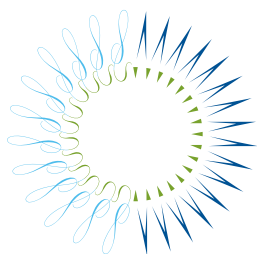


PEWPROSPECTUS

20
07



THE

PEW

CHARITABLE TRUSTS

Applying the Power of Knowledge

The Pew Charitable Trusts is driven by the power of knowledge to solve today's most challenging problems. Pew applies a rigorous, analytical approach to improve public policy, inform the public and stimulate civic life. We partner with a diverse range of donors, public and private organizations and concerned citizens who share our commitment to fact-based solutions and goal-driven investments to improve society.

An independent nonprofit, the Trusts is the sole beneficiary of seven individual charitable funds established between 1948 and 1979 by two sons and two daughters of Sun Oil Company founder Joseph N. Pew and his wife, Mary Anderson Pew.

© 2007 The Pew Charitable Trusts. All rights reserved.

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
215.575.9050

1025 F Street NW, Suite 900
Washington, DC 20004-1409
202.207.2150

www.pewtrusts.org

Marshall A. Ledger
Editor

Colleen A. Miller
Associate Editor



Message From **THE PRESIDENT**



Rebecca W. Rimel
President and Chief Executive Officer

“Tell the truth and trust the people.” – Joseph Newton Pew Jr., 1946

Not much escaped the notice of Joseph N. Pew Jr., one of the Trusts’ founders and board chairman of Sun Oil. In assuring that his company used the most modern production and marketing techniques, he was also devoted to broader concepts that underlie entrepreneurial excellence, such as invention, “not merely in the narrow sense of the Patent Office,” he said, “but as the constant development of new ideas in all fields.”

Mr. Pew’s larger vision took many forms. “America is searching for a better life, not an easier life,” he said about the national purpose at the midpoint of the twentieth century. And he understood how to get the best from his employees: keep them updated. Workers at Sun Shipbuilding and Dry Dock Company during World War II would be more focused on their vital tasks if they could call home during the day, so free telephones were installed at lunch areas. In addition, workers would regard their own work as important to the national interest if, he said, the company could “bring to our people as much true information about the war in general as we can get.”

Facts, data, research, study, invention, truth—these contributed decisively to this entrepreneur’s basis of action. Thus it was that, in 1949, when a protégé called him a “sheltered soul,” Mr. Pew calmly reflected on why the brash phrase did not apply: “I suspect the sheltered soul is the individual who tries to get along in life with what knowledge one individual can acquire through individual groping, rather than attempting to add to one’s own knowledge and wisdom by drawing to the maximum extent on the knowledge and wisdom which others acquire.”

KNOWLEDGE IN OUR THREE SPHERES OF WORK

Mr. Pew and his siblings grounded The Pew Charitable Trusts in the same analytical approach: We continue to be driven by the power of knowledge to solve some of today’s most challenging problems for the public good. Our founders’ ideals also inform our standards, which demand strict accountability and transparency in the conduct of our business and wise stewardship of our resources.

In the Trusts’ policy work, knowledge, scrupulously fact-based and nonpartisan, underlies the issues we address and the solutions we pursue. The process can take time. For instance, our Environment program has been working to address the problem of global climate change since 1990, and our projects have accumulated incontrovertible evidence on this evolving environmental phenomenon. Our scientific data and other peer-reviewed studies were

so convincing that in 2005 the U.S. National Academy of Sciences and 10 of its foreign counterparts issued a joint statement that essentially ended the debate on whether climate change was occurring. In the United States, California has taken action to address its effects, and seven governors in mid-Atlantic and northeastern states agreed to establish the nation's first mandatory cap-and-trade program for carbon dioxide. Through our past and ongoing investments, we have created a critical knowledge base in this area which provides broad shoulders on which to build as the country develops a national climate policy.

