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ABSTRACT

This annual report details the activities of the Foundation for Child Development (FCD) for 2000-2001. Beginning the report is a presentation of the Foundation's mission, its funding priorities, and application procedures. The report then lists the members of the Council, Board of Directors, Officers, and staff. This is followed by the joint statement of the chair, Karen Gerard, and the president, Ruby Takanishi, highlighting FCD's support of policy-relevant research on low-income working families and their needs. The statement also discusses plans to deepen the Foundation's focus on achieving universal prekindergarten voluntary educational programs for all 3- and 4-year-olds and partnerships with other organizations to create a journalism fellowship program to produce journalists who will contribute greater attention to and action on the broad range of issues affecting family life. The remainder of the annual report delineates the research, policy, communication, leadership development, discretionary, and Anne K. Belding Memorial Fund grants awarded in 2000-2001. The newly-formed Jane G. Dustan Fund is described as well. The report also contains the independent auditor's report detailing the financial position of the foundation and the schedule of investments. Completing the annual report is a brief history of the Foundation. (KB)

FOUNDATION FOR
CHILD DEVELOPMENT

2000 / 2001

ANNUAL REPORT



U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
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MISSION

The Foundation for Child Development (FCD) is a national private philanthropy dedicated to the principle that all families should have the social and material resources to raise their children to be healthy, educated, and productive members of their communities. The Foundation seeks to understand children, particularly the disadvantaged, and to promote their well-being. We believe that families, schools, nonprofit organizations, businesses, and government at all levels share complementary responsibilities in the critical task of raising new generations.

Seeking to achieve its goals, the Foundation supports:

- basic and policy-relevant research about the factors that promote and support the optimal development of children and adolescents;
- policy analysis, advocacy, services, and public education to enhance the discussion and adoption of social policies that support families in their important child-raising responsibilities; and
- leadership development activities linked to the programmatic focus of the foundation.

The Foundation believes that by integrating these approaches, FCD will strengthen its effectiveness in achieving its mission.

**FOUNDATION FOR
CHILD DEVELOPMENT**

2000 / 2001

ANNUAL REPORT



C O N T E N T S

MISSION

FUNDING PRIORITIES

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HISTORY

FUNDING PRIORITIES

FCD has a special interest in children in low-income, working families, particularly those families that are struggling to meet their children's basic human needs. The foundation makes grants nationally to nonprofit institutions for research, policy analysis, advocacy, leadership development, and a small number of program development projects in New York City.

Three cross-cutting themes guide FCD's work: linking research on children and families to formation of relevant policies and programs; identifying fresh approaches to crafting sound social strategies for children and families; and nurturing new generations of leaders connecting child development research to policy. FCD is particularly concerned about all children's access to early childhood education programs and to health care. FCD does not fund the direct provision of pre-school education or child care or health care. FCD also has a strong interest in the development of national and state policies that promote economic security for low-income families. City, county, or state-level grants in these areas are directed to projects that can affect formation of national policy.

WHAT WE DO NOT FUND

FCD is a national foundation that funds mainly research and policy analysis projects. Program development (direct service) grants are a very small part of our portfolio and when such grants are made, they are for New York City-based projects that advance FCD's research and policy analysis efforts.

As a small foundation, FCD can support only a limited number of all eligible requests. The Foundation does not consider requests for:

- scholarships or grants to individuals,
- capital campaigns,

- the purchase, construction or renovation of buildings,
- grants for projects outside the United States, or
- under FCD's health focus, research, policy, or direct-service projects concerned with specific illnesses.

HOW TO APPLY

Applicants are asked to send a brief, one- or two-page letter of inquiry describing the proposed project, its objectives, and the approximate level of funding required. The foundation conducts frequent reviews of requests and replies quickly with an indication of whether a project fits its program interests and funding considerations. When appropriate, a full proposal is invited. FCD's Board of Directors meets three times a year (June, October, March) to consider grant approvals for invited proposals.

HOW TO CONTACT US

To receive a copy of FCD's annual report, guidelines, a description of recent grants, or other FCD publications, please call 212/213-8337 and leave your name and address. You may examine or download our grants list, annual report, Updates, working papers, and guidelines at our web site, www.ffcd.org. If you have questions about FCD's funding priorities or wish to determine whether your work fits with the programmatic focus of the Foundation, please speak with Claudia Conner at 212/213-8337, extension 203, or by e-mail at claudia@ffcd.org.

Requests to meet with Foundation staff should be made in a letter of inquiry that describes the work of your organization and the project you wish to have considered for funding.

MEMBERS OF COUNCIL

2000-2001

Angela Glover Blackwell
Barbara B. Blum
Orville Gilbert Brim
Urie Bronfenbrenner
Mary L. Bundy
Ruth Ann Burns
Ethelyn Chase¹
P. Lindsay Chase-Lansdale
Michael I. Cohen
Louis Z. Cooper
Eleanor T. Elliott
Nancy Folbre
Frank F. Furstenberg, Jr.
John L. Furth
Irwin Garfinkel
Karen Gerard
Ellen Berland Gibbs
Arthur Greenberg
LynNell Hancock
Donald J. Hernandez
E. Mavis Hetherington
Karen Hill-Scott
John H. Hobbs
Diane Hughes

Richard D. Kahn
David Lawrence, Jr.
Caroline M. Macomber
Emily McFarland
John P. McGinnis
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Kathleen H. Mortimer
Gerard Piel
Nora Piore²
Eben W. Pyne
Suzanne M. Randolph
Julius B. Richmond
Henry W. Riecken
Barbara Paul Robinson
Lisbeth B. Schorr
Francis H. Schott
Robert J. Slater
Margaret Beale Spencer
Ruby Takanishi
Thomas C. Theobald
Cathy Trost
Heather B. Weiss
George M. Wheatley
Sheldon H. White
Brian L. Wilcox

BOARD OF DIRECTORS

2000-2001

Ruth Ann Burns
The Burns Group
Manalapan, NJ

P. Lindsay Chase-Lansdale
Professor
School of Education and
Social Policy
Northwestern University
Evanston, IL

Michael I. Cohen
Professor and Chairman
Department of Pediatrics
Montefiore Medical Center
Bronx, NY

