



# Table of Contents

<b>A Discussion with Our President</b>	<b>1</b>
<b>About the Foundation</b>	<b>6</b>
<b>Programs</b>	<b>8</b>
Program on Global Security and Sustainability	8
Program on Human and Community Development	10
General Program	12
MacArthur Fellows Program	14
<b>Year in Review</b>	<b>16</b>
<b>Financial Information</b>	<b>21</b>
<b>Board of Directors</b>	<b>25</b>
<b>Foundation Officers</b>	<b>25</b>
<b>Contact Us</b>	<b>26</b>

The annual report and supplementary information  
about MacArthur's grantmaking is available at  
[www.macfound.org/AR2009](http://www.macfound.org/AR2009).

Robert L. Gallucci, a former diplomat and nuclear security expert, joined MacArthur in July 2009 as the Foundation's fourth president. Below is a conversation with him about his past experiences, early impressions of philanthropy, and long-term goals for the Foundation. A video interview with Gallucci is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).



## A Discussion with **Our President**

**You have had an interesting career as a diplomat and security expert. How do these past experiences inform your work at MacArthur?**

I think of connections in terms of both the substance of the work and my approach to getting the job done. Before coming to MacArthur, I was dean of the School of Foreign Service at Georgetown University and had also spent 21 years in government service, working to reduce the proliferation of ballistic missiles and weapons of mass destruction. This, of course, is also a focus of the Foundation's grantmaking, an area in which I have experience and expertise and where I hope to add value directly.

But there is also a connection to the way I approach my job as President of MacArthur. If you look at the kinds of decisions we make at the Foundation, they involve complex issues and diverse perspectives. We are often asked to make decisions with less-than-perfect information. In such circumstances, values play an important role — they must guide you. You have to have good instincts and trust those instincts. I worked under very similar circumstances in my past career — both in government and at the university — and I like to think that the Foundation will benefit from those experiences.

**Having served in government and the academy, how do you see the role of foundations in society?**

Governments and universities do vital work and serve our country and the world. But philanthropy holds out the prospect of a quite different, and, in some ways, more exciting approach to difficult problems. Philanthropy has a great deal of flexibility, the opportunity to respond quickly to challenges or threats guided by the best thinking available. Unconstrained by politics, or virtually anything else, we can pick and choose the spots where we will have the most leverage and impact. Foundations are free to do the right thing. It's extremely exciting to have this kind of opportunity every day.

**How do you think foundations can have the greatest impact?**

The way for foundations to have the greatest impact is through leverage. That means not only through our own grantmaking but also through alliances.

The other foundations that work in our areas share our interest in having an impact. We can complement one another, doing some bootstrapping. We can share information, share ideas, and learn from each other's grantmaking. I've found the community of foundation presidents to be enthusiastic about helping me think about leading MacArthur.

MacArthur supports community and economic development efforts in 16 Chicago neighborhoods, including Englewood where this small business is located.



We work extensively with civil society and nonprofits, but we need to think more about how to make the most of alliances in this sector.

Partnering with the private sector can be extremely productive. Sometimes the private sector has resources and insights no one else has. As long as we are careful about how we do it, I see great potential here.

And finally, of course, there is government. Foundations can have very productive collaborative arrangements with federal, state, and local governments, and we must look for every opportunity. In every arena, we need to leverage the resources we have and maximize impact. That's how we express the values of the MacArthur Foundation.

#### **How has the economic downturn impacted MacArthur?**

Of course, over the past year there has been something of a recovery, and we hope this trend in our portfolio's performance will continue. But our endowment certainly dropped significantly, as did just about everybody else's, after some very good years.

So I arrived at the Foundation just when grantmaking had to be somewhat reduced. While resources are diminished, I think we have managed to find ways to absorb the reduction and have accomplished that without adverse impact on our programmatic areas or on specific grantees.

#### **You moved to Chicago from Washington, D.C. What are your impressions of Chicago?**

Chicago is a great American city, and my first year here has been a happy experience. The cultural life seems boundless, with every art form represented at the highest level, and all sorts of new and experimental work.

I think the Foundation thrives in Chicago, and that our identification with the city is a great plus. The city gives MacArthur a culture and an identity that is solid and substantial.

Chicago also has a government that works in the most cooperative and constructive way with community leaders, business leaders, and nonprofits. It is a city that shares values MacArthur is committed to in education, arts, and the development of communities and individuals.

#### **What are the most important lessons you have learned in the past year at MacArthur?**

It pays to listen. As someone once said, "it's very hard to learn anything while you're talking." But it is possible to learn when you're listening to the experts. At MacArthur, that's our staff. Over the past year, they have helped to educate me about the work of our grantees

I think the Foundation thrives in Chicago, and that our identification with the city is a great plus.



Chicago Chamber Musicians, which received support to increase its international connections, perform a piece about child soldiers in Uganda and the Congo.