Sometimes the power of knowledge lies not in the arguments it settles, but in the discussions it generates. Pew's information-oriented initiatives—the “fact tanks” of the Pew Research Center—do not seek to resolve policy debates. But their work can provide a constructive framework by permitting all sides to base their cases on a common set of facts. Nothing thrills us more than to hear people on opposing sides of a given issue citing information the center has generated, even as they draw different conclusions.

In the civic arena, knowledge takes several, seemingly disparate forms: awareness of the country's history, participation in arts and culture, and concern for those who need a helping hand. These various endeavors shape our national character, bind us as a people and make our communities strong. The Trusts is proud to engage in civic projects nationally and in the Philadelphia region. We are firmly committed to stimulating public awareness of our nation's democratic principles and encouraging broad participation in our shared civic life. Locally, we strive to strengthen Philadelphia's stature as a world-class city and increase its appeal to visitors and residents alike.

EXAMPLES OF SUCCESS

Maybe nowhere is the power of knowledge more evident than when it has the potential to tangibly improve the quality of individual life and the health of the planet we all call home. Here are two Pew-supported examples. Last year, President George W. Bush declared a vast archipelago of natural and cultural significance northwest of Hawaii as a marine national monument. Studies in biology, oceanography, history, cultural heritage and policy provided a firm basis for the president's action.

Also last year, two Pew Biomedical Scholars were recognized for basic-science discoveries that help explain cellular and genetic processes, potentially leading to better treatments for cancer, viral infections and cardiovascular problems. Craig C. Mello, Ph.D., was a co-winner of the Nobel Prize in physiology or medicine, and Carol W. Greider, Ph.D., shared the Albert Lasker Award for Basic Medical Research, often called the “American Nobel.” The biomedical scholars program, now in its third decade, provides “risk capital” to talented investigators and has been well worth Pew's sustained investment. The work of these nearly 450 committed, imaginative scientists is a key building block in improving the health and well-being of society.

LOOKING AHEAD

When Pew enters a line of work, we thoroughly examine the need for reform, analyze a niche to constructively fill and develop a strategy for success. Then we support the case for change with rock-solid evidence.

It would shame our nation's founding fathers, and it frustrates many Americans today, that we cannot ensure accessible and accurate voting to every eligible citizen. Casting a vote on Election Day should be as simple as using an ATM, but voters are confronted with inaccurate voter-eligibility lists, conflicting identification requirements and long lines at polling places, and they have growing uncertainty about the legitimacy of the results. Every stage of the process—from registering to vote to casting a ballot to recording the choice individually and

cumulatively—is flawed. This not only invites fraud but also diminishes citizens’ confidence in the results and, more broadly, in government. Joseph N. Pew Jr. would have encouraged us to investigate new, nonpartisan approaches to addressing this problem. He was fully immersed in politics—he was called “Mr. Republican” when he graced the cover of *Time* in 1940. A democracy’s public institutions are vibrant only with “everybody participating,” he noted, explaining, “It makes little difference to which party a man belongs as long as he works at it.” Pew-supported projects will be working to establish clear standards for accurate and accessible elections, measure the performance of each state against those standards and develop innovative solutions to make voting work.

The cornerstone of any relationship, professional or personal, is integrity and trust, and those qualities are especially keen in the rapport between doctors and patients. Yet research indicates that the independence and objectivity of doctors’ clinical judgment can be compromised by the marketing practices of pharmaceutical firms. A project supported by Pew will strive to strengthen conflict-of-interest policies at medical schools and physicians’ societies and recommend other reforms to ensure that physicians rely on impartial evidence rather than industry marketing when prescribing medications.

These projects, like all of our endeavors, are based on the facts, which inform our initial explorations of a problem, the decision to pursue an issue, and the design, implementation and, ultimately, the evaluation of our investments. Knowledge translates a challenge into an opportunity, adding pragmatism to vision and enabling us to consistently return meaningful results.

REINVENTION

“Let us function with a lively, constructive discontent with things as they are,” said Mr. Pew, going on to explain that one should strive “for new discoveries” and then make those advances “obsolescent” by gathering and applying even newer knowledge. His perceptive reflection about the need for constantly reevaluating and rethinking the status quo continues to guide the Trusts. Three years ago, after a wide-ranging institutional examination and under the wise stewardship of our board, we began operating as an independent public charity. This designation enables us to pursue our goals with more innovative and entrepreneurial tools—for instance, operating projects directly, receiving outside contributions and engaging in legislative advocacy.