Nancy Folbre
Professor of Economics
University of
Massachusetts
Amherst, MA

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Vice Chairman
Klingenstein, Fields & Co.,
L.L.C.
New York, NY

Karen Gerard
New York, NY

Ellen Berland Gibbs
President of General
Partner
CRI Media Partners
New York, NY

Arthur Greenberg
Professor
New York University
School of Education
New York, NY

E. Mavis Hetherington
James M. Page Professor of
Psychology, Emerita
University of Virginia
Charlottesville, VA

Karen Hill-Scott
President
Karen Hill-Scott &
Company
Los Angeles, CA

David Lawrence, Jr.
President
The Early Childhood
Initiative Foundation
Miami, FL

Julius B. Richmond
Professor of Health Policy,
Emeritus
Harvard Medical School
Boston, MA

Henry W. Riecken
Washington, DC

Margaret Beale Spencer
Board of Overseers
Professor of Education
University of Pennsylvania
Philadelphia, PA

Ruby Takanishi
President
Foundation for Child
Development
New York, NY

Cathy Trost
Senior Associate
Casey Journalism Center
for Children and Families
College Park, MD

¹Through 09/00; ²Deceased, 06/10/00

OFFICERS & STAFF

OFFICERS 2000-2001

Karen Gerard
Chair

P. Lindsay Chase-Lansdale
Chair-Elect

Ruby Takanishi
President

Michael I. Cohen
Secretary

John L. Furth
Treasurer

Eleanor T. Elliott
Chair of the Council

Barbara Paul Robinson
Vice Chair of the Council

EXECUTIVE COMMITTEE

Karen Gerard
Chair

P. Lindsay Chase-Lansdale
Chair-Elect

Michael I. Cohen
John L. Furth
Ruby Takanishi

FINANCE COMMITTEE

John L. Furth
Chair

Karen Gerard
Ellen Berland Gibbs
John H. Hobbs³

NOMINATING COMMITTEE

Cathy Trost
Chair

Arthur Greenberg
Caroline M. Macomber
Barbara Paul Robinson
Margaret Beale Spencer

AUDIT COMMITTEE

Donald J. Hernandez
Chair

Nancy Folbre
Karen Gerard
Arthur Greenberg

FOUNDATION STAFF

Ruby Takanishi
President

Fasaha M. Traylor
Senior Program Officer

Claudia Conner
Grants Associate

Edith Milberger
Assistant Treasurer

Joanne Mackie
Administrative Assistant

Joann Parker Pinkney
Administrative Assistant

INTERNS

Sherry Ann Stevenson⁴
Ann Nichols⁵
Nadia Tsungu⁶
Stacha Johnson⁷

FELLOWS

Saskia Traill⁸
Sara Vecchiotti⁹

³Through 04/01; ⁴Through 07/28/00; ⁵07/27/00 - 01/26/01; ⁶01/29/01 - 05/31/00; ⁷As of 06/04/01; ⁸06/06/00 - 07/28/01; ⁹09/11/00 - 07/24/01

A JOINT STATEMENT FROM THE CHAIR AND PRESIDENT

The playing field for America's young children is woefully uneven. Fully one-third of children's families – by conservative estimates – struggle every day to provide for their basic needs. This situation should be intolerable in the world's leading democracy and wealthiest economy. The Foundation for Child Development's vision, from its beginnings in 1899, remains clear: For all children, a level playing field.

FCD, along with many others, can contribute toward achieving this vision if we maintain our sense of purpose. What works is no mystery: Strong families with adequate economic resources, universal access to health care for themselves and their children, and universal early education programs responsive to working families can make a significant difference in an equal start for all children.

During the past four years, FCD has supported policy-relevant research on low-income working families and what they require to raise healthy children. One compelling finding is the conclusion that the federal poverty line in America must be revised upward to more accurately reflect changed economic conditions and the resources that contemporary working families need. The behavioral and social science case for this revision is strong, as is the consensus among researchers. FCD will continue to support efforts to attain this long overdue change in American domestic policy.

Revising the federal poverty line is a move in the right direction, but it alone is not sufficient. The United States must ensure the right of every young child to grow up healthy and well-educated, and, as all other industrialized nations do, guarantee health care and two years of early education. FCD will deepen its focus on achieving universal prekindergarten – voluntary educational programs for all three- and four-year-olds – by working to build the essential infrastructure for children to experience programs that respect their development and instill a lifelong desire to learn. Universal prekindergarten will be best achieved with a common set of standards and practices, including well-prepared teachers.

Our work on prekindergarten revealed that, contrary to widespread belief, kindergarten is unfinished business. At least 50 percent of American children are still in half-day kindergarten programs, including some with previous experience in full-

day, full-year prekindergarten programs. Full-school-day kindergartens must become available to all children whose families desire their participation. Kindergartens and prekindergarten programs are the neglected cornerstones of any movement to ensure equal educational opportunities for children.

It is one thing to have a clear vision for the future of children and families. It is quite another to grasp what forces are critical to achieving that vision. Two such forces today are the media and leaders at the local, regional, state, and national levels who shape public and private policies that affect children's lives. FCD has joined with The David and Lucile Packard Foundation to create a Journalism Fellowship Program in Child and Family Policy at the University of Maryland Philip Merrill College of Journalism. This effort will produce journalists who, through their reporting, will contribute to greater public attention to and action on the broad range of issues affecting family life. Such public engagement is fundamental to realizing our democratic values.

The World War II generation, many of whom are beneficiaries of a universal higher education initiative known as the G.I. Bill, are retiring from public service at the national, state, and local levels in large numbers. They are leaving a leadership vacuum that must be filled by young people with judgment, expertise, and training to work at all levels of government service and the nonprofit sector. FCD is investing in education and mentoring programs that prepare young people, particularly those reflecting the diverse ethnic and social backgrounds of families in the United States, to reinvigorate the search for public policies that will ensure equality of opportunity for all children.

All FCD activities are joint ventures of its Board of Directors, its staff, and those whom we are privileged to support. We are honored to join forces with so many committed people and organizations, and thank them all for their contributions. We are united in a common cause: one nation, a level playing field for all America's children.