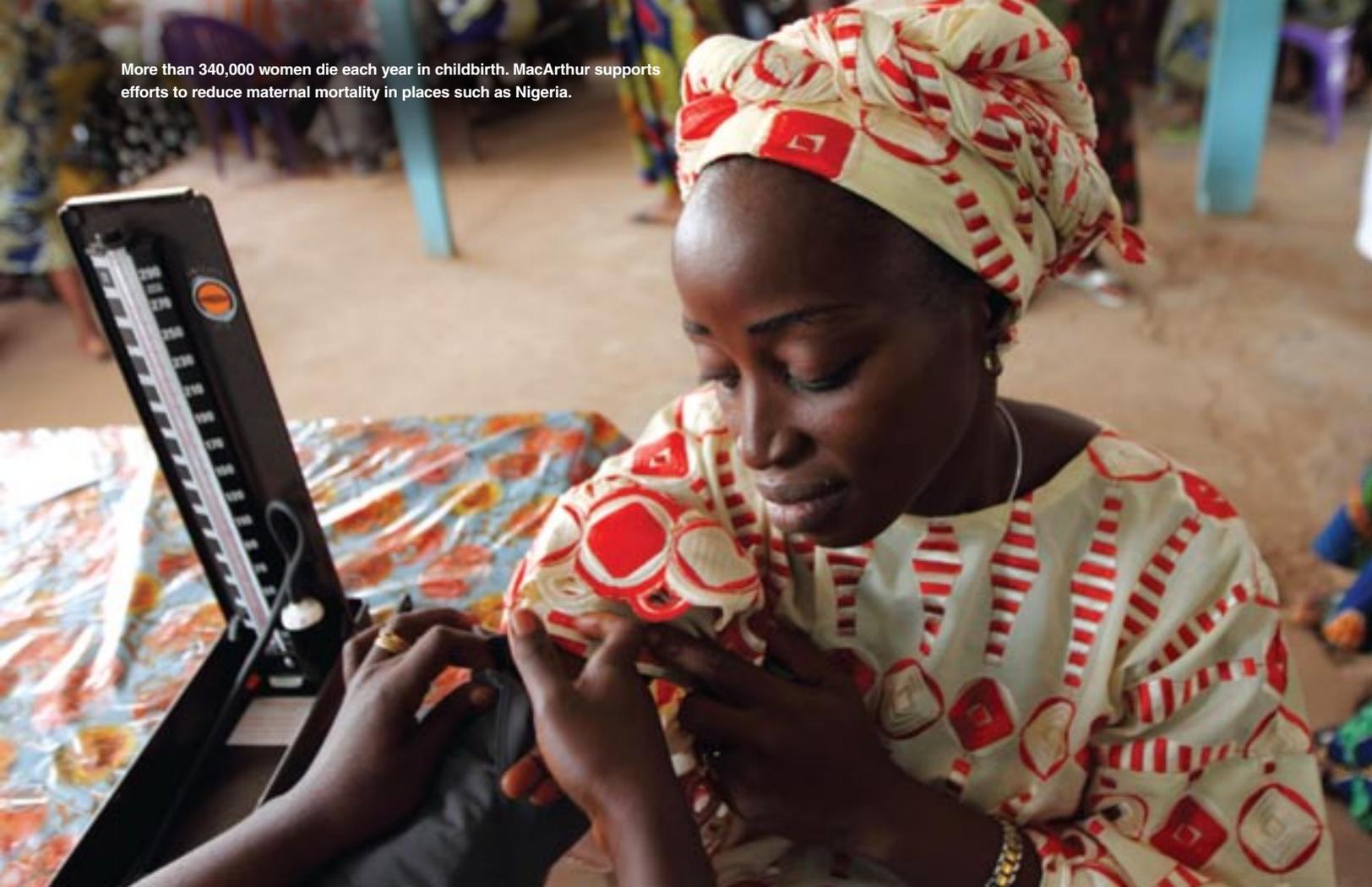


My first priority is to be sure we are making the right choices to have a significant impact.



Stable, affordable housing is important for building strong communities and families. MacArthur is investing \$150 million to preserve and improve up to one million affordable rental housing units across the country, either directly or through policy changes.

More than 340,000 women die each year in childbirth. MacArthur supports efforts to reduce maternal mortality in places such as Nigeria.



and the impact they have in the fields we support. It is the first and most important step in helping me make the decisions that set new directions for the Foundation.

I also feel that the closer one can get to the hands-on work of an organization the better off one is. I have taken time this first year to visit grantees and see their work in action. I have been able to visit neighborhoods in Chicago and talk with grantees and other community members to learn about our community development work. I accompanied staff to Louisiana to see firsthand the challenges of juvenile justice reform. I talked with kids in the system and learned from grantees about their efforts to improve the lives of those young people.

On a site visit to Madagascar (a geographic focus of our conservation grantmaking), I experienced our staff interacting with grantees, and grantees interacting with the local populations. That experience helped me internalize our strategy and better understand the nuances of climate change and its impact on both biodiversity and the people who depend on the land for their livelihoods.

I expect to continually visit our grantees in the field to help keep me informed about the importance and impact of our grantmaking.

### **What are your goals for the Foundation?**

My first priority is to be sure we are making the right choices to have a significant impact. Most important, we must fulfill our responsibility to use our resources wisely.

A number of things follow from that statement. It implies constantly reviewing our areas of work, the strategies we use in those areas, and the grantees we choose to support. Our resources could be used for any number of worthy causes. We must have good reasons for the choices we make.

We are currently undergoing a strategic review, as foundations generally do when they're under new leadership, and we'll see if we ought to be doing any things differently. But broadly, I think we are going in the right direction.

And we need to have the resources to make the impact we aspire to. This means solid investment decisions, and I feel we have a very strong team guiding us in this area. My goal is to ensure that the Foundation is well run, well managed, efficient, and — most important — that we're making good use of our resources in service of our values.



Video available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).