We will be sharing our knowledge directly with policy makers as the law permits. When we talk directly to elected officials, they will gain a much better sense of what we are trying to accomplish in representing the public’s voice on issues, and our well-established nonpartisan approach will allow us to develop relationships with policy makers across the political spectrum. Among a range of issues this year, the Trusts will undertake legislative advocacy on behalf of the half-million children trapped unnecessarily in the foster care system, specifically by encouraging implementation of the recommendations of the Pew Commission on Children in Foster Care.

Our founders schooled us to be entrepreneurial—to be constantly learning and acting productively on research to address issues wisely in a changing world. As we look to the future, the Trusts and our valued partners will continue to focus on compelling social problems with energy and optimism. We welcome the opportunity to join with fellow investors who share our goal of applying knowledge to achieve effective solutions in the public interest.

Sincerely,

REBECCA W. RIMEL
President and Chief Executive Officer

Table of
CONTENTS

1 Message from the President

6 POLICY

8 Environment

12 Health and Human Services

16 State Policy Initiatives

20 Overview

30 INFORMATION

32 Information Initiatives

36 Overview

40 CIVIC LIFE

42 Culture

46 Pew Fund for Health and
Human Services in Philadelphia

50 Civic Initiatives

52 Overview

58 Donor Services

64 Planning and Evaluation

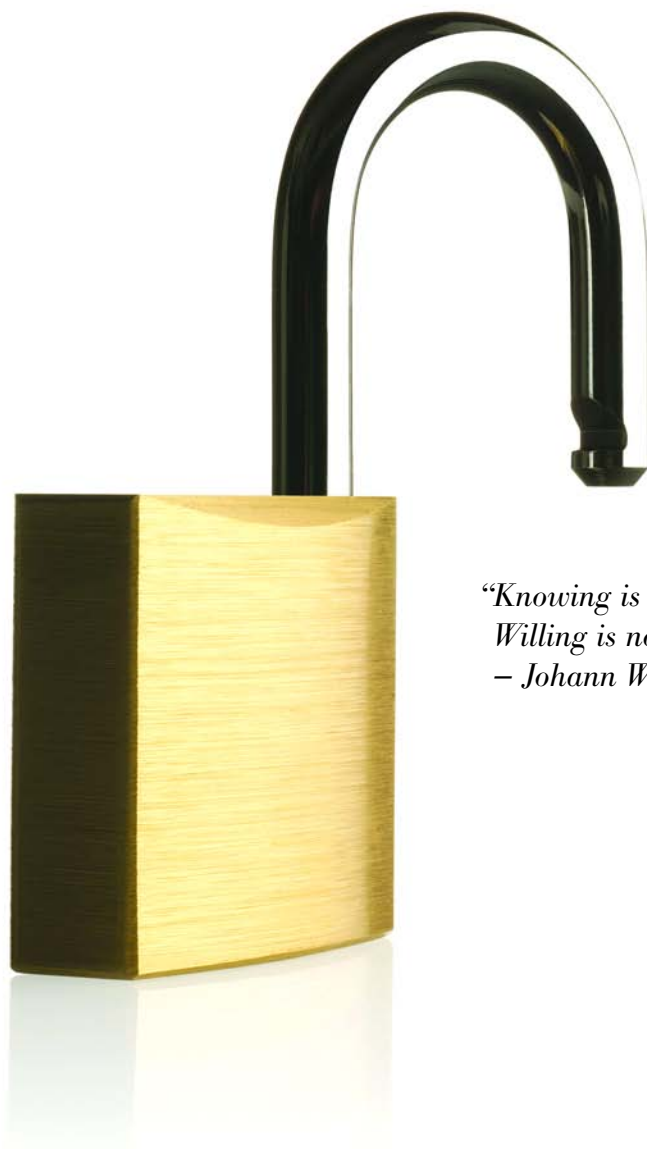
68 Milestones

75 Financial Information

76 Pew Leadership

Improving PUBLIC POLICY

Pew studies and promotes nonpartisan policy solutions for pressing and emerging problems affecting the American public and the global community. In areas such as the environment, education and health and human services, our experts partner with leading authorities to conduct research and advance fact-based solutions to compelling problems.



