



Penny Pilgram George
President

William W. George
Vice President

Jeffrey Pilgram George
Trustee

Jonathan Roulette George
Trustee

Diane B. Neimann
Executive Director

OUR MISSION

is to foster human development—spiritual, intellectual, physical and psychological—and to enhance the work of people and organizations devoted to exemplary service in the community.

OUR GUIDING PHILOSOPHY

is to invest in values, ethics and character formation; to support the efforts of those who are successfully making a difference in people's lives; and to help build the communities in which we live. We believe in sharing the blessings which have been bestowed on us and in celebrating the spiritual reciprocity between donors and receivers working collaboratively to make the world a better place.

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LETTER FROM THE PRESIDENT



In his remarks to the European Parliament in March, His Holiness the Dalai Lama said the following: "As we were reminded by the tragic events of September, the world is becoming increasingly interdependent. Within the context of this new interdependence, self-interest clearly lies in considering the interests of others. Without the cultivation and promotion of a sense of universal responsibility, our very future is in danger".

The work of the George Family Foundation is rooted in this same belief, this same conviction that we are all one People and that we are responsible for one another's welfare. We continue to find - and fund - individuals and programs that are making a difference in the world, and to encourage their success however we can. We also respond to serendipitous opportunities that represent unique chances to create change.

A unique opportunity this year was the occasion of the first visit by the Dalai Lama to Minnesota. The Tibetan community in the Twin Cities is the second largest in the U.S. after New York City, yet there has been no place for the Tibetans to regularly gather to promote their culture. One of our grants this year helped underwrite His Holiness' visit and the creation of a community center for the Tibetans in Minnesota. A smaller grant will help with the formation of a monastery for the Gyuto Wheel of Dharma monks. The Tibetan people bring spiritual depth and compassion into our midst, and their recent history of heartbreaking loss cries out for generous hospitality.

Our sustained work to change the culture of American medicine is finally beginning to bear fruit. Our longterm approach has involved identifying the strategies needed to advance the principles of the new medicine. This we accomplished during a meeting in April 2001 which brought together 36 medical pioneers and funders committed to Integrative Medicine for two days of intense conversation. One of the strategies identified at that meeting was to form a philanthropic collaborative that would leverage philanthropic contributions more effectively.

In November the Foundation hosted a second meeting, to which a larger group of funders was invited, the outcome of which was an enthusiastic endorsement of the idea of a funding collaborative and general ideas for collective funding. In May 2002 a third meeting will take place in which participants will have the opportunity to fund several specific initiatives: to influence change in medical leadership, to help the best clinical centers of integrative care become successful models for the rest of the country, and to further evolve the structure of the funding collaborative itself.

Investing in strategic change requires a longer lead time to see results than do grants to specific innovative programs, but both types of funding are necessary, and both are satisfying. In addition to serving as convenor for the funding collaborative until it chooses its final form, the Foundation is also very pleased to have been instrumental, through financial and personal support, in helping the Center for Mind-Body Medicine develop its novel program CancerGuides. This week-long program to train health professionals in how to help cancer patients create integrative healing programs, had its debut in Aspen in July, where it received outstanding ratings from the hundred-plus attendees. I was on the faculty for the training, which added another level of satisfaction for me and drew upon my background as a psychologist.

The challenge in Integrative Medicine, as in other areas where our family hopes to create positive societal change, is to leverage limited financial resources to have maximum impact. If we fund even half of the excellent programs that we find out about, we risk diluting our impact and not investing enough in the areas where change is truly ripe to occur. This necessarily requires declining grant proposals we really would like to support, and which deserve our support. This is the hardest part of what is otherwise enormously gratifying work.

We are pleased to present, in the following pages, the organizations, and in some cases individuals, whom we have supported and encouraged over the past year. In every case, we see in them a commitment and investment in the well-being of others which the Dalai Lama calls the sense of universal responsibility.

Sincerely,

*Penny George
President*

OUR INTERESTS

Educational Opportunity

Fellowships for individuals with potential to positively impact society and to gain a deeper understanding of the world and its diverse cultures.

Integrative Medicine

Programs and initiatives that promote an integrated approach to healing mind, body, heart and spirit.

