

The Herbert H. and Grace A. Dow Foundation
annual report 2008



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The Herbert H. and Grace A. Dow Foundation letter from the president



Dear Friends,

Steadfast in the face of adversity.

This common phrase describes so many people and organizations in Michigan at this time. There is no question that 2008 brought serious challenges, changing the way we think and operate. People have had to tighten their belts, and social agencies have felt the effects.

Given the state of our Michigan economy, the work of foundations like ours is more important than ever. Consider this: The Council of Michigan Foundations (CMF) and the Michigan Nonprofit Association recently reported that Michigan nonprofits employed nearly 430,000 people in 2006, reflecting about 10 percent of the state's workforce.

Even more striking is the impact of financial contributions. Rob Collier, CMF president, reported that another recent analysis indicates that every foundation dollar has a multiplier effect of \$8. To put that into perspective, foundation giving in Michigan is estimated at \$800 million a year. Factor in the multiplier, and you get \$6.4 billion of philanthropic impact annually.

I am both proud and humbled that The Herbert H. and Grace A. Dow Foundation has been able to make generous monetary contributions to benefit the people of

Michigan for 72 years. Since The Foundation was established on December 26, 1936, Trustees have awarded \$446,134,288.03 in actual, not adjusted, dollars to qualifying Michigan organizations. In keeping with our charter, The Foundation has supported "religious, charitable, scientific, literary, or educational purposes for the public benefaction of the inhabitants of the said City of Midland and of the people of the State of Michigan."

Looking forward to 2009, it is clear that foundations will play an even greater role in maintaining and improving the quality of life in Michigan. But it is important to remember that our Foundation, and others, contributes more than money. We also make a difference by sharing our knowledge with and opening our networks to people looking for strategic solutions to a wide variety of challenges.

As we have in the past, The Herbert H. and Grace A. Dow Foundation will continue to carefully monitor our investments to ensure a strong asset base. And we will continue to contribute to organizations that make a real, lasting difference in the lives of the people we serve.

I invite you to review some highlights of the past year in this annual report, and I encourage you to provide feedback about The Foundation's activities. With the continued support of our friends, The Herbert H. and Grace A. Dow Foundation will help Michigan residents meet their challenges and weather this economic uncertainty.

Sincerely,

A handwritten signature in black ink, which reads "Margaret Ann Riecker". The signature is written in a cursive, flowing style.

Margaret Ann Riecker
President

The Herbert H. and Grace A. Dow Foundation
trustees and associates



- 1 Margaret Ann Riecker** President / Trustee
- 2 Michael L. Dow** Vice President / Trustee
- 3 Macauley Whiting, Jr.** Treasurer / Trustee
- 4 Helen Dow Whiting** Trustee
- 5 Bonnie Buchanan Matheson** Trustee
- 6 Terence F. Moore** Trustee
- 7 Willard Mott** Trustee
- 8 Robert Redd Matheson** Associate
- 9 Helen Whiting Collette** Associate

Absent from Group Photo

- Julie Arbury** Trustee
- Ruth A. Doan** Trustee
- Diane Dow Hullet** Trustee
- Andrew Liveris** Trustee
- Nan Hanson** Associate
- Margaret E. Thompson** Secretary / Trustee



The Herbert H. and Grace A. Dow Foundation
statement of financial position 2008

assets

cash and cash equivalents

\$6,597,000

receivables and prepaid expenses

\$2,645,000

investments at fair market value

\$250,408,000

land, buildings and equipment

\$16,496,000

total assets

\$276,146,000

liabilities and net assets

pledges payable

\$43,100,000

other payables

\$4,499,000

net assets

\$228,547,000

total liabilities and net assets

\$276,146,000

This summarized statement of financial position is unaudited.