*“Knowing is not enough; we must apply.
Willing is not enough; we must do.”
– Johann Wolfgang von Goethe, 1829*

ENVIRONMENT

On June 15, 2006, in the East Room of the White House, ocean conservation took a big step forward.

With the stroke of his pen, President George W. Bush established the Northwestern Hawaiian Islands Marine National Monument, thereby creating the largest marine reserve in the world. This 1,200-mile-long chain of islands, reefs, shoals and atolls is home to one of the most unspoiled coral reef systems on earth and more than 7,000 species of wildlife, 25 percent of which are found nowhere else. The newly established monument encompasses 140,000 square miles of ocean, larger than all of America's national parks combined.

The monument designation, which was the result of a widespread effort that included a two-year, intensive campaign by Pew, offers a level of protection for this remarkable place that is more sweeping in scope and scale than any other marine reserve on Earth.

LEADING ENVIRONMENTAL POLICY

For the past two decades, Pew has been a major force in both informing and promoting conservation policy in the United States and, in recent years, internationally. The Trusts' Environment division is staffed by senior scientists, attorneys and policy experts, all of whom have had significant experience in government, nonprofit advocacy organizations and the private sector.

Our work is focused on reducing the scope and severity of three major global environmental problems:

- dramatic changes to the Earth's climate caused by the increasing concentration of greenhouse gases in the planet's atmosphere;
- the erosion of large wilderness ecosystems that contain a great part of the world's remaining biodiversity; and
- the destruction of the world's marine environment, with a particular emphasis on global fisheries.

INTELLIGENT APPROACH

Our mission is to protect and conserve natural resources in the United States and in various other parts of the world where we are engaged. In doing this, we seek to create a healthier and more sustainable environment for both people and nature. We focus primarily on promoting strong environmental policies that are informed and guided by sound science. Good policy depends on good science. Bad policy is often the result of decision makers ignoring what the science tells us, or not taking sufficient precautions to protect against the potential downsides of treading in areas where we lack reliable information.

BUILDING ON SUCCESS

The Trusts has played a critical role in the permanent protection of more than a hundred million acres of wilderness in North America. We have led the educational efforts to increase awareness on the part of the U.S. public, media and policy makers about the problem of climate change, and have catalyzed efforts to identify policy solutions at both the state and federal levels to reduce greenhouse gas emissions. Finally, we have played a leadership role in bringing about a significant number of the major improvements in fisheries management and marine conservation that have occurred in the United States since the mid-1990s.

Our work is guided by many of the same principles that underlie sound business—discipline, focus and a commitment to producing measurable results—and, as in any entrepreneurial activity, we take risks. However, in doing so, we are mindful of our responsibility to return exceptional results, which means that we need to win far more often than we lose.

JOSHUA S. REICHERT

Managing Director, Policy Initiatives and the Environment Program

Environment

NORTHWESTERN HAWAIIAN ISLANDS

FINDING A NICHE

When President George W. Bush declared the Northwestern Hawaiian Islands a marine national monument in June 2006, he collectively acknowledged the many organizations, oceans experts and other individuals that provided the knowledge on which he could base his bold decision.

The Trusts were pleased to join The Lenfest Foundation and the Sandler Family Supporting Foundation, which partnered with us in key roles to advance efforts aimed at permanently preserving this beautiful archipelago. The leading international publication on marine-protection issues, *MPA News*, praised the collaboration for “a comprehensive approach” in building national and local support for conserving the territory covering the Northwestern Hawaiian Islands.

The decision to direct our efforts toward this particular island chain was deliberate. There are few ocean areas under U.S. jurisdiction that bar fishing and fewer still that are large enough to be ecologically meaningful. The Northwestern Hawaiian Islands offered an unparalleled opportunity to establish an

ecosystem-scale reserve, one in which extractive activities could be prohibited and natural biological processes could occur unaltered by direct human interference.