Youth Development

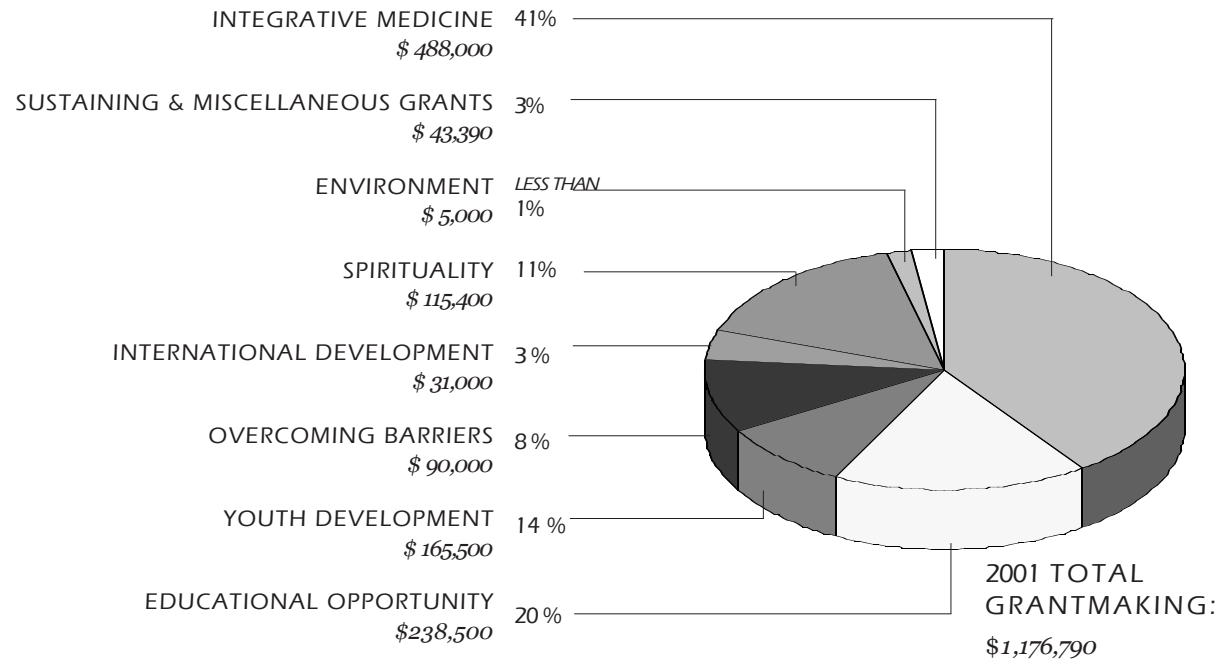
Programs focused on leadership development and mentoring.

Overcoming Barriers

Programs that help women and people of color overcome societal barriers and realize their full potential.

Spirituality

Programs which enrich the spiritual lives of individuals, families and communities.



EDUCATION & EDUCATIONAL OPPORTUNITIES

Admission Possible <i>In support of services to disadvantaged youth to help them prepare for college admission.</i>	\$15,000
Georgia Tech Foundation <i>In partial fulfillment of a \$250,000 pledge toward the William W. George Professorship in Health Systems; providing funding for faculty, research projects, travel, equipment, student research assistants and administrative support.</i>	\$50,000
Minneapolis Institute of Arts <i>In support of the George Educational Fund.</i>	\$10,000
Minnesota Humanities Commission <i>In partial fulfillment of a \$15,000 pledge to support the Minnesota Core Knowledge Center's work and professional development seminars for its K-12 teachers.</i>	\$10,000
The One Percent Club <i>General operating support to facilitate recruitment of new members who pledge to give 1% of their net worth toward charitable causes each year.</i>	\$1,500
Redeemer Missionary Baptist Church <i>In support of the Redeemer Scholarship Fund for an African medical student at the University of Minnesota.</i>	\$12,000
Total Education and Educational Opportunities	\$98,500

GEORGE FELLOWS PROGRAM

The purpose of the George Fellows Program is to encourage promising students as they pursue advanced degrees. Preference is given to students who demonstrate exceptional academic potential and financial need. The majority of these fellowships go to minority students and to international students from developing countries.



A few George Fellows recipients — Georgia Institute of Technology. From L-R: Jennifer Chung, Jeffrey Stemmermann and Tiffany Ross.