**“I can find 100 men who
will tell me it cannot
work; find me one who
will make it work.”**

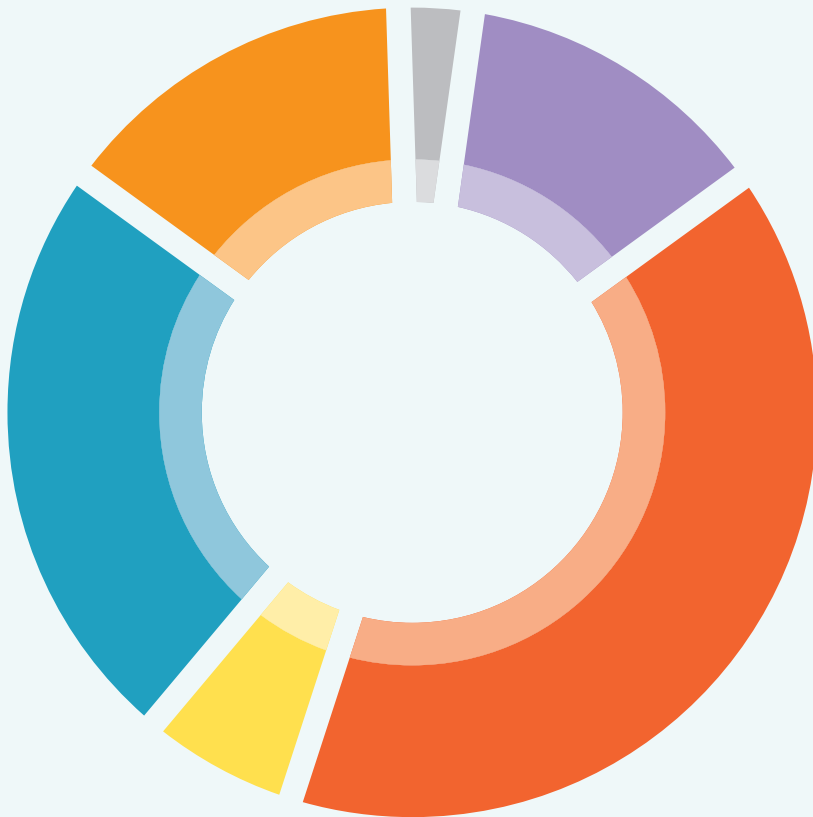
Herbert H. Dow



The Herbert H. and Grace A. Dow Foundation
summarized grant history

Since Grace A. Dow established The Herbert H. and Grace A. Dow Foundation on **December 26, 1936**, Trustees have awarded **\$446,134,288.03** in actual, not adjusted, dollars to qualifying Michigan organizations.

- **arts and culture**
365 grants \$67,656,967.12
- **civic and community**
1,161 grants \$108,558,703.59
- **environment**
204 grants \$22,427,383.00
- **education**
811 grants \$185,393,900.01
- **health and human services**
588 grants \$57,545,759.61
- **religion**
4,957 gifts \$4,551,574.70



The Herbert H. and Grace A. Dow Foundation, while limited in its grantmaking to organizations within Michigan, has charter goals to improve the educational, religious, economic and cultural lives of Michigan's people as those needs can be defined in a world which constantly presents new or different challenges and opportunities. The Foundation Trustees carefully consider proposals submitted, and look for programs where their contribution can be leveraged. Organizations requesting funding for a new program should be sure that they have planned for that program's future self-sufficiency.

The Herbert H. and Grace A. Dow Foundation grant payments 2008

Albion College

\$1,000,000 \$5 million pledge for the science center renovation and construction project

Alma College

\$1,000,000 \$3 million pledge to establish the Center for Responsible Leadership endowment

Bay Area Family YMCA

\$334,000 \$1 million pledge to construct new facility

Bay Arenac ISD Education Service Center

\$50,000 \$150,000 pledge for the Imagination Library Program

Boy Scouts of America Lake Huron Area Council

\$400,000 \$2 million pledge towards the capital and endowment campaigns

Bullock Creek School District

\$49,439 \$860,000 pledge for the Technology-Mathematics-Science program

Capital Region Community Foundation

\$5,000 One-year grant for the 2008 Governor's Service Awards

The Center for Michigan

\$50,000 \$150,000 pledge to provide funding for the Michigan's Defining Moment campaign

Charlevoix Area Hospital Foundation

\$100,000 One-year grant to establish a teleradiology and telemedicine project

Child Abuse and Neglect Council of Saginaw County

\$35,000 \$70,000 pledge for the Court Appointed Special Advocate program for children in foster care

Chinese Cultural Ongoing Program

\$20,000 One-year pledge to support 2008 activities which include the operations budget, the annual Chinese Culture Festival and a set of education programs

Chippewa Watershed Conservancy

\$25,000 \$50,000 pledge toward a matching grant for an endowment program

City of Coleman

\$250,000 \$800,000 pledge toward the Coleman Senior Center Housing Project

Clare Little League

\$15,000 One-year grant to help build another baseball field next to Clare's other playing fields at Stamina Park

The Corner Health Center

\$100,000 One-year grant for facilities expansion

Council of Michigan Foundations

\$15,700 One-year grant to support 2008 operations

Council of Michigan Foundations

\$35,000 \$70,000 pledge to continue and expand the work on behalf of philanthropy and the nonprofit sector in Michigan with the Charitable Trust Section of the Office of the Attorney General

Council on Domestic Violence and Sexual Assault

\$30,000 \$90,000 pledge to support operations

Creative Spirit Center, Inc.