The MacArthur Foundation supports creative people and effective institutions committed to building a more just, verdant, and peaceful world. In addition to selecting the MacArthur Fellows, the Foundation works to defend human rights, advance global conservation and security, make cities better places, and understand how technology is affecting children and society.

MacArthur is one of the nation's largest independent foundations. Through the support it provides, the Foundation fosters the development of knowledge, nurtures individual creativity, strengthens institutions, helps improve public policy, and provides information to the public, primarily through support for public interest media.

## About **the Foundation**

### **About John and Catherine MacArthur**

John D. MacArthur (1897–1978) developed and owned Bankers Life and Casualty Company and other businesses, as well as considerable property in Florida and New York. His wife, Catherine (1909–1981), held positions in many of these companies and served as a director of the Foundation. More information available at [www.macfound.org/johnandcatherine](http://www.macfound.org/johnandcatherine).

### **Applying for Grants**

To learn more about MacArthur's grant application process and the type of projects and organizations we support, please visit [www.macfound.org/apply](http://www.macfound.org/apply). Before submitting an application for grant support from MacArthur, we strongly encourage you to first thoroughly review the Foundation's grantmaking guidelines, which can be found at [www.macfound.org/guidelines](http://www.macfound.org/guidelines).

The Foundation makes grants and loans through four programs.

**The Program on Global Security and Sustainability** focuses on international issues, including human rights and international justice, peace and security, conservation and sustainable development, higher education in Nigeria and Russia, migration and human mobility, and population and reproductive health. MacArthur grantees work in about 60 countries; the Foundation has offices in India, Mexico, Nigeria, and Russia.



**The Program on Human and Community Development**

addresses issues in the United States, including community and economic development; housing, with a focus on the preservation of affordable rental housing; juvenile justice reform; education, with a focus on digital media and learning; and policy research and analysis on issues such as the implications of an aging society, America's fiscal future, and the use of economic analysis in policymaking.



**The General Program** supports public interest media, including public radio, documentary programming, and work to explore the use of digital technologies to reach and engage the public. Grants are also made to arts and cultural institutions in the Chicago area and for special initiatives.



**The MacArthur Fellows Program** awards five-year, unrestricted fellowships to individuals across all ages and fields who show exceptional merit and promise of continued creative work. It is limited to U.S. citizens and residents.



 **More information on these programs, 2009 grants, and grant guidelines is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).**



Fishermen in Madagascar, a geographic focus of MacArthur's grantmaking to conserve biodiversity.

## Program on **Global Security and Sustainability**

With grantmaking in approximately 60 countries, the MacArthur Foundation is truly an international philanthropic organization. Through its international grantmaking, MacArthur supports efforts to encourage peace within and among countries, conserve global biological diversity, reduce maternal mortality and support responsible reproductive choices, protect human rights, and foster cooperation on global migration. A look at 2009 reveals the scope of MacArthur's global reach.

In March, MacArthur launched a new initiative to strengthen the new African Court on Human and Peoples' Rights and regional community courts in Africa, and to hold states accountable when their justice systems are too fragile or corrupt to address violations.

In April 2009, President Obama's speech on nuclear security drew heavily on ideas advanced by MacArthur grantees, including the need for deeper reductions in nuclear weapons, stronger international commitment to prevent nuclear weapons proliferation, and action to prevent terrorist acquisition of nuclear bomb materials worldwide.

MacArthur launched the Asia Security Initiative in May 2009. The event brought together more than 30 institutions constituting a research network that is strengthening regional security cooperation and building collaborative responses to transnational challenges.

### **Contact:**

Barry Lowenkron, Vice President  
Program on Global Security and Sustainability  
bflowerkr@macfound.org  
(312) 726-8000

In June, MacArthur initiated 10 new Master's in Development Practice programs at universities worldwide. The programs will equip the next generation of development practitioners with skills in natural, health, and social sciences, as well as in management, to address the world's toughest challenges, including extreme poverty and scarcities.

In July 2009, President Obama delivered remarks at the U.S.-Russia Civil Society Summit attended by more than a dozen MacArthur grantees, including representatives of Russian human rights groups.

To mark the 15th anniversary of the International Conference on Population and Development, an international gathering in Berlin in September reaffirmed commitments to reproductive health, including meeting Millennium Development Goal 5, which targets improving maternal health.

In December 2009, the United Nations Framework Convention on Climate Change met to negotiate a global strategy for mitigating and adapting to human-induced climate change. While a binding agreement was not reached, the meeting produced consensus that forests play a critical role in reducing greenhouse gases globally. For two decades MacArthur has supported efforts to decrease the production of greenhouse gases by minimizing global deforestation.

Migration was the central theme of the 2009 UN Human Development Report, *Overcoming barriers: Human mobility and development*. MacArthur grantees contributed to the report, which proposed wide-ranging reforms to migration policies to increase people's freedom and strengthen human development.



**More information on this program, 2009 grants, and grant guidelines is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).**

## Program on **Human and Community Development**

The challenging interplay of place, people, systems, and markets continues to animate MacArthur's grantmaking in the United States. The Foundation supports national programs in community and economic development; the preservation of affordable rental housing and efforts to gather better evidence for smart housing policy; juvenile justice reform; and the re-imagining of learning in the 21st century.

The Foundation also supports special projects on the U.S. fiscal future, economic analyses in national and state policymaking, and the policy implications of an aging society. A look at 2009 reveals significant progress toward goals in these areas.