Karen Gerard, *Chair*
Ruby Takanishi, *President*

STATEMENT OF GRANTS, 2000 - 2001

On the chart that follows, grants are listed by categories – Research, Policy, Communications, Leadership Development, – that reflect the major areas of interest for the foundation's grantmaking program. Many foundation-sponsored projects, however, use a combination of these approaches. The category under which a project is listed may indicate the major, but not the only, way in which it works.

Within each category, the chart first shows grants made during the 2000-2001 fiscal year. Grants that were made earlier but included a payout in fiscal year 2000-2001 are also listed.

The chart includes a list of discretionary grants, clustered according to overarching themes.

RESEARCH GRANTS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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DUKE UNIVERSITY

Durham, NC

Kenneth C. Land

Continued development, maintenance,
and promotion of the Index of Child

Well-Being: \$440,000; 03/01-02/11	\$ —	\$ 440,000	\$ 60,000	\$ 380,000
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TRUSTEES OF
COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK

New York, NY

Anthony Raden

*For Developments in Universal
Prekindergarten: A Synthesis
Report, Conference, and Research*

Report: \$105,308; 07/00-06/01	—	105,308	105,308	—
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CITIZENS' COMMITTEE
FOR CHILDREN
OF NEW YORK, INC.

New York, NY

Gail B. Nayowith

Partial support for *Keeping Track 2001*:

\$50,000; 03/01-02/02	—	50,000	50,000	—
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RESEARCH GRANTS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
<hr/>				
DUKE UNIVERSITY Durham, NC Kenneth Land				
To develop a Child Well-Being Index for America's children: \$111,961; 06/99-05/01	57,801	—	57,801	—
<hr/>				
GRADUATE CENTER OF THE CITY UNIVERSITY OF NEW YORK New York, NY Julia Wrigley				
For a study of the extent and causes of child fatalities in various child care settings: \$190,488; 01/01-06/02	—	190,488	190,488	—
<hr/>				
NEW YORK ACADEMY OF MEDICINE New York, NY Gerry Fairbrother				
For a study of the costs of enrolling children in public health insurance programs: \$359,658; 02/01-07/02	—	359,658	251,463	108,195
<hr/>				
CENTER FOR THE CHILD CARE WORKFORCE Washington, DC Marci Young				
Support for the study of staffing, qualifications, and compensation in selected state Prekindergartens: \$200,000; 01/00-02/01	100,000	—	100,000	—

R E S E A R C H G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
<hr/>				
CHILD TRENDS, INC.				
Washington, DC				
Richard Wertheimer				
For extending its study of low-income, working families and for a \$100,000 Centennial grant toward the organization's operating reserves: \$319,925; 06/99-12/01				
	109,962	—	109,962	—
<hr/>				
NORTHWESTERN UNIVERSITY				
Evanston, IL				
Gregory L. Duncan				
Partial support for a three-year follow-up study of the Chicago- based Gautreaux program: \$300,667; 10/99-09/02				
	164,481	—	80,649	83,832
<hr/>				
TRUSTEES OF PRINCETON UNIVERSITY				
Princeton, NJ				
Sara McLanahan				
Partial support for a study of the condition, needs, and resources of lower-income, non-marital families, including the impact of national and state policies, labor markets, and contextual factors on family well-being: \$172,500; 01/99-12/01				
	57,500	—	57,500	—
<hr/>				
Total Research Grants	\$ 489,744	\$1,145,454	\$1,063,171	\$ 572,027
<hr/>				

P O L I C Y G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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THE BROOKINGS INSTITUTION
Washington, DC
Isabel Sawhill

For development of the next generation of policies that provide greater support to low-income working families with children: \$300,000; 11/00-10/02	\$ —	\$ 300,000	\$ 150,000	\$ 150,000
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CENTER FOR LAW
AND SOCIAL POLICY
Washington, DC
Mark Greenberg

<i>For Promoting Learning & Quality Improvements in Early Education and Care: Next Steps in Federal and State Policy: \$280,000; 04/01-03/03</i>	—	280,000	—	280,000
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CHILD TRENDS, INC.
Washington, DC
Kristin A. Moore

For a conference in late Spring 2001, on strengthening key indicators of child well-being and for development of an on-line data book: \$330,000; 10/00-09/03	—	330,000	191,589	138,411
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ECONOMIC OPPORTUNITY
INSTITUTE
Seattle, WA
John R. Burbank

To develop policy, program, and constituency-building proposals for its Birth-to-Five Continuum of Care and Learning (B5CC) Initiative: \$150,000; 03/01-02/02	—	150,000	150,000	—
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P O L I C Y G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
ECONOMIC POLICY INSTITUTE				
Washington, DC				
Jared Bernstein				
For support of the Measuring Hardships Project; and for dissemination of <i>How Much Is Enough? Basic Family Budgets for Working Families</i> : \$200,988; 06/00-05/01				
	—	200,988	200,988	—
NATIONAL ACADEMY OF SCIENCES				
Washington, DC				
Michele Kipke				
Partial support for a study, <i>Family- and-Work Policies: Building a Knowledge Base to Inform Policies and Practice</i> : \$200,000; 07/01-09/02				
	—	200,000	—	200,000
NATIONAL CONFERENCE OF STATE LEGISLATURES				
Denver, CO				
Scott Groginsky				
For a project to review state efforts to coordinate early childhood programs: \$134,945; 06/00-05/02				
	—	134,945	64,469	70,476
NATIONAL PARTNERSHIP FOR WOMEN & FAMILIES				
Washington, DC				
Donna Lenhoff				
Start-up support for a Family Leave Benefits Clearinghouse: \$210,291; 11/00-10/02				
	—	210,291	113,019	97,272

P O L I C Y G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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NEW YORK ACADEMY
OF MEDICINE
New York, NY
Alan Fleischman

New York Forum for Child Health:
\$424,289; 10/00-09/02

—	424,289	210,887	213,402
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SCHOTT CENTER
FOR PUBLIC AND EARLY
EDUCATION
Boston, MA
Margaret Blood