\$60,000 \$180,000 pledge to support operations

Crooked Tree Arts Council, Inc.

\$50,000 \$150,000 pledge to support operations

T. A. Cutler Memorial Library

\$10,000 One-year grant to redesign the library's interior space

Delta College

\$50,000 \$150,000 pledge to support the Small Business & Technology Development Center

Detroit Area Pre-College Engineering Program, Inc.

\$250,000 \$750,000 pledge to support operations for the summer enrichment program serving inner-city Detroit students

Ducks Unlimited, Inc.

\$100,000 \$500,000 pledge for the restoration and protection of the Saginaw Bay Watershed

Family and Children's Services of Midland, Inc.

\$30,000 One-year grant to support operations to maintain the counseling program

Farwell Area Schools

\$97,142.41 One-year grant to update labs and classrooms with supplies and equipment

Food Bank Council of Michigan

\$15,000 One-year grant for the 2008 Michigan Harvest Gathering campaign

Fraternal Northwest Little League

\$30,475 One-year grant for the continued expansion and renovation of the baseball fields

Freeland Community Sports Association

\$250,000 \$500,000 pledge to construct a community recreation center

City of Gladwin

\$10,000 One-year grant to build tennis courts

Grace A. Dow Memorial Library

\$2,000 One-year grant to support operations

Grand Traverse Regional Land Conservancy

\$600,000 \$1.5 million pledge for land preservation

Greater Midland Community Centers, Inc.

\$50,000 One-year grant to support 2008 operations

Greater Midland Community Centers, Inc.

\$100,000 \$175,000 pledge to renovate the Coleman Middle School to allow the Coleman Community Network to expand its current programs

Greater Midland Community Centers, Inc.

\$400,000 \$750,000 pledge toward the George Street Renovation Project

Greater Midland Community Centers, Inc.

\$450,000 One-year grant for the Midland Curling Club

Greater Midland Community Centers, Inc.

\$125,000 \$375,000 pledge to support North Midland Family Center operations

Grove Street Music Festival

\$5,000 \$15,000 pledge to support operations

Habitat for Humanity - Gladwin County

\$20,000 One-year grant to build housing for low-income families during 2008

Heart of the Lakes Center for Land Conservancy

\$25,000 \$75,000 pledge to support general or communications operations

Hemlock Public Schools

\$51,755.41 One-year grant to fund the cost of new textbooks required to meet new curriculum changes and demands from the state of Michigan

Hillsdale College

\$994,614.32 \$3 million pledge to renovate the Strosacker Science Building

Hope Township

\$25,000 One-year grant to install a track around the perimeter of the township park

Interlochen Center for the Arts

\$994,614.32 \$3 million pledge for the construction of The Herbert H. and Barbara C. Dow Center for Visual Arts

Isabella County 4-H Horse Leaders

\$20,000 One-year grant to fund the final phase of the Isabella County Equine Education Center

Junior Achievement of Central Michigan, Inc.

\$75,000 \$225,000 pledge toward a matching grant for an endowment

The Legacy Center for Student Success

\$4,500 \$13,500 pledge for the Saginaw County Jump Start Program

The Legacy Center for Student Success

\$4,700 One-year grant to fund a second Search Institute Assets and Behaviors survey for Juvenile Court wards

Literacy Council of Midland County, Inc.

\$50,000 \$250,000 pledge to support operations

Little Forks Conservancy

\$50,000 \$280,000 pledge to support operations

Little Traverse Conservancy

\$100,000 \$400,000 pledge toward a matching grant for Phase II of land preservation along US 31 scenic road corridor

Michigan Association of Public School Academies

\$50,000 \$150,000 pledge to support operations

Michigan Baseball Foundation, Inc.