Amherst College	\$ 15,000
<i>In partial fulfillment of a \$150,000 pledge for the George International Scholarships.</i>	
Carleton College	\$ 15,000
<i>In partial fulfillment of a \$150,000 pledge for the George International Scholarships.</i>	
Georgia Institute of Technology	\$ 10,000
<i>In partial fulfillment of a \$100,000 pledge for the George Fellows Fund in Industrial Systems and Engineering.</i>	
Georgia Institute of Technology	\$ 20,000
<i>In partial fulfillment of a \$200,000 pledge for the George Fellows Fund in Bioengineering and Bioscience.</i>	
Hamm Clinic	\$ 20,000
<i>In partial fulfillment of a \$60,000 pledge for minority doctoral-level psychology students.</i>	
Harvard Business School	\$ 30,000
<i>In partial fulfillment of a \$280,000 pledge for the George International Scholarships.</i>	
Macalester College	\$ 15,000
<i>In partial fulfillment of a \$145,000 pledge for the George International Scholarships.</i>	

University of St. Thomas	\$ 15,000
<i>In partial fulfillment of a \$45,000 pledge for exceptional minority master's and doctoral-level students pursuing degrees in the mental health field.</i>	

Total George Fellows Program	\$ 140,000
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GRAND TOTAL EDUCATION AND EDUCATIONAL OPPORTUNITIES	\$ 238,500
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INTEGRATIVE MEDICINE

The George Family Foundation has made a conscious effort to advance the field of integrative medicine. The Georges believe that an effective way to accomplish this is through collaboration among those most interested in shaping the new medicine. Therefore on April 4-6, 2001, at Miraval, A Center for Life in Balance, outside of Tucson, Arizona, the Foundation assembled and hosted thirty-six medical leaders and philanthropists. Those attending this unprecedented gathering identified strategies to help hasten the adoption of the ideals of this field and looked for opportunities for collaboration between the two groups.

This initiative was continued with the assembly of 20 philanthropists on November 7-9, 2001 at the Pocantico Conference Center of the Rockefeller Brother's Fund. Titled, "The Conversation at Pocantico: Advancing Integrative Medicine," the gathering was designed to bring together philanthropists interested in collaboratively and strategically advancing this field to explore the potential of working together to really make a difference. A priority from that meeting was the formation of a supportive network of funders who would work together to accelerate change through strategic philanthropy.

Center for Mind-Body Medicine	\$ 50,000
<i>In fulfillment of a \$100,000 pledge to support the professional training program, for CancerGuides.</i>	

Center for Spirituality and Healing	\$ 100,000
<i>In partial fulfillment of a \$300,000 pledge for the Center's program entitled, "The Inner Life of Healers", a spiritual growth program for health professional students and community practitioners.</i>	

INTEGRATIVE MEDICINE CONTINUED

Duke Center for Integrative Medicine <i>In partial fulfillment of a \$500,000 pledge supporting DCIM's Holistic Mentoring Program within a Longitudinal Educational Curriculum for Integrative Healing.</i>	\$100,000
Hennepin County Medical Center <i>In support of the Healing Environment Program at this large inner-city hospital.</i>	\$70,000
Minneapolis Heart Institute Foundation <i>In partial fulfillment of a \$136,216 pledge for Healing the Heart: Cardiovascular Health Services Integrated Health Care Model Project at Abbott Northwestern Hospital.</i>	\$100,000
Immanuel St. Joseph's Foundation <i>In support of the attendance at CancerGuides of a Mankato, Minnesota, health care provider. In honor of Diane Manahan, Ph.D.</i>	\$1,000
Pathways <i>In support of the work of this health crisis resource center.</i>	\$5,000
Powderhorn Phillips Cultural Wellness Center <i>In support of "Culture as a Resource in Health and Healing" providing medical students and residents the opportunity to learn from cultural and community immersion.</i>	\$5,000
Research Centre for Alternative Medicine <i>In support of RCAM's research projects in energy medicine.</i>	\$25,000
Stuart Pimsler Dance Theater <i>In support of Pimsler's Out of This World/Life After Life Project that focused on caregivers' personal experiences and beliefs about death, dying and the afterlife in a theatrical performance.</i>	\$2,000
Susan Deborah King – "One-Breasted Woman" Project <i>In fulfillment of a \$40,000 pledge in support of the creation of a book of poetry capturing the experience of breast cancer.</i>	\$30,000
Total Integrative Medicine	\$488,000