Partial support of the Early Education
for All Campaign in Massachusetts:
\$300,000; 03/01-02/03

—	300,000	150,000	150,000
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UNIVERSITY
OF MASSACHUSETTS
Amherst, MA
Dan Clawson

For a conference on early education and
care: \$107,162; 06/00-05/01

—	107,162	107,162	—
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CENTER ON BUDGET
AND POLICY PRIORITIES
Washington, DC
Robert Greenstein

General support for the Center's tax,
fiscal, and policy analyses related to
low-income working families and
children: \$200,000; 03/00-02/02

100,000	—	100,000	—
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P O L I C Y G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
<hr/>				
CORNELL UNIVERSITY				
Ithaca, NY				
Moncrieff Cochran				
Support for case studies of the implementation of New York Universal Prekindergarten programs in three school districts: \$173,468; 01/00-06/01				
	73,468	—	73,468	—
<hr/>				
THE URBAN INSTITUTE				
Washington, DC				
Elizabeth T. Boris				
Project to study advocacy for increased compensation for the early childhood workforce; and dissemination activities related to a conference on the roles and effectiveness of child advocacy organizations: \$328,418; 03/00-02/02				
	100,000	—	100,000	—
<hr/>				
Total Policy Grants	\$ 273,468	\$2,637,675	\$1,611,582	\$1,299,561
<hr/>				

C O M M U N I C A T I O N G R A N T S

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
<hr/>				
AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE Washington, DC Judy Kass				
Partial support for three Child Development Fellows per year for three years, and for adding a component on child and family policy issues to the freelance writing workshop: \$123,270; 10/99-09/02	\$ 78,567	\$ 9,245	\$ 48,037	\$ 39,775
<hr/>				
THE AMERICAN FORUM Washington, DC Denice Zeck				
General support for the work of the organization: \$200,000; 01/00-12/01	100,000	—	100,000	—
<hr/>				
UNIVERSITY OF MARYLAND FOUNDATION, INC. College Park, MD Reese Cleghorn				
Partial support for a new national program: <i>Journalism Fellowships in Child and Family Policy</i> : \$700,000; 01/00-12/01	350,000	—	350,000	—
<hr/>				
Total Communications Grants	\$ 528,567	\$ 9,245	\$ 498,037	\$ 39,775

LEADERSHIP DEVELOPMENT GRANTS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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GEORGETOWN UNIVERSITY Washington, DC Deborah Phillips				
To establish the Program in Children and Public Policy: \$425,596; 03/01-02/03	\$ —	\$ 425,596	\$ 70,382	\$ 355,214
<hr/>				
WHEELOCK COLLEGE Boston, MA Cecelia Alvarado				
Dissemination of materials and lessons learned from <i>Taking the Lead</i> : \$100,000; 06/00-05/02	—	100,000	50,000	50,000
<hr/>				
Total Leadership Development Grants	\$ —	\$ 525,596	\$ 120,382	\$ 405,214

DISCRETIONARY GRANTS

TAKING STOCK OF A FIELD

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
WELLESLEY COLLEGE				
Wellesley, MA				
David B. Pillemer				
A conference on developmental research, child policy and programs, and the history of child development research and policy, to honor Sheldon H. White; 03/01-02/02				
	\$ —	\$ 20,000	\$ 20,000	\$ —

LINKING RESEARCH TO POLICY

CORNELL UNIVERSITY

Ithaca, NY
Moncrieff Cochran

The Early Childhood Program's May 2000 meeting to assess the feasibility of using child outcomes as a means of evaluating Universal Prekindergarten in New York: 04/00-06/00

— 7,338 7,338 —

GEORGETOWN UNIVERSITY

Washington, DC
Deborah Phillips

For the literacy assessment of child care staff as part of the study, *Who Stays, Who Leaves? A Longitudinal Study of the Child Care Workforce*: 03/01-02/02

— 20,000 20,000 —

KEYSTONE RESEARCH CENTER

Harrisburg, PA
Stephen Herzenberg

Health Care Benefits for Child Care Workers: A Survey and Assessment: 12/00-11/01

— 20,000 20,000 —

DISCRETIONARY GRANTS

LINKING RESEARCH TO POLICY

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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**NATIONAL ACADEMY OF
SCIENCES**Washington, DC
Christine Hartel

<i>Eager to Learn</i> : development of a proposal to foster implementation efforts: 12/00-02/01	—	20,000	20,000	—
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DENISON UNIVERSITYGranville, OH
Mary Tuominen

Preliminary research and planning for the research proposal, <i>Increasing Compensation, Education, and Retention in the Child Care Workforce</i> : 06/00-09/00	—	12,875	12,875	—
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**SOUTHERN EARLY
CHILDHOOD ASSOCIATION**Little Rock, AR
Glenda Bean

Partial support for the Early Childhood Summit, Fall 2000, in Little Rock: 07/00-06/01	—	20,000	20,000	—
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**UNIVERSITY OF CALIFORNIA
CENTER FOR THE STUDY
OF CHILD CARE EMPLOYMENT**Berkeley, CA
Marcy Whitebook

Paper on the history of child care staff compensation efforts and initiatives: 10/00-09/01	—	20,000	20,000	—
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DISCRETIONARY GRANTS

COMMUNICATIONS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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I AM YOUR CHILD FOUNDATION
New York, NY
Michael H. Levine

To add questions related to universal
preschool to the survey phase of The IAYC
Campaign: 03/01-02/02

—	10,000	10,000	—
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STRENGTHENING NONPROFITS

SOCIETY FOR RESEARCH
IN CHILD DEVELOPMENT
Ann Arbor, MI
Lauren Fasig

Partial support of its communications/
dissemination initiatives: 07/00-06/01

—	20,000	20,000	—
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LEADERSHIP DEVELOPMENT

HARVARD UNIVERSITY
DIVINITY SCHOOL
CENTER FOR THE STUDY OF
VALUES IN PUBLIC LIFE
Cambridge, MA
Julie A. Nelson

Partial support of a Fellowship on
Economics, Value, and Caring Labor:
A Feminist-Process Challenge: 09/00-08/01

—	20,000	20,000	—
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INSTITUTE FOR WOMEN'S
POLICY RESEARCH
Washington, DC
Stacie Golin