\$1,400,000 \$7 million pledge for Dow Diamond Stadium and Event Center construction and operations

Michigan Institute for Educational Management

\$100,000 \$300,000 pledge for Michigan Leadership Institute's Superintendent Preparation Series Academy Training

Michigan Molecular Institute

\$163,591 \$817,956 pledge for the Nonprofit Open Source Initiative project to develop a software application development center

Michigan Nonprofit Association

\$5,000 One-year grant to support the MNA/Nonprofit Congress Townhall Meeting in the Tri-Cities region

Michigan State University

\$25,000 \$75,000 pledge to support operations of the Michigan Political Leadership Program

Michigan Technological University

\$239,800 \$1,199,000 pledge for the Nonprofit Open Source Initiative project to develop a software application development center

Mid Michigan Community Action Agency

\$16,000 \$40,000 pledge to support the Individual Development Account (IDA) Program

Mid Michigan Community College

\$588,505 \$2,354,020 pledge to construct the new Herbert D. Doan Science and Health Technologies Center

Midland Area Chamber Foundation

\$5,000 One-year grant for the 2009 Midland Blooms Project

Midland Area Community Foundation

\$499,791.99 \$2.5 million pledge for the Entranceway Enhancement Initiative

Midland Area Community Foundation

\$7,693.73 One-year grant to fund a study of the Midland Mall area for the Project for Public Spaces (PPS)

Midland Center for the Arts

\$777,500 \$1,555,000 pledge for fiscal 2007-2008 program and capital support

Midland Center for the Arts

\$754,000 \$1,508,000 pledge for fiscal 2008-2009 program and capital support

City of Midland

\$469,791.99 \$2,470,000 pledge to construct a new Civic Arena

City of Midland

\$10,000 One-year grant to fund the Discovery Square feasibility study for the design modifications of W. St. Andrews for the Project for Public Spaces (PPS)

County of Midland

\$133,750 \$675,000 pledge to fund the Multisystemic Therapy program

Midland County Churches

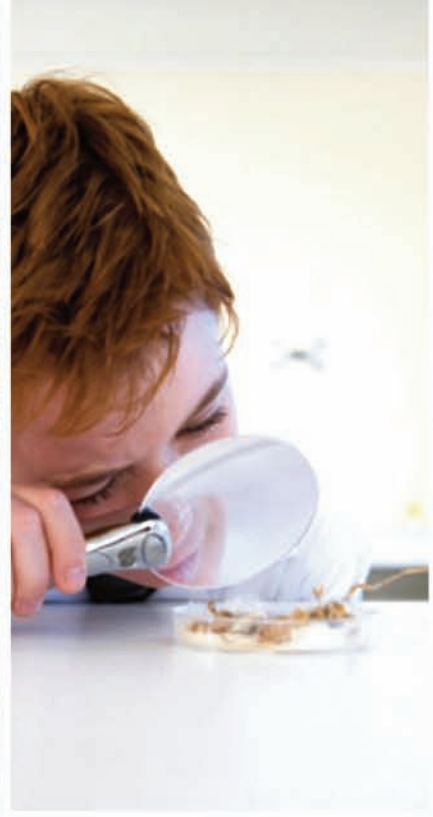
\$99,000 One-year grant of \$1,000 to each of 99 churches

Midland County Educational Service Agency

\$572,000 \$1,455,000 pledge to fund training and staff support for implementation of the Instructional Consultation Team Project

Midland County Educational Service Agency

\$396,000 \$1,100,000 pledge for the Midland County Universal Preschool project



Midland Explorers Fastpitch Boosters, Inc.

\$15,000 \$30,000 pledge to support 2007 and 2008 operations

Midland King's Daughters Endowment Fund

\$400,000 \$2 million pledge for facility renovation

Midland King's Daughters Home

\$1,000 One-year grant to support 2008 Community Christmas Closet operations

Midland King's Daughters Home

\$1,000 One-year grant to support 2008 operations

Midland Public Schools

\$380,000 \$1,520,000 pledge for technology upgrade project

Midland Public Schools

\$500,000 \$2 million pledge for renovation of three middle school science laboratories

Midland Speed Skating Club

\$7,600 \$51,100 pledge for ice fees for hosting nine speed skating events for 2006-2010

Midland Volunteers for Recycling, Inc.

\$10,000 \$30,000 pledge for the Education and Outreach program

Mid-Michigan Children's Museum

\$100,000 \$500,000 pledge for the development of the Mid-Michigan Children's Museum

MidMichigan Medical Center – Midland

\$260,000 \$1.3 million pledge for the Gamma Knife

Mid-Michigan Section of the Society of Plastics Engineers

\$5,000 \$25,000 pledge for the Educational Outreach Program

Mt. Haley Church of God

\$9,000 One-year grant to renovate the Fellowship Hall

New Urban Learning

\$150,000 \$450,000 pledge for the University Preparatory Global Standards Mathematics Project for inner-city Detroit students

North Point Ministries

\$10,000 One-year grant to fund building repairs including upgrades to meet local fire safety codes

Northwood University

\$1,000,000 \$5 million pledge to expand the Michigan campus to become an Incubator of Enterprise Education and Character

Open Door Youth Outreach of Midland

\$16,666 \$50,000 pledge for the Open Door Restoration Ministry project

Pine Mountain Music Festival, Inc.