YOUTH DEVELOPMENT

Athletes Committed to Educating Students (A.C.E.S.) <i>General operating support for after-school tutoring/mentoring program for inner-city youth.</i>	\$5,000
The Cookie Cart <i>General operating support for this inner-city organization serving at-risk youth through its baking, self-reliance and education programs.</i>	\$500
Greater Minneapolis Council of Churches <i>In partial fulfillment of a \$10,000 pledge in support of GMCC's Discovery Learning Centers.</i>	\$5,000
Minnesota Thunder Youth Development Organization <i>In support of soccer and education programs that work with inner-city neighborhood youth centers.</i>	\$10,000
Redeemer Missionary Baptist Church <i>In fulfillment of a \$50,000 pledge to support Redeemer's Quantum Opportunities academic training program.</i>	\$25,000
Sigma Chi Foundation <i>In partial fulfillment of a \$100,000 pledge to support Sigma Chi's Horizons Leadership Project.</i>	\$25,000
Summit Academy/OIC <i>In fulfillment of a \$150,000 pledge for YouthBuild, a program for at-risk inner-city youth.</i>	\$75,000



In Lucia's kitchen kids from Youth Farm Market learn food preparation and baking skills.

YOUTH DEVELOPMENT CONTINUED

Youth Farm and Market Project	\$ 10,000
<i>In support of YFMP's efforts to create an urban environment within which youth can flourish physically, socially, and emotionally by growing and selling organic produce.</i>	
The Youth Foundation	\$ 5,000
<i>In support of programs that provide resources and educational opportunities to the underserved youth of Lake and Eagle counties in Colorado.</i>	
YWCA of Minneapolis	\$ 5,000
<i>In partial fulfillment of a \$25,000 pledge in support of YWCA's Community and Urban Sports Center serving inner-city youth.</i>	
Total Youth Development	\$ 165,500

OVERCOMING BARRIERS

Harriet Tubman Center	\$ 10,000
<i>In fulfillment of a \$20,000 pledge in support of HTC's Spirituality, Health and Healing Initiative.</i>	
Planned Parenthood of Minnesota/South Dakota	\$ 5,000
<i>General operating support for reproductive health care and family planning services.</i>	
Twin Cities RISE!	\$ 50,000
<i>In fulfillment of a \$100,000 pledge toward scholarships for participants in skills training and job acquisition programming.</i>	
WATCH	\$ 15,000
<i>In partial fulfillment of a \$45,000 pledge to support initiatives to improve the criminal justice system's handling of cases of domestic violence and sexual assault.</i>	
YWCA of Minneapolis	\$ 10,000
<i>In fulfillment of a \$20,000 pledge to support YWCA's Women's Wellness Program.</i>	
Total Overcoming Barriers	\$ 90,000

SPIRITUALITY

Tibetan Community Center	\$ 25,000
<i>In fulfillment of a \$50,000 pledge to support His Holiness the Dalai Lama's visit to Minnesota and the creation of a Tibetan Community Center.</i>	
Minnesota Public Radio	\$ 20,000
<i>In partial support of a \$40,000 pledge for national programming entitled "A Common Place: Conversations Around the Spiritual Geography of Life".</i>	
Plymouth Congregational Church	\$ 17,000
<i>In partial fulfillment of a \$51,000 pledge to fund the addition of an outreach worker to church staff.</i>	
Spiritual Opportunities for Life	\$ 10,000
<i>In partial fulfillment of a \$20,000 pledge for general operating support for this new interfaith educational center.</i>	
The David Institute for Spiritual and Leadership Development	\$ 10,000
<i>In partial fulfillment of a \$30,000 pledge to support "Sustaining the Soul that Serves"; a program that addresses concerns specific to the wellness of helping professionals.</i>	
United Theological Seminary	\$ 33,400
<i>In fulfillment of a \$100,000 pledge to support UTS's Spiritual Development Program.</i>	
Total Spirituality	\$ 115,400

ENVIRONMENT

Eagle Valley Land Trust	\$ 5,000
<i>General operating support for this Colorado land conservation organization.</i>	
Total Environment	\$ 5,000

INTERNATIONAL

CARE <i>To support CARE's international relief and development efforts.</i>	\$5,000
Children's HeartLink <i>In support of Children's HeartLink's work to build medical capacity for children with heart problems in developing countries.</i>	\$8,500
Common Hope (formerly The Godchild Project) <i>In support of care to children and families in a Guatemalan community devastated by a hurricane.</i>	\$7,500
Minnesota International Center <i>General operating support.</i>	\$5,000
Opportunity International <i>General operating support for micro-lending programs in developing countries.</i>	\$5,000
Total International	\$31,000

SUSTAINING & MISCELLANEOUS

American Red Cross <i>In support of the Strategic Blood Reserve created in response to September 11 and in support of the annual Board campaign.</i>	\$27,500
American Indian Business Development <i>In support of the Memorial Mural.</i>	\$1,000
Abbott Northwestern Hospital <i>In support of the Associates Drive.</i>	\$1,000
Episcopal Community Services <i>Sustaining grant for this social service organization.</i>	\$5,000
The Guthrie Theater <i>In support of the Guthrie's 2001 Annual Fund.</i>	\$2,500