MacArthur-funded seminal research on how young people are learning "anytime, anywhere" informed the design of YOUmedia, a path-breaking way for libraries to harness and accelerate young people's desire to participate with digital media. Grantees in New York and Chicago began to build learning networks that bring schools, libraries, museums, and other institutions together to create rich physical and online experiences for young people. President Obama announced MacArthur's \$2 million Digital Media and Learning Competition as part of his call for greater emphasis on innovation, science, math, and technology.

### **Contact:**

Julia Stasch, Vice President  
Program on Human and Community Development  
[jstasch@macfound.org](mailto:jstasch@macfound.org)  
(312) 726-8000

The New Communities Program, MacArthur's large-scale effort to revitalize urban neighborhoods, continued to set the standard and inspire replication across the country. An ongoing independent evaluation confirmed the power of its design and the rigor of its execution, while challenging grantees to lay the groundwork for greater scale and policy impact.

Models for Change, MacArthur's program to expand juvenile justice reform, continued to make progress in 16 states, with plans underway for a national campaign to improve outcomes for young people, enhance public safety, and lower taxpayer costs by making reform a top priority in the United States. The Supreme Court accepted cases that resulted in a decision to limit juvenile life sentences without parole, based in part on research supported by the Foundation, as it did earlier in abolishing the juvenile death penalty.

Scholars and policymakers alike welcomed the Foundation's How Housing Matters to Families and Communities research competition as a consensus about the need for evidence that would inform a new generation of national housing policy continues to grow. Also, 12 states and local jurisdictions shared \$32.5 million to lead the country with comprehensive public/private initiatives to preserve and improve affordable rental housing.

As concern mounted about the country's unsustainable fiscal path, an expert committee convened by the National Academy of Sciences and the National Academy of Public Administration completed its work on Choosing the Nation's Fiscal Future. This report and related activities positioned the Foundation as a highly visible player in one of the most important policy challenges facing the country. And the MacArthur Research Network on an Aging Society issued new population and life expectancy projections that challenge official scenarios, with significant cost implications for society and the economy, in the areas of healthcare and the entitlements that are at the core of the fiscal challenge.



**More information on this program, 2009 grants, and grant guidelines is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).**

A G.E.D. program for at-risk youth in Pennsylvania, one of 16 states where MacArthur works to reform the juvenile justice system.





Members of the Joffrey Ballet practice in their new Chicago facility. MacArthur supports more than 200 arts and culture organizations in the Chicago area as an expression of its civic commitment to the city.

## General Program

Through the General Program, the Foundation explores new ideas and timely opportunities in areas of work that may lie outside of MacArthur's ongoing programs. Each year, the Foundation approaches experts in a wide variety of fields, seeking a few high-impact topics to explore. From this process, for example, has come the Foundation's support for Encyclopedia of Life, a website designed to make available a page for every known living species.

In 2009, the program made grants to improve participation in the 2010 Census both in Chicago and nationally; for Ushahidi, an online communications and mapping tool, which has recently been used to help match relief supplies and services with needy individuals and communities in Haiti; to the Open Net Initiative to document Internet censorship worldwide; and to support many other good ideas to strengthen the Foundation's existing grantmaking directions or to enable the Foundation to contribute to an important, time-limited project.

The General Program supports the Foundation's 25-year commitment to public media. It funds documentary and news programs for television, radio, and web broadcast, especially those that help Americans better understand the rest of the world

or that help audiences more deeply understand a public policy issue. In 2009, its support included National Public Radio's news programs, the *PBS News Hour*, Link Media, and the Chicago News Cooperative. It also expanded its support for a set of nonprofit investigative journalism organizations, all with national reach, including the Center for Investigative Reporting, the Center for Public Integrity, the Investigative Reporting Workshop, and ProPublica, that help fill an increasing gap in the news media by conducting investigations on their own and in cooperation with commercial newspapers and public radio and television.

Finally, the General Program provides multi-year general operating support to more than 200 arts and culture organizations in Chicago, providing them with flexible, predictable funding that is especially crucial during these economically uncertain times. Support for arts and culture in Chicago in 2009 also included a series of grants under the International Connections Fund to support Chicago-based organizations to strengthen their work through partnerships with organizations in other parts of the world. Grants were made to organizations working in the arts, community development, conservation, and human rights, in support of exchanges with counterparts from across the world including India, Korea, Mexico, and Nigeria — enhancing Chicago's reputation as a global city. In the Arts and Culture Opportunity Fund, a special, one-year initiative, grants were awarded to strengthen organizations led by African American, Latino, Native American, or Asian American directors, with a mission to communicate the experiences of these cultures through the visual or performing arts.

### Contact:

Elsbeth Revere, Vice President  
General Program  
erevere@macfound.org  
(312) 726-8000



More information on this program, 2009 grants, and grant guidelines is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).

# MacArthur **Fellows Program**

The MacArthur Fellows Program awards unrestricted fellowships to talented individuals who have shown extraordinary originality and dedication in their creative pursuits and a marked capacity for self-direction. There are three criteria for selection of Fellows: exceptional creativity, promise for important future advances based on a track record of significant accomplishment, and potential for the fellowship to facilitate subsequent creative work.