From the late 1990s, prior to the Trusts’ involvement, local conservation groups in Hawaii engaged in important work to protect the area. They devoted significant resources to help develop and promote actions by former president Bill Clinton to designate a large “coral reef ecosystem reserve” over much of the site, which they nursed through the initial stages of a multi-year management planning process. They also successfully convinced the governor to close state waters there to all commercial activities, a significant achievement. If not for their technical expertise, strong grassroots organizing and dogged determination, the reality of a monument fully protected from commercial and recreational fishing might have remained a dream.

Yet, as the result of an internal analysis conducted in early 2005, Pew staff concluded that the efforts of these organizations were not likely to be sufficient in themselves to accomplish the goal of ending commercial fishing in this area. While at least six organi-

zations had staff focused on the North-western Hawaiian Islands, none of them had a full-time person exclusively devoted to the task of developing and overseeing a winning strategy. The individuals most familiar with the issue all had multiple projects on which they were working, causing them to split their time, attention and available resources devoted to this effort.

TAKING SPECIFIC ACTIONS

Pew determined that various activities were needed to increase the prospects of achieving the goal of a marine reserve that completely banned fishing by federal regulation or executive order. From January 2005, we took the following steps:

- **Leadership.** Hired an experienced conservation advocate/biologist to become Pew's Northwestern Hawaiian Islands project director; he was also a former senior member of the Trusts' Environment division. His mission was to help coordinate and focus existing environmental efforts to ensure that the public supported—and federal agencies adopted—the most protective and conservation-oriented management measures possible, including an end to commercial fishing at the site. In addition, Pew expressed a willingness to take the lead in crafting a buyout package to facilitate the permanent retirement of existing commercial fishing permits there.
- **Public support.** Provided two full-time professionals to assist Hawaiian organizations in building public support for Northwestern Hawaiian Islands protection. Engaged a respected communications firm in Hawaii to reach out to businesses and organizations that did not understand the conservation concerns. Hired a media consultant to assist conservation groups in their efforts to create a network of organizations in sup-

port of protection and to prepare and disseminate press releases and conduct other outreach to media. Launched an effort to engage Hawaiian chefs, who represent an economically significant sector of the island economy, in support of fully protecting the archipelago.

- **Research.** Encouraged a study at the University of Hawaii looking at the economic impact of closing commercial fishing on restaurants in the state, consumers and the state itself, with the findings to be distributed to policy leaders and the public.
- **Outreach.** Engaged a prominent retired judge to lead a professional team to begin outreach and buyout negotiations with the area's eight bottom-fish permit holders. Contracted with several legal experts to investigate specific fisheries-related issues, including fishing permits, agency actions and fisheries regulations. Informed a number of policy makers, who, in turn, helped to educate others. Worked with Washington, D.C.-based conservation partners to ensure that recreational fishing organizations were fully briefed on the issue and that their questions were fully addressed in advance of the president's decision.

REALIZING RESULTS

Years of organizing by local conservation groups and the development of broad-based public and policy-maker support in Hawaii were crucial in having the Northwestern Hawaiian Islands declared a marine national monument. Pew, along with our partners, was pleased to be able to work with and amplify the efforts of these organizations in helping create the conditions that greatly facilitated the president's decision to protect this spectacular place.

HEALTH AND HUMAN SERVICES

The classic “odd couple,” Felix Ungar and Oscar Madison, have nothing on the unlikely pair of J. Mark Irwy and David C. John. On a clear and crisp February morning in Washington, D.C., in 2006, Irwy, a non-resident fellow from the Brookings Institution, stood alongside John, a senior research fellow from the Heritage Foundation. Though based at think tanks associated with opposing public-policy agendas, they combined their extensive knowledge to jointly propose a strikingly straightforward way for 71 million American workers to save for retirement.