A report on child care advocacy and
welfare reform in Pennsylvania: 05/00-04/01

—	20,000	20,000	—
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DISCRETIONARY GRANTS

LEADERSHIP DEVELOPMENT

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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MS. FOUNDATION FOR
WOMEN, INC.
New York, NY
Susan Wefald

For the Women and Labor Fund:

03/01-02/02	—	20,000	20,000	—
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SOCIETY FOR RESEARCH
IN CHILD DEVELOPMENT
Ann Arbor, MI
LaRue Allen

Partial support of five Fellows in the minority
recruitment program: 05/00-04/01

—	10,000	10,000	—
---	--------	--------	---

TEACHERS COLLEGE,
COLUMBIA UNIVERSITY
CENTER FOR YOUNG
CHILDREN AND FAMILIES
New York, NY
Lisa O'Connor

Partial support for Putting Children First:
Summer Fellowship Program in Child and
Family Policy: 05/00-09/01

—	10,000	10,000	—
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WORKING WITH GRANTMAKERS

COUNCIL ON FOUNDATIONS, INC.
Washington, DC
Dorothy S. Ridings

General support: 01/01-12/01	—	10,900	10,900	—
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DISCRETIONARY GRANTS

WORKING WITH GRANTMAKERS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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**GRANTMAKERS FOR CHILDREN,
YOUTH & FAMILIES**

Washington, DC

Marsha Renwanz

General support (\$10,000) and for
planning and conducting grantmaker
policy forums (\$5,000): 01/01-12/01

—

15,000

15,000

—

GRANTMAKERS IN HEALTH

Washington, DC

Mary Backley

General support of its work on
children's health issues: 03/01-02/02

—

2,000

2,000

—

**NEIGHBORHOOD FUNDERS
GROUP**

McLean, VA

H. Spencer Limbocker

General support: 04/00-03/01

—

2,000

2,000

—

**NEIGHBORHOOD FUNDERS
GROUP**

McLean, VA

H. Spencer Limbocker

General support: 03/01-02/02

—

3,087

3,087

—

**NEW YORK REGIONAL
ASSOCIATION OF
GRANTMAKERS**

New York, NY

Barbara Bryan

Membership in the year 2001

—

3,800

3,800

—

DISCRETIONARY GRANTS

WORKING WITH GRANTMAKERS

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
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NORTHERN CALIFORNIA
GRANTMAKERS
San Francisco, CA
Carolyn Tower

Grantmakers Concerned with
Immigrants and Refugees:

01/01-12/01	—	10,000	10,000	—
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THE TIDES CENTER
San Diego, CA
Laura Fleming

Grantmakers for Education: 05/00-04/01	—	2,000	2,000	—
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WOMEN & PHILANTHROPY,
INC.
Washington, DC
Meghan McLeary

General support: 08/00-07/01	—	1,000	1,000	—
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Total Discretionary Grants	\$ —	\$ 300,000	\$ 300,000	\$ —
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ANNIE K. BELDING FUND

Statement of Grants, 2000-2001

Institution, Principal Investigator and Purpose	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
HOSPITAL FOR JOINT DISEASES AND MEDICINE				
New York, NY				
Francine Miele				
Pediatric Fund	\$ —	\$ 9,000	\$ 9,000	\$ —
Total Annie K. Belding Fund	\$ —	\$ 9,000	\$ 9,000	\$ —

SUMMARY STATEMENT OF GRANTS 2000-2001

	Balance as of March 31, 2000	Fund Approved 2000-2001	Disbursements During 2000-2001	Balance as of March 31, 2001
Research	489,744	1,145,454	1,063,171	572,027
Policy	273,468	2,637,675	1,611,582	1,299,561
Communications Grants	528,567	9,245	498,037	39,775
Leadership Development	—	525,596	120,382	405,214
Discretionary Grants	—	300,000	300,000	—
Annie K. Belding Fund	—	9,000	9,000	—
Total Grants	\$1,291,779	\$4,626,970	\$3,602,172	\$2,316,577



THE JANE G. DUSTAN FUND

Jane Gray Dustan, Vice President of the Foundation for Child Development from 1971 to 1990, established in 2000 The Jane G. Dustan Fund. Resulting from a consultation with Ms. Dustan and her friends, the Fund aims to support eligible nonprofit organizations to purchase consultant services that will assist them in their strategic planning and/or implementation of such plans. During her years at FCD, Ms. Dustan was interested in the potential of child advocacy organizations to improve public policies influencing children's lives.

In FY 2001, the Fund made a grant of \$30,000 to the Asian-American Coalition for Children and Families, Inc., for support of its activities to better understand the needs of its communities and to connect research and policy development in New York City and State.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF THE FOUNDATION FOR CHILD DEVELOPMENT

We have audited the accompanying statement of financial position of the Foundation for Child Development (a nonprofit organization) as of March 31, 2001 and 2000, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation for Child Development as of March 31, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

McGrath, Doyle + Phain

New York, NY

June 11, 2001

STATEMENT OF FINANCIAL POSITION

March 31, 2001 2000**ASSETS**

Cash	\$6,908	\$4,350
Interest - bearing deposits	451,875	284,075
Investments, at quoted market value (Cost \$75,018,657 in 2001 and \$67,334,463 in 2000)	99,971,695	114,039,732
Interest receivable	377,146	378,201
Prepaid federal excise tax	-	54,302
Miscellaneous accounts receivable and other assets	49,839	119,543
Equipment, furniture and leasehold improvements (less accumulated depreciation and amortization of \$106,282 in 2001 and \$100,728 in 2000)	604,942	616,853
TOTAL ASSETS	\$101,462,405	\$115,497,056

LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable - operating	\$78,195	\$38,379
Accounts payable - capital	5,000	80,905
Accrued federal excise tax	3,597	-
Grants payable (Note 4)	2,316,577	1,291,779
Accrued postretirement benefits (Note 5)	867,825	809,130

TOTAL LIABILITIES

3,271,194 2,220,193

Net assets:

Unrestricted 96,126,773 111,125,417

Permanently restricted:

Milo M. Belding Fund	1,855,739	1,863,059
William W. and Catherine M. Bellinger Fund	185,447	257,918
Annie K. Belding Memorial Fund	23,252	30,469

2,064,438 2,151,446

TOTAL NET ASSETS

98,191,211 113,276,863

TOTAL LIABILITIES AND NET ASSETS**\$101,462,405** **\$115,497,056**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STATEMENT OF ACTIVITIES

For the years ended March 31,			2001	2000
	Unrestricted	Permanently Restricted	Total	Total
REVENUES				
Interest and dividends	\$2,793,801	\$2,789	\$2,796,590	\$2,774,179
Gain on sale of investments	1,631,363	-	1,631,363	80,168
Capital gain distributions from mutual funds	8,731,324	-	8,731,324	4,531,671
Contributions and other income	3,000	-	3,000	27,800
Grant refunds	13,738	-	13,738	643
Total revenues	13,173,226	2,789	13,176,015	7,414,461
EXPENDITURES				
Program activities:				
Grants to institutions	4,617,970	9,000	4,626,970	3,686,807
Direct charitable activities	677,223	-	677,223	484,655
	5,295,193	9,000	5,304,193	4,171,462
Support services:				
Federal excise tax	128,597	-	128,597	70,698
Grant administrative expenses	331,554	-	331,554	360,535
Expenses attributable to earning gross income	299,599	-	299,599	316,218
Other administrative expenses	445,493	-	445,493	676,910
Total expenditures	6,500,436	9,000	6,509,436	5,595,823
Excess (deficiency) of revenues over expenditures	6,672,790	(6,211)	6,666,579	1,818,638
Change in unrealized (depreciation) and appreciation of investments	(21,671,434)	(80,797)	(21,752,231)	14,513,127
Changes in net assets	(14,998,644)	(87,008)	(15,085,652)	16,331,765
Net assets at beginning of year	111,125,417	2,151,446	113,276,863	96,945,098
NET ASSETS AT END OF YEAR	\$96,126,773	\$2,064,438	\$98,191,211	\$113,276,863

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the years ended March 31,	2001	2000
Cash flows from operating activities:		
Changes in net assets	\$(15,085,652)	\$16,331,765
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	46,981	49,123
Realized gain on investment sales	(1,631,363)	(80,168)
Capital gain distributions from mutual funds	(8,731,324)	(4,531,671)
Unrealized depreciation (appreciation) of investments	21,752,231	(14,513,127)
Changes in assets and liabilities:		
Decrease (increase) in interest receivable	1,055	(129)
Decrease (increase) in prepaid federal excise tax	54,302	(54,302)
Decrease (increase) in miscellaneous accounts receivable and other assets	69,704	(95,059)
Increase in grants payable	1,024,798	765,488
Increase in accrued postretirement benefits	58,695	54,472
(Decrease) increase in accounts payable and accrued expenses	(32,492)	61,022
Net cash (used in) operating activities	(2,473,065)	(2,012,586)
Cash flows from investing activities:		
Proceeds from investments	16,169,142	12,076,414
Purchase of investments	(13,490,649)	(9,789,450)
Purchase of equipment, furniture and leasehold improvements	(35,070)	(520,314)
Net cash provided by investing activities	2,643,423	1,766,650
Net increase (decrease) in cash and cash equivalents	170,358	(245,936)
Cash and cash equivalents at beginning of year	288,425	534,361
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 458,783	\$ 288,425

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STATEMENT OF FUNCTIONAL EXPENSES

	Support Services				Total Expenses	Total Expenses
	Direct Charitable Activities	Grant Administrative Expenses	Expenses Attributable to EGI	Other Administrative Expenses		
For the years ended March 31,					2001	2000
Salaries	\$ 199,372	\$ 138,594	\$ 37,845	\$ 150,585	\$ 526,396	\$ 472,607
Payroll taxes and employee benefits	64,323	46,258	12,624	50,060	173,265	154,152
Postretirement health care benefits (Note 5)	-	-	-	90,736	90,736	90,736
Meetings and travel	66,861	30,197	2,693	17,227	116,978	120,692
Centennial celebration	-	-	-	-	-	95,032
Professional service fees	84,865	16,208	227,409	28,008	356,490	332,788
Rent and electricity	62,919	44,105	12,036	47,879	166,939	196,219
Communications	5,944	4,167	1,137	4,524	15,772	14,616
Office supplies, repairs and maintenance	17,920	12,562	3,428	13,636	47,546	40,877
Depreciation and amortization	19,084	13,377	-	14,520	46,981	49,123
Printing costs of publications and reports	131,516	8,970	-	9,738	150,224	186,497
Postage and insurance	12,685	8,892	2,427	9,652	33,656	32,864
Foundation web site and page	4,745	3,326	-	3,610	11,681	8,367
Education and computer training	1,166	817	-	887	2,870	4,265
Organizational memberships and other expenditures	5,823	4,081	-	4,431	14,335	17,475
Moving expenses	-	-	-	-	-	22,008
TOTAL	\$677,223	\$331,554	\$299,599	\$445,493	\$1,753,869	\$1,838,318

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

March 31, 2001

I. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Foundation for Child Development (the "Foundation") is an independent private foundation dedicated to the principle that all families should have the social and material resources to raise their children to be healthy, educated, and productive members of their communities. The Foundation seeks to understand children, particularly the disadvantaged, and to promote their well-being. Toward this goal, the Foundation expends funds through grants and direct charitable activities to support initiatives in policy-relevant research, policy analysis, advocacy, leadership development and communications.

INVESTMENTS

All securities are carried at quoted market values at March 31, 2001 and 2000. Unrealized and realized gains or losses are determined by comparison of cost to market values or proceeds, respectively, cost being determined on the average cost basis. Where marketable securities are acquired by gift, cost is established as the approximate quoted market value at date of receipt. Since June 30, 1974, the Foundation pools all investments in the Bellinger Fund with the general fund. Changes in market values are apportioned between funds based on the respective ratio of the assets pooled.