The MacArthur Fellows Program is intended to encourage people of outstanding talent to pursue their own creative, intellectual, and professional inclinations. In keeping with this purpose, the Foundation awards fellowships directly to individuals rather than through institutions. Recipients may be writers, scientists, artists, social scientists, humanists, teachers, activists, or workers in other

fields, with or without institutional affiliations. They may use their fellowship to advance their expertise, engage in interdisciplinary work, or, if they wish, to change fields or alter the direction of their careers. Although nominees are reviewed for their achievements, the fellowship is not a reward for past accomplishment, but rather an investment in a person's originality, insight, and potential. Indeed, the purpose of the MacArthur Fellows Program is to enable recipients to exercise their own creative instincts for the benefit of human society.

Each fellowship comes with a stipend of \$500,000 to the recipient, paid out in equal quarterly installments over five years. The MacArthur Fellowship is a no-strings-attached stipend in support of people, not projects.

There are no restrictions on becoming a Fellow, except that nominees must be either residents or citizens of the United States. The Fellows Program does not accept applications or unsolicited nominations.



**Biographies and videos of the 2009 Fellows and more information about the Fellows Program are available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).**

## **Contact:**

Daniel J. Socolow, Director  
MacArthur Fellows Program  
[fellows-inquiries@macfound.org](mailto:fellows-inquiries@macfound.org)  
(312) 726-8000



Mixed media artist and 2009 MacArthur Fellow  
Mark Bradford in his Los Angeles studio.

February 3

### Combating the Effects of Climate Change

Recognizing the significant impacts climate change is already having on both nature and people, MacArthur awards \$2 million to the World Wildlife Fund and the International Union for the Conservation of Nature to develop a new Ecosystems and Livelihoods Adaptation Network. The network will serve as a resource for conservation groups, governments, international agencies, and others working to make vulnerable ecosystems more resilient and to help human communities adapt sensibly to changing climates.

February 26

### Preserving Affordable Housing

Seizing the opportunity to make needed long-term investments in the face of a weak economy, 12 states and cities launch innovative projects to preserve more than 70,000 affordable rental homes. Referring to the \$32.5 million in support from MacArthur that made these projects possible, U.S. Department of Housing and Urban Development Secretary Shaun Donovan says, "These grants have spurred state and local innovation and leadership in the preservation of affordable housing."  [Video online.](#)

April 28 ▼

### Supporting Creative and Effective Institutions

Continuing the Foundation's tradition of encouraging creativity and building effective institutions to help address some of the world's most challenging problems, eight organizations in five countries receive the MacArthur Award for Creative and Effective Institutions. Though they have diverse missions, all are highly creative and effective nonprofits that have made a remarkable impact in their fields, driving significant change on a modest budget.

## Year in Review



May 19 ▼

## Revitalizing Neighborhoods Hard Hit by Foreclosures

The National Community Stabilization Trust, a new venture of nonprofit housing organizations, private philanthropies, and financial institutions, launches a national effort to help revitalize communities where high concentrations of foreclosed and abandoned homes are pushing down housing prices and causing neighborhoods to decline. MacArthur provided a planning grant and a working capital loan for these efforts.

May 25

## Honoring an International Justice Leader

Justice Richard Goldstone, former chief prosecutor of the International Criminal Tribunals for Rwanda and the former Yugoslavia, receives the MacArthur Award for International Justice at a ceremony in The Hague. The award is made to honor those who have been transformative forces in the field of human rights and international justice.  [Video online.](#)

May 29

## Supporting Regional Cooperation for Peace and Security in Asia

MacArthur commits \$68 million over seven years to a new Asia Security Initiative to increase the effectiveness of international cooperation in fostering peace and security in the region.  [Blog online.](#)



June 30 ▼

## Training Future Leaders in Sustainable Development

Supporting rigorous professional training for future leaders in the field of sustainable development, MacArthur announces grants totaling \$7.6 million to 10 universities in seven countries to establish new Master's in Development Practice programs. The new programs will provide graduate students with field training beyond the typical focus on classroom study of economics and management found in most development curricula.  [Interactive map online.](#)

July 6

## Robert Gallucci Joins Foundation

Robert Gallucci, former U.S. diplomat and nuclear security expert, joins the MacArthur Foundation as its fourth president.

 [Video online.](#)

July 7

## The Future of Libraries

Exemplifying the future library — an important place of learning for all children — a new 5,500-square-foot “teen space” opens in Chicago's Harold Washington library. Called YOUmedia, it is based on research by MacArthur grantees and designed exclusively for teens. It buzzes with young people hanging out with friends, remixing their own music videos, tapping into the library's large collection of youth literature, and using the Internet to dive deeply into issues of interest.  [Video online.](#)



September ▼

### Creating a 21st Century School

Quest to Learn, the nation's first public school based on the principles of game design, opens in New York City. Built on evidence of what is known to engage kids in learning and prepare them for a 21st century workforce, Quest to Learn is expected to be a model for the next generation of schools.  [Video online.](#)

September 22

### Supporting Creative People

Twenty-four new MacArthur Fellows are named and learn that they will each receive \$500,000 in no-strings-attached support. They include an infectious disease physician, an ornithologist, a painter, a photojournalist, a bridge engineer, a climate scientist, an economist, a papermaker, a mental health lawyer, and a poet. All were selected for their creativity, originality, and potential to make important contributions in the future.

 [Video online.](#)

October

### Fostering International Collaboration

To encourage greater sharing of experiences and international understanding, MacArthur's International Connections Fund provides \$826,000 to 39 Chicago organizations collaborating with groups outside of the United States.



October 22

### Conserving Cambodia's Biodiversity

The government of Cambodia transforms a former logging concession into a new, Yosemite-sized protected area that safeguards not only threatened primates, tigers, and elephants, but also massive stores of carbon. Supported, in part, by MacArthur, the Bronx Zoo-based Wildlife Conservation Society worked closely with governmental agencies to help create the new protected area.