“Our collaboration,” said Irwy, “grew out of various occasions when David John and I would find ourselves on the same panel in front of a congressional committee or at a policy conference, and I was repeatedly struck by how enjoyable it was to discuss the issues and how reasonable he was.”

"Despite the fact that we were from different parts of the political spectrum," John said on another occasion, "we found we favored the same solutions."

Their mutual interest on retirement savings allowed them to find common ground, and their idea is now being advanced through the Retirement Security Project, based in the Trusts' Health and Human Services program. The project endorses the creation of automatic individual retirement accounts for workers whose employers do not offer retirement plans. These workers would have payroll deductions invested in low-cost, diversified individual retirement accounts.

IDENTIFYING SOCIETAL PROBLEMS

The collaboration of Irwy and John (both of whom are now senior advisers at the project) exemplifies Health and Human Services' national program.

First, we identify a compelling area that is ripe for a policy change. Currently, our work addresses three such categories: public-health and human-services policy, family financial security and emerging technologies. Specific projects include making certain that children in foster care are moved quickly to safe, permanent families; reducing the burden of student debt; and ensuring that the human health and environmental risks of nanotechnology are addressed so that we all can enjoy the potential benefits of this fast-developing field.

ADVANCING SOUND POLICY

Second, we inform the policy debate by producing rigorous, nonpartisan analysis and research—useful knowledge for policy makers, the media and the public. For example, in seeking to reduce the exposure of underage youth to alcohol advertising, the Pew-supported Center on Alcohol Marketing and Youth developed the most comprehensive, publicly accessible database on this issue and pioneered a new way of conducting public health surveillance. Now the debate centers not on whether a specific ad might be attractive to youngsters but on how much alcohol advertising is reaching the underage audience. The project proved that such marketing can be measured objectively to guide the policy debate.

Finally, we seek solutions that cut across the ideological spectrum. To address the needs of children languishing in the broken foster care system, for example, the Trusts established the Pew Commission on Children in Foster Care, which brought together experts and stakeholders. Its recommendations have now received bipartisan support in Congress to improve court oversight and restructure the federal financing system in order to provide states with more flexibility and require increased accountability in their foster care systems (see the following pages).

These hallmarks—identifying a compelling issue, basing policy reforms on facts and tough-minded analysis, and seeking common ground so that action leads to positive change—are what we believe will best serve our families and our future.

JAMES A. O'HARA III

Managing Director, Policy Initiatives and the Health and Human Services Program

Health and Human Services

FOSTER CARE

A PERSONAL STORY EXPERIENCED BY MANY

"A bunch of people who I've never seen before are talking about my case. And then at the very end, the judge says, 'Does anybody else have anything else to say?' And so then I stand up and say, 'Well, yeah, I have something to say.'"

"And all of a sudden all these people who didn't even know I was in the courtroom turn and look at me, including my dad, who sexually abused me for the first 16 years of my life. If it wasn't for the fact that I was so passionate about my sister and making sure my sister had a safe place to live, I wouldn't have spoken up."

"My suggestion would be that all youth know that they have a right to talk to the judge about their case. That's what I would want."

– Barbara, a former foster child

Promoting major changes to the foster care system is the objective of the Pew Commission on Children in Foster Care, which was established four years ago to

develop practical policy solutions that would improve outcomes for children in the system's custody. The commissioners are stakeholders: policy leaders, judges, state administrators, children's advocates, a former foster child and others.

The commission has issued recommendations to help move thousands of children quickly from foster care to safe, permanent families. The findings center on two areas: improving the way the federal government pays for foster care and strengthening state and local court oversight of these vulnerable youngsters.

MAKING TANGIBLE PROGRESS

In September 2005, the Trusts, the Annie E. Casey Foundation and other funders supported a National Judicial Leadership Summit on the Protection of Children through a grant to the National Center for State Courts. Forty-nine state teams led or appointed by the state chief justices developed action plans to improve the way their courts and agencies oversee cases of children in foster care. The Pew commission's

court-improvement recommendations served as the participants' guidepost.