Dharma Monastery <i>For the support and creation of the Gyuto Wheel of Dharma Monastery.</i>	\$890
Minnesota Orchestral Association <i>In support of the Orchestra's 2000-2001 season.</i>	\$1,000
The Saint Paul Chamber Orchestra <i>In partial fulfillment of a \$7,500 pledge in support of their CONNECT Education Program in partnership with Twin Cities' public schools.</i>	\$2,500
The Tides Foundation <i>In support of the Polynesian Voyaging Society.</i>	\$2,000
Total Sustaining & Miscellaneous	\$43,390

Total Grants Paid 2001
\$1,176,790

FINANCIAL SUMMARY

STATEMENT OF HOLDINGS December 31, 2001 and 2000

	MARKET		COST	
	2001	2000	2001	2000
ASSETS :				
Investments:				
Stocks	\$ 25,315,732	\$ 26,088,933	\$ 16,889,063	\$ 17,004,429
Note Receivable	\$ 100,000	\$ —	\$ 100,000	\$ —
Cash and Cash Equivalents	\$ 1,258,753	\$ 2,434,963	\$ 1,258,753	\$ 2,434,963
Total Investments	<u>\$26,674,485</u>	<u>\$ 28,523,896</u>	<u>\$ 18,247,816</u>	<u>\$ 19,439,392</u>
Principal arising from cash transactions			<u>\$ 18,247,816</u>	<u>\$ 19,439,392</u>

STATEMENT OF RECEIPTS AND DISBURSEMENTS Years ended December 31, 2001 and 2000

	2001	2000
R E C E I P T S :		
Dividends	\$ 157,784	\$ 132,564
Interest	\$ 45,411	\$ 12,609
Net gain/loss on disposition of investments	\$ (5,637)	\$ 9,908,948
Contributions	<u>\$ 759,502</u>	<u>\$ 1,643,790</u>
Total Receipts	<u>\$ 957,060</u>	<u>\$ 11,697,911</u>
D I S B U R S E M E N T S :		
Excise tax on net investment income	\$ 5,000	\$ 121,000
General and administrative expenses	\$ 31,198	\$ 33,763
Program expense	\$ 272,737	\$ 30,000
Professional fees	\$ 222,182	\$ 230,353
Charitable contributions	<u>\$ 1,176,790</u>	<u>\$ 1,308,108</u>
Total Disbursements	<u>\$ 1,707,907</u>	<u>\$ 1,723,224</u>
Net decrease in principal for the year	\$ (750,847)	\$ 9,974,687
Adjustment to principal	\$ (440,729)	\$ (113,630)
Principal at beginning of year	<u>\$ 19,439,392</u>	<u>\$ 9,578,335</u>
Principal at end of year	<u>\$ 18,247,816</u>	<u>\$ 19,439,392</u>

HOW TO APPLY TO THE GEORGE FAMILY FOUNDATION

Applicants are encouraged to submit a letter of inquiry or to discuss their request with staff before submitting an application.

One Copy of the proposal should be submitted which includes the following:

- Complete George Family Foundation Grant Application Cover Page.
- Brief description of mission, history, background and capabilities of organization.
- Purpose of project or program: *What will be accomplished?*
- Statement of need: *What problems will be addressed and solved?*
- Relevance: *How does the project relate to the interests of the Foundation?*
- Implementation: *How will the project be carried out? Workplan? Timelines?*
- Collaboration: *How will the applicant work with others? What are major sources of support?*
- Future Funding: *How will the program be sustained in the future?*
- Staff: *What are the capabilities of those responsible for the project?*
- Evaluation Plan: *How will results be evaluated?*
- George Family Foundation Support: *How will this grant be used?*

Please attach the following additional information:

- Copy of Treasury letter certifying your 501(c)(3) tax-exempt status.
- Copy of organization's budget for current fiscal year.
- Copy of latest audit of financial statement.
- Listing of Board of Directors and affiliations.
- Listing of current funders.

Proposals should be received by May 30 or October 30

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We are grateful

*to be in a position to share with others
some of what we have been given,
and committed to growing
individually and collectively
through the activities of
the foundation.*

values

ethics

character

spiritual
reciprocity



building
communities

sharing the
blessings

making a
difference

working
collaboratively