October 22

### Supporting High Quality News Coverage

A group of journalists committed to public service journalism form the Chicago News Cooperative, with major support from MacArthur. Reporting on the Chicago region, the cooperative is one of a number of organizations receiving support from MacArthur to ensure high-quality news and documentary programming.

December 14 ▼

### The Challenges and Opportunities of an Aging Society

Current government projections may significantly underestimate the future life expectancy of Americans, according to research by the MacArthur Research Network on an Aging Society. Network members say that this trend could have profound implications for America's fiscal situation, healthcare system, and labor markets.  [Video online.](#)

---

 [More information about the Year in Review is available at www.macfound.org/AR2009.](http://www.macfound.org/AR2009)

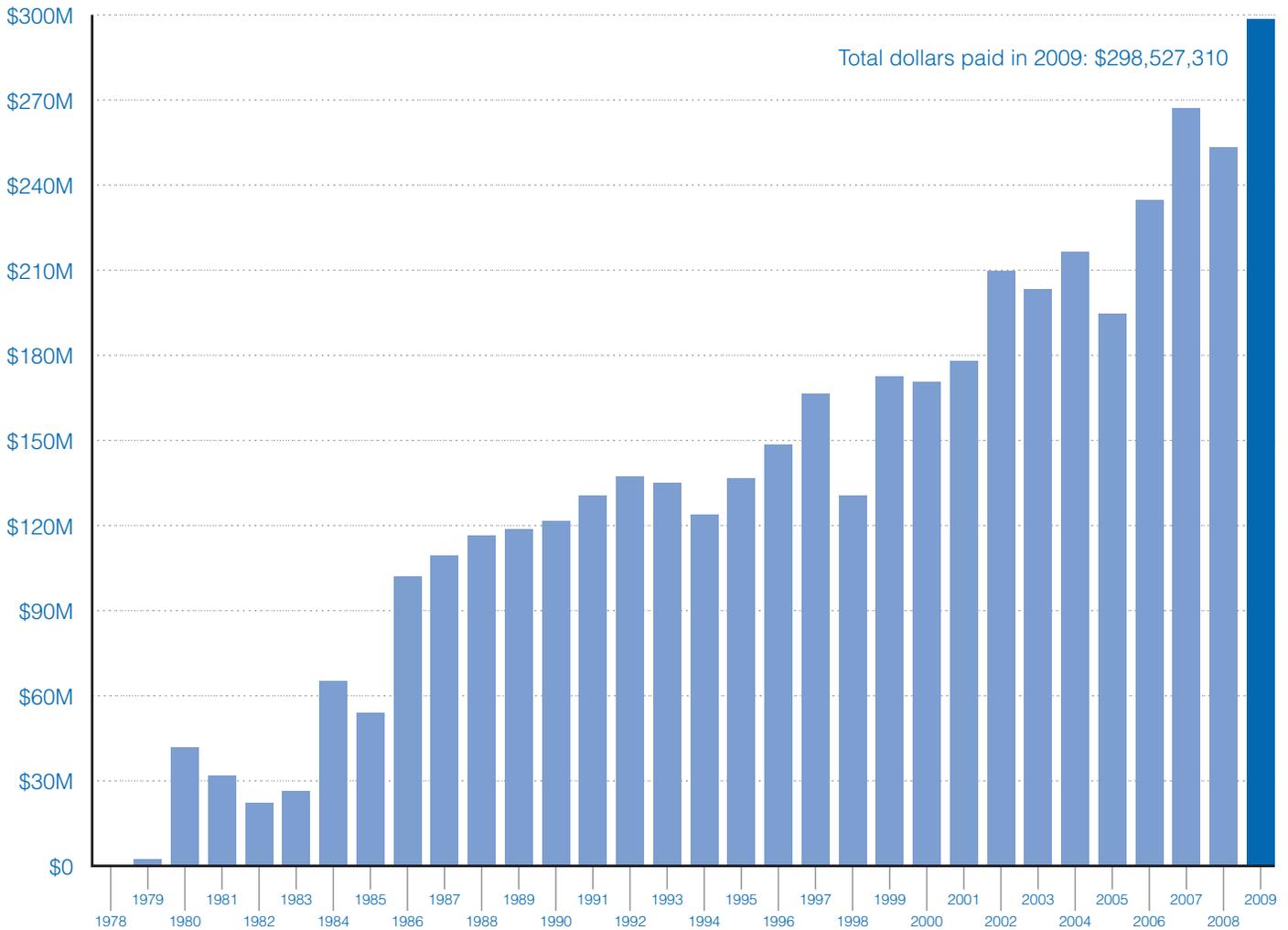


## Financial **Information**

In 2009, the Foundation paid out \$298.5 million in grants and program-related investments to organizations and individuals in the United States and around the world. Actual cash paid out varies from year to year depending on payment schedules of larger grants.

MacArthur's charitable administrative expenses totaled \$33.7 million in 2009, about 10 percent of total charitable expenses.