EQUIPMENT, FURNITURE AND LEASEHOLD IMPROVEMENTS

Equipment, furniture and leasehold improvements are recorded at cost. Equipment and furniture are depreciated on the straight-line method over the estimated useful life of five years. Leasehold improvements are amortized over the remaining term of the lease. Depreciation and amortization expense for the fiscal years ended March 31, 2001 and 2000 was \$46,981 and \$49,123, respectively.

REVENUES AND EXPENDITURES

Income is recorded when earned, and expenses are recorded when incurred. Grants which are subject to standard performance requirements are recorded as expenditures when approved by the Board of Directors.

USE OF ESTIMATES

The Foundation's financial statements are prepared in conformity with generally accepted accounting principles and, accordingly, include amounts that are based on management's best estimates and judgments.

NOTES TO FINANCIAL STATEMENTS

March 31, 2001

2. INVESTMENTS

A summary of the investments held by the Foundation as of March 31, 2001, and March 31, 2000 is as follows:

	As of March 31, 2001		As of March 31, 2000	
	Market Value	Cost	Market Value	Cost
Money Market Funds	\$ 128,522	\$ 128,522	\$ 726,096	\$ 726,096
US Government Obligations	25,157,158	21,112,646	23,797,037	21,112,646
Equity Mutual Funds	68,504,783	47,417,571	83,634,546	39,077,463
Bond Mutual Funds	6,181,232	6,359,918	5,882,053	6,418,258
Total	\$99,971,695	\$75,018,657	\$114,039,732	\$67,334,463

The Foundation places its cash and cash equivalents with high quality financial institutions. The Foundation invests in bonds issued by the United States Government and also invests in equity and bond mutual funds. The Foundation routinely assesses the financial strengths of its cash and portfolio investments and believes no significant concentration of risk exists.

3. EQUIPMENT, FURNITURE AND LEASEHOLD IMPROVEMENTS

The components of equipment, furniture and leasehold improvements are as follows:

	2001	2000
Computers and office equipment	\$130,293	\$148,666
Furniture	120,046	124,568
Leasehold improvements	460,885	444,347
	711,224	717,581
Less - accumulated depreciation and amortization	106,282	100,728
	\$604,942	\$616,853

NOTES TO FINANCIAL STATEMENTS

March 31, 2001

4. COMMITMENTS

GRANTS PAYABLE

The Board of Directors has approved grants payable in future years as of March 31, 2001 as follows:

Year ending March 31,	Grants Payable
2002	\$1,413,399
2003	903,178
	<u>\$2,316,577</u>

LEASE COMMITMENTS

On April 20, 1999, the Foundation entered into an operating lease agreement for office space at a new location in New York City. The lease commences on September 1, 1999, and expires December 31, 2009, and provided for no rental charges from September 1, 1999 through December 31, 1999. Under the terms of the lease, minimum annual payments excluding real estate escalation and electricity are as follows:

Period	
First year	\$153,600
Second year	158,208
Third year	162,960
Fourth year	167,856
Fifth year	172,896
Sixth year through tenth year	1,024,083

Total rental expenses for the years ended March 31, 2001, and March 31, 2000 was approximately \$156,000 and \$188,000 respectively.

NOTES TO FINANCIAL STATEMENTS

March 31, 2001

5. EMPLOYEE RETIREMENT PLAN AND POSTRETIREMENT HEALTH CARE BENEFITS

The Foundation has a retirement plan covering all of its employees. Contributions under the plan are defined and paid by the Foundation to the Teachers Insurance and Annuity Association of America - College Retirement Equities Fund for premiums under individual annuity contracts purchased for each participant. The total pension expense was approximately \$70,000 and \$64,400 for the years ended March 31, 2001 and 2000, respectively. The plan complies with the Employee Retirement Income Security Act of 1974, the Retirement Equity Act of 1984 and the Tax Reform Act of 1986.

The Foundation has a postretirement health care benefit plan which provides benefits to retirees and their covered dependents who have met the eligibility requirements of the plan. The benefits include major medical and hospitalization. The expected cost of providing postretirement health care benefits are accrued during an employee's service to the Foundation. For the years ended March 31, 2001 and 2000, the accrued expense was \$90,736 and \$90,736; the actual benefits paid were \$32,041 and \$36,264, respectively.

The Foundation's accumulated postretirement benefits for retirees and current employees ineligible for benefits for the years ended March 31, 2001 and 2000, was \$867,825 and \$809,130 respectively. The accumulated postretirement benefit obligation was determined using a 9.0% weighted average discount rate. No assumptions were made for future salary increases because there are no pay-related plans. The health care cost trend rates were assumed to increase 11% for 1995 to 1996, declining 1% each year thereafter until 6% is reached in 2000.

6. TAXES

In accordance with the provisions of the Internal Revenue Code ("IRC"), in fiscal 2001 and 2000, the Foundation was liable for a 1% excise tax, on net investment income. Accordingly, federal excise tax has been calculated to be \$128,597 and \$70,698 for the years ended March 31, 2001 and 2000, respectively.

The Foundation would be liable for an additional 1% excise tax of approximately \$250,000 on unrealized gains if all marketable securities had been sold as of March 31, 2001.

Under the IRC, the Foundation is also required to make certain minimum distributions in accordance with a formula. At March 31, 2001, the Foundation had undistributed income of \$3,788,663 which must be distributed by March 31, 2002.

NOTES TO FINANCIAL STATEMENTS

March 31, 2001

7. NET ASSETS

UNRESTRICTED

The unappropriated balance of the unrestricted net assets includes the following memorials: The Annie K. Belding Fund and the bequests of The Clementine Amelia Grosvenor Memorial, Edward J. Krug, the Estate of Alma M. Gilsey, the Estate of Helen E. Spalding and the Estate of Kenneth Nussbaum.

RELATED NONPROFIT ENTITY

On September 21, 2000, a Fund was established, with the Fidelity Charitable Gift Fund, by Jane G. Dustan in her name for the benefit of the Foundation. The name of the Fund is the Jane G. Dustan Fund FBO-Foundation for Child Development ("Fund").

The Fund was established with a gift of \$250,000, and is to be used to fund nonprofit organizations which are qualified to receive financial assistance from the Foundation, and to enable such organizations to purchase consultant services that will assist them in their strategic planning and/or implementation of such plans.