\$50,000 \$75,000 pledge for an executive director position

Reaching Our Community Kids (R.O.C.K.)

\$140,000 \$450,000 pledge to support operations

Russell Kirk Center for Cultural Renewal

\$72,000 \$144,000 pledge toward a matching grant to support operations for the "Teaching the Roots of American Order" program

Saginaw Basin Land Conservancy

\$100,000 \$500,000 pledge for the Permanent Conservation Easement Monitoring endowment

Saginaw Valley State University

\$499,791.99 \$2 million pledge for the Entrepreneurship Institute endowment

Saginaw YMCA

\$62,500 \$250,000 pledge toward a matching grant to renovate the downtown facility

Special Olympics Michigan

\$83,750 One-year grant for the Young Athletes Program (YAP)

Underground Railroad, Inc.

\$50,000 One-year grant for renovation and expansion project

United Way of Midland County

\$100,000 \$300,000 pledge for the annual campaign

United Way of Midland County

\$100,000 \$300,000 pledge toward a matching grant for the annual campaign

United Way of Midland County

\$90,000 \$270,000 pledge for area agency participation in MITCON, a technology consortium

United Way of Midland County

\$10,000 \$150,000 pledge toward a matching grant promoting the Alexis de Tocqueville giving level

United Way of Midland County

\$22,500 \$112,500 pledge for the Balloon Fest

United Way of Midland County

\$75,000 \$225,000 pledge to support operations for the United Way 2-1-1: Midland Call Center

University of Michigan

\$499,791.99 \$1.5 million pledge to establish The Herbert H. and Grace A. Dow Foundation Fellows at the University of Michigan Law School

University of Michigan

\$120,000 \$600,000 pledge to the postdoctoral fellowship program in Science and Technology Policy at the Ford School of Public Policy

University of Michigan

\$200,000 One-year grant to establish The Herbert H. and Grace A. Dow Foundation Health Services Unit in the Department of Urology at the University of Michigan

West Midland Family Center

\$122,379.83 \$1 million pledge toward a matching grant to support operations

West Midland Family Center

\$50,000 \$150,000 pledge to support operations

Western Michigan University

\$25,000 One-year grant to reimburse gas mileage for teachers participating in the Michigan Mathematics Rural Initiative Project

Western Michigan University

\$115,488 \$294,228 pledge for the Michigan Mathematics Rural Initiative Project

Wings of Mercy East Michigan, Inc.

\$50,000 One-year grant to support operations

The Herbert H. and Grace A. Dow Foundation pledges awarded in 2008

Bay Area Community Foundation

\$300,000 Funding Watershed Initiative Network Sustainable Communities operations for three years via the Sustainable Communities Initiative Fund held at the Bay Area Community Foundation

Chippewa Nature Center, Inc.

\$2,500,000 To expand the visitor center by constructing a LEED certified building

Chippewa Watershed Conservancy

\$97,500 Operational expenses over three years

Delta College

\$120,000 Two-year continued operational support for the Michigan Small Business & Technology Development Center

Detroit Area Pre-College Engineering Program, Inc.

\$900,000 Academic programs offered to students in grades 6-11 over three summers

Faith Christian Assembly

\$10,000 Replace roof on church building

Larkin Charter Township

\$44,355 To purchase 15 new ISI Viking Self-Contained Breathing Apparatus (SCBA) packs for the fire department plus 15 additional carbon cylinders which provide an extra 30 minutes of breathing air

Mackinac Center for Public Policy

\$598,000 Three-year grant for Closing the Gaps project - an analysis of education disparities among Michigan school districts

Michigan Future

\$50,000 To help fund Phase III of the New Agenda for a New Michigan project

Midland County Educational Service Agency

\$1,500,000 To construct a new building that will allow Windover High School to meet the new graduation requirements of the Michigan Merit Curriculum and to allow the enrollment of additional students

Northern Michigan Hospital Foundation

\$250,000 To construct a new Wellness Pavilion for Outpatient Services

Saginaw Basin Land Conservancy

\$150,000 To fund operations

Saginaw County Chamber Foundation

\$10,000 \$1 for \$1 matching grant for operational support for 1,000 Leaders Initiative Program



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