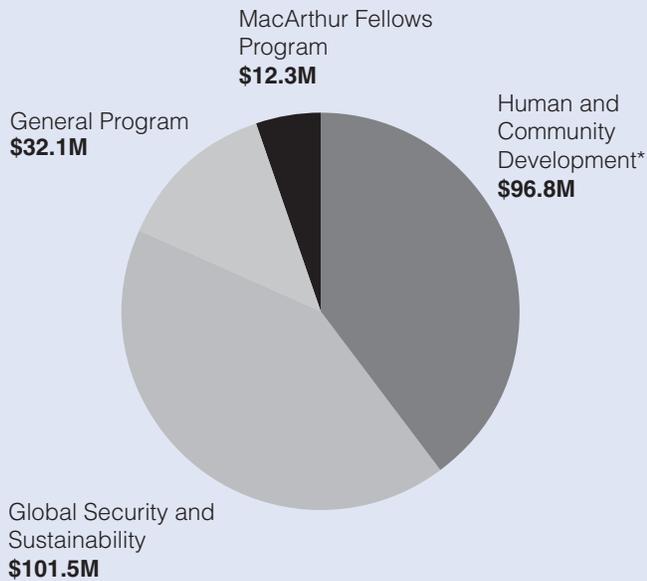
### Annual Grantmaking 2000–2009 (in millions)



## Program Budgets

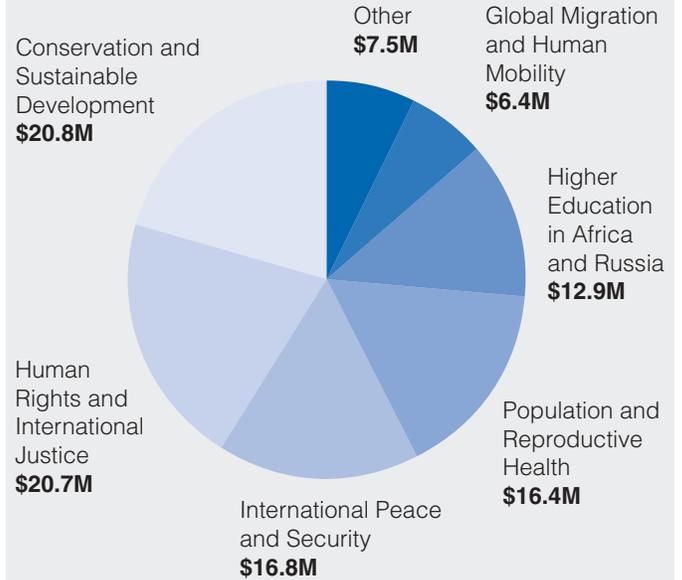
Program budgets are approved by the Foundation's Board of Directors. Working pursuant to these budgets, the Foundation approves grants and makes expenditures during the year. We share these budgets so that you can better understand the Foundation's priorities.

Budget by Program, 2009

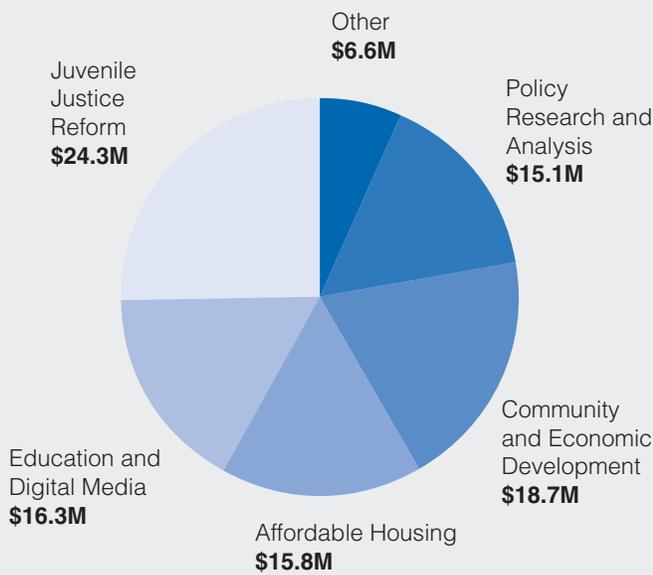


\*In addition to grants, the Program on Human and Community Development also authorized \$17.6 million in program-related investments.

Program on Global Security and Sustainability, 2009

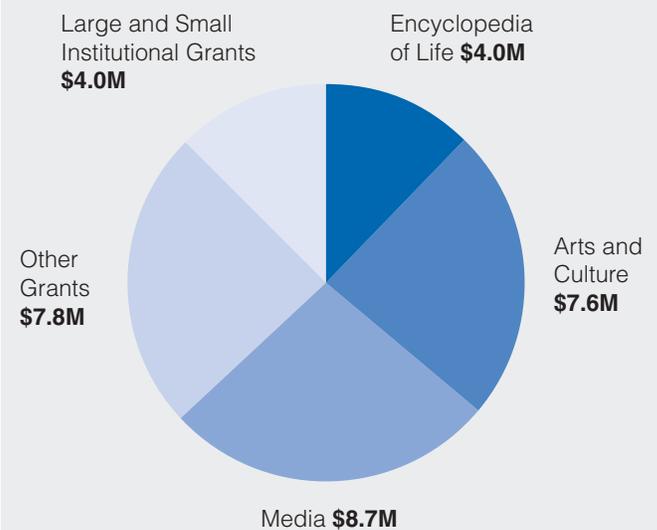


Program on Human and Community Development, 2009\*



\*In addition to grants, the Program on Human and Community Development also authorized \$17.6 million in program-related investments.

General Program, 2009\*



\*The Foundation reserves a portion of the General Program budget for time-sensitive, one-time funding opportunities that arise during the year.