During March 2001, the Foundation directed a grant of \$30,000 from the Fund to the Asian American Coalition for Children and Families Inc. The Fund was valued at \$226,486 as of March 31, 2001.

PERMANENTLY RESTRICTED

MILO M. BELDING FUND

The Milo M. Belding Fund is restricted as to principal and must be invested in interest-bearing securities; the income earned therefrom may be used for the corporate purposes of the Foundation.

WILLIAM W. AND CATHERINE M. BELLINGER FUND

The William W. and Catherine M. Bellinger Fund is restricted as to principal; the income earned therefrom may be used for the corporate purposes of the Foundation.

ANNIE K. BELDING MEMORIAL FUND

The Annie K. Belding Memorial Fund is restricted as to principal; the income earned therefrom is restricted to provide or purchase braces or similar corrective apparatus for crippled and deformed children.

**I N D E P E N D E N T A U D I T O R ' S R E P O R T
O N A D D I T I O N A L I N F O R M A T I O N**

TO THE BOARD OF DIRECTORS OF THE FOUNDATION FOR CHILD
DEVELOPMENT

Our report on our audit of the basic financial statements of the Foundation for Child Development for the year ended March 31, 2001 appears on Page 24. We conducted our audit in accordance with generally accepted auditing standards for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of investments is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McGrath, Doyle + Phain

New York, NY

June 11, 2001

SCHEDULE OF INVESTMENTS

March 31, 2001

Face Amount or Number of Shares	Description	Market Value	Cost
U.S. Government Obligations			
\$ 1,700,000	US Treasury Bonds, 10.75% due 2/15/03	\$ 1,904,137	\$ 2,012,641
4,600,000	US Treasury Bonds, 10.75% due 8/15/05	5,658,417	5,265,687
5,200,000	US Treasury Bonds, 9.25% due 2/15/16	7,176,114	4,955,438
2,134,000	US Treasury Bonds, 7.25% due 5/15/16	2,518,120	1,983,620
4,695,000	US Treasury Bonds, 8.125% due 5/15/21	6,103,631	5,380,177
		23,360,419	19,597,563
Equity Mutual Funds			
56,388.304	Artisan International Fund	1,076,453	1,572,051
87,449.067	Brandywine Fund, Inc.	2,251,814	2,246,099
6,631.873	Firsthand Technology Value Fund	286,829	547,549
256,604.113	Harbor Capital Appreciation Fund	7,639,104	6,372,551
83,717.292	Harbor International Fund	2,622,026	2,473,354
183,427.978	Harbor International Fund II	2,169,953	2,409,796
226,076.745	Liberty Acorn Fund	3,689,572	2,557,270
109,843.705	Longleaf Partners Fund	2,484,665	2,559,233
13,383.298	Oak Associates - Red Oak Technology Select Fund	154,711	500,000
6,201.213	Oak Associates - White Oak Growth Stock Fund	260,947	501,725
328,505.695	Selected American Shares	10,387,350	6,037,310
101,545.748	Sequoia Fund	11,667,611	6,522,994
130,539.722	Skyline Special Equities Portfolio	2,555,968	2,811,475
39,277.298	U.S. Global Leaders Fund	946,976	1,000,000
255,480.152	Vanguard Capital Opportunity Fund	6,169,846	3,512,524
264,911.160	Vanguard Primecap Fund	14,140,958	5,793,640
		68,504,783	47,417,571
Bond Mutual Fund			
580,002.926	PIMCO Total Return Fund - Institutional	6,101,631	6,279,758
Chase Manhattan Bank			
	Vista Federal Premier Money Market	125,871	125,871
		98,092,704	73,420,763

SCHEDULE OF INVESTMENTS

March 31, 2001

Face Amount or Number of Shares	Description	Market Value	Cost
PERMANENTLY RESTRICTED			
MILO M. BELDING FUND			
	U.S. Government Obligations		
\$1,100,000	US Treasury Bonds, 13.375% due 8/15/01	\$ 1,133,038	\$ 1,004,781
545,000	US Treasury Bonds, 7.25% due 5/15/16	643,100	492,033
	Bond Mutual Fund		
6,988.666	Harbor Bond Fund	79,601	80,160
	Total Milo M. Belding Fund	1,855,739	1,576,974
ANNIE K. BELDING MEMORIAL FUND			
	U.S. Government Obligations		
20,000	US Treasury Bonds, 13.375% due 8/15/01	20,601	18,269
	Chase Manhattan Bank		
	Money Market Account	2,651	2,651
	Total Annie K. Belding Memorial Fund	23,252	20,920
	TOTAL ALL FUNDS	\$99,971,695	\$75,018,657

HISTORY OF THE FOUNDATION

The Foundation for Child Development (FCD) is a private foundation incorporated as a voluntary agency in New York in 1900, and established as the Association for the Aid of Crippled Children (AACC) in 1908. Voluntary contributions from the public supported AACC until 1944, when substantial funds were received from the estate of Milo M. Belding to honor his wife, Annie K. Belding. Mrs. Belding had devoted many years of service to the Association.

In its early years, the Association's name directly reflected its activities. Its program began with teaching disabled children, but AACC soon developed a broader definition of aid to the children and their families – aid that often included material help. The Association's work changed again when nursing care and treatment in both the home and the school became the main focus of the program. As these services gained broad public support, and as the funds of the Belding estate became available, the Association shifted its attention to the prevention of handicapping conditions. Thus, from the early 1950s until the early 1970s, most of the Association's funds supported research on genetically based disorders and abnormalities of fetal development.

In recognition of its evolving program and of its status as a grantmaking organization, the Association changed its name in 1972 to the Foundation for Child Development. Today, the principal aims of the Foundation are the prevention of child poverty and the promotion of economic security of families. Grants designed to address these aims are made for research, to link research to policy and program development, and for leadership development.

As part of its Centennial year communications in 1999-2000, FCD published a brochure, *100 Years of Commitment to Children: Change and Continuity*, that gives a short history of the Foundation's work and accomplishments over the past century. Copies are available on request. The booklet can also be downloaded at www.ffcd.org.

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