at cost.

**Fixed Assets, Depreciation and Amortization**

Fixed assets are stated at cost. Depreciation is computed using the straight- line method over the estimated useful life of the assets as follows:

Equipment	3-7 years
Furniture and fixtures	7 years
Leasehold improvements	10 years

The accompanying notes to financial statements are an integral part of these statements.

note 3. investments

The Fund's investments consist of the following as of December 31, 2001 and 2000:

	<u>2001</u>		<u>2000</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Invested cash	\$ 7,424,129	\$ 7,424,129	\$ 4,334,429	\$ 4,334,429
U.S. government securities	15,035,915	15,388,876	17,987,610	18,461,974
Corporate bonds	17,584,457	17,892,562	17,713,009	17,400,193
Common stock	17,259,413	17,879,968	13,058,924	30,672,994
Asset backed securities	25,549,830	25,964,210	26,412,318	26,787,097
Pending trades	<u>1,622,824</u>	<u>1,622,824</u>	<u>-</u>	<u>-</u>
	<u>\$84,476,568</u>	<u>\$86,172,569</u>	<u>\$79,506,290</u>	<u>\$97,656,687</u>

In 2001, the Fund's gain on sale of investments and change in unrealized gain was comprised of the following:

Realized gains	\$15,058,514
Change in unrealized appreciation, net of change in deferred Federal Excise tax	(16,289,852)
	<u>(1,231,338)</u>

note 4. federal excise taxes

The Fund's investment income, reduced by certain allowable expenses, is subject to federal excise tax at a rate of either 1% or 2%. The Fund was required to pay excise tax at the 1% rate for 2001 and 2000.

The Fund is also required to make minimum annual charitable distributions within certain time periods. The required distribution is 5% of the average fair market value of investment assets, less the excise tax on investment income. The Fund has satisfied this requirement.

In 2001, deferred excise taxes are recorded on the unrealized appreciation on investments using the Fund's normal 1% excise tax rate.

The accompanying notes to financial statements are an integral part of these statements.

note 5. lease commitments

The Fund is subject to a 10-year lease for office space at 99 Madison Avenue, New York, NY, that commenced June 1, 1999. A security deposit of \$33,750 was required under the terms of the lease. Minimum lease payments required by the lease are \$135,000 per year, terminating May 31, 2009.

note 6. retirement plan

The Fund maintains a defined contribution plan. All full-time, permanent employees are vested based upon a graduated schedule which provides full vesting at six years of service. Employees are eligible to participate in the plan on the first day of the month following three months of service. Each year the Fund contributes up to 5% of participants' gross salary to the plan. Contributions for the years ended December 31, 2001 and 2000 were \$43,364 and \$40,746 respectively.

note 7. contingent grants

At December 31, 2000 the Fund had made a grant to an organization contingent on its receiving tax exempt status. The grantee did not receive its exempt status until 2001. This grant in the amount of \$1,500,000 was not recorded by the Fund until 2001.

note 8. long term grants payable

The Foundation estimates its long term grant commitments will all be paid in 2003.

No provision has been made to discount these grants to their present value.

note 9. accounting change

Effective January 1, 2001, the Fund elected to change its method of accounting from the modified cash basis to the accrual basis. As a result of this change, investments were now recorded at their fair value, instead of cost, interest receivable was recorded on the Fund's fixed income investments and accounts payable were now recorded in the period the expenses were incurred.

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