## Investment Summary

As of December 31, 2009, MacArthur's assets totaled \$5.24 billion. The Foundation's investment portfolio had a return of 12.26 percent in 2009 net of investment management costs.

The Foundation invests for the long term with the objective of earning a real rate of return, net of expenses, sufficient to fund its charitable giving and operations. The underlying principles of MacArthur's investment approach may be summarized as follows:

- The Foundation maintains a broadly diversified portfolio with allocation to a variety of asset classes, both public and private.
- The broad diversification, combined with rigorous analytical research, is intended to enable the Foundation to manage risk.
- The Foundation seeks to achieve strong net returns over time at a cost comparable to other institutions with similar asset allocations.

## Total Assets and Rate of Return, 2000–2009

	Assets	Rate of Return
2000	\$4,479,153,951	2.60%
2001	\$4,215,930,831	-4.45%
2002	\$3,836,621,632	-4.79%
2003	\$4,530,410,640	25.98%
2004	\$5,034,822,738	17.01%
2005	\$5,492,269,240	15.47%
2006	\$6,178,196,933	18.04%
2007	\$7,052,165,312	19.37%
2008	\$5,014,059,259	-26.97%
2009	\$5,237,796,061	12.26%

**Average Annual Rate of Return, 2000–2009, 6.26%**

## Board of **Directors**

**Robert E. Denham**

Chair of the Board

**Lloyd Axworthy**

**John Seely Brown**

**Jack Fuller**

**Robert L. Gallucci**

President

**Jamie Gorelick**

**Mary Graham**

**Donald R. Hopkins**

**Daniel Huttenlocher**

**Will Miller**

**Mario J. Molina**

**Marjorie M. Scardino**

**Claude M. Steele**

## Foundation **Officers**

**Robert E. Denham**

Chair of the Board

**Robert L. Gallucci**

President

**Elizabeth Kane**

Secretary of the Foundation

**Barry Lowenkron**

Vice President, Program on Global Security and Sustainability

**Susan Manske**

Vice President and Chief Investment Officer

**Joshua J. Mintz**

Vice President, General Counsel and Assistant Secretary

**Elsbeth A. Revere**

Vice President, General Program

**Andrew Solomon**

Vice President, Public Affairs

**Julia Stasch**

Vice President, Program on Human and Community Development

**Marc P. Yanchura**

Vice President and Chief Financial Officer



**Biographical information about the Board of Directors and the Foundation Officers and a complete staff list is available at [www.macfound.org/AR2009](http://www.macfound.org/AR2009).**

### Headquarters (Chicago)

The John D. and Catherine T. MacArthur Foundation  
Office of Grants Management  
140 S. Dearborn Street  
Chicago, IL 60603-5285  
Phone: (312) 726-8000  
Fax: (312) 920-6258  
E-mail: [4answers@macfound.org](mailto:4answers@macfound.org)  
[www.macfound.org](http://www.macfound.org)

### India

MacArthur Foundation India  
India Habitat Centre  
Zone VA, First Floor  
Lodhi Road  
New Delhi 110 003  
India  
Phone 1: (91-11) 2464-4006  
Phone 2: (91-11) 2461-1324  
Fax: (91-11) 2464-4007  
E-mail: [indiaoffice@macfound.org](mailto:indiaoffice@macfound.org)

### Mexico

MacArthur Foundation México  
Vito Alessio Robles 39-103  
Ex-Hacienda de Guadalupe, Chimalistac  
México, D.F. 01050  
México  
Phone and Fax: (52-55) 3004-1692  
E-mail: [mexico@macfound.org](mailto:mexico@macfound.org)

## Nigeria

MacArthur Foundation Nigeria  
Fourth Floor Amma House  
Plot 432 Yakubu Pam Street  
(Opposite National Hospital)  
Central Business District, Abuja  
Nigeria  
Phone: (234-9) 234-8053 or (234-9) 234-8054  
Fax: (234-9) 234-8046  
E-mail: [info-ng@macarthur.org](mailto:info-ng@macarthur.org)  
[www.nigeria.macfound.org](http://www.nigeria.macfound.org)

## Russia

MacArthur Foundation Russia  
Khlebnyi Pereulok 8  
Suite 2  
Moscow 121069  
Russia  
Phone: (7-495) 737-0015  
Fax: (7-495) 956-6358 (within NIS)  
(7-503) 737-0015 (international satellite)  
E-mail: [moscow@macfound.org](mailto:moscow@macfound.org)  
[www.macfound.ru](http://www.macfound.ru)

 [www.macfound.org](http://www.macfound.org)

 [twitter.com/macfound](https://twitter.com/macfound)

 [youtube.com/macfound](https://youtube.com/macfound)

### Photography:

Alex Fledderjohn, pages 1, 3, 4, 11;  
Juan Francisco Hernandez, page 2;  
Dan Rest, page 3;  
Akintunde Akinleye, page 5;  
Garth Cripps, page 8;  
UN Multimedia Photo, page 18.

### Design:

Big Think Studios, San Francisco, California

### Printing:

100% post-consumer recycled paper with soy-based inks.

**Community**

Diversity of viewpoint

Taking risks

Using resources wisely

Effectiveness

Embracing complexity

Learn from each other

**Strategy**

**Right choices**

It pays to listen

**Leverage**

Transparency

Creativity

**Opportunity**

**Impact**

**Fairness**

Share ideas

Partnerships

Strengthening institutions

**Flexibility**

**Optimism**