Follow-through has been swift. Since the summit, a number of judicial leaders have begun carrying out the reforms outlined in the commission's proposals. For example, more than 20 states have formed special working groups, as the commission recommended, to assess their oversight of foster care and identify ways to improve services to children and families. In some states, however, progress has been slower, and the Trusts is supporting ongoing work to encourage judicial leaders there to take action.

The promising state-court reform efforts are being bolstered by new federal funding. Last year, Congress approved \$100 million, over five years, in grants to state judiciaries. One of the new grants will enable states to train court personnel and other professionals involved in protecting and caring for children. The other will support states in tracking cases of children in foster care. After the Pew commission released its recommendations, the commission and other partners in the Trusts' initiative undertook outreach and education efforts, crucial to achieving this policy outcome.

IMPROVING FEDERAL FINANCING

While state courts make progress, federal financing reform awaits action. Very little of the more than \$5 billion in annual federal support for children in foster care is directed at keeping children out of the system, safely returning them home, or helping to move them to permanent, secure families. By proposing that states have greater flexibility in the deployment of federal funds, while maintaining clear federal accountability, the Pew commission's recommendations address the current funding rules that favor foster place-

ment over other, more permanent forms of care and contribute to children languishing in foster care.

The commission also called for correcting a policy dating back to 1996 that is causing the number of neglected and abused children eligible for federal assistance to shrink each year. This policy has made it harder for professionals directly responsible for the well-being of children in foster care to leverage federal funds to serve them effectively. The Trusts initiated a study to highlight the profound impact of this policy on the way the current system is funded and operated. The findings, to be released early in 2007, will report on the numbers of children who are losing, or will lose, eligibility for federal foster care and adoption assistance unless this policy is changed.

Building on the results of the Pew commission and the effective work in outreach and education efforts by the diverse partner organizations, the Trusts is urging Congress to act this year to reform the federal foster care program. Helping to convey this message are adoptive and foster families with firsthand experience in the system; judges, administrators and researchers with foster care expertise; a wide range of advocacy groups; the members of the Pew commission; and The Pew Charitable Trusts. This targeted activity allows the Trusts to maximize the impact of the rigorous, reliable and nonpartisan research it supports.

Communicating these findings and related policy solutions to lawmakers is an important part of the Trusts' strategy to use knowledge to serve the public interest.

STATE POLICY

Initiatives

Financial planners advise individuals to invest in funds for retirement decades before they will need them—with the knowledge that saving early and smartly is the best way to generate healthy returns. Public investments in human capital should follow the same pattern, but too often that is a difficult choice for policy makers.

For example, at a Pew-sponsored conference “Building the Economic Case for Investments in Preschool,” Isabel Sawhill, a Brookings Institution economist, reported that spending funds on universal preschool today could increase the nation’s gross domestic product by \$988 billion within 60 years. She also noted, “It is not an easy sell for elected officials because the initial investment is relatively high, and it takes years to reap the benefits.”

MAKING FISCAL CHOICES

In the long term, as our population ages, there will be significant costs for ballooning Medicaid expenditures and state pension plans. In the short term, government leaders must address the immediate needs of their residents, such as building highways or assuring public safety. States must also make certain that the children in school today are sufficiently trained and educated to be the innovative, productive workers of tomorrow.

The dilemma for states is that, with limited resources, they need to make investments that not only address current social, public health, environmental and other issues, but they must also make investments that pay off down the road by providing increased revenues for state coffers.

PROVIDING A BASIS FOR GOOD POLICY

State officials need and want help understanding approaches that can produce a solid return on taxpayers' investments, and this is where the objective and rigorous research produced by State Policy Initiatives comes into play.

State fiscal health and economic development are important lenses we use to assess policy options through our initiatives and the Pew Center on the States (see the next two pages). For example, states are making huge investments in corrections—close to \$50 billion annually. But policy makers are beginning to ask whether these investments are getting the outcomes they want: less crime and fewer victims; the return of ex-offenders as productive, law-abiding members of society; and wiser use of taxpayer resources. Our initiative on public safety and corrections has begun to tackle some of these questions and is working to help states develop pragmatic, effective and consensus-driven solutions.

State policy makers are also beginning to understand how an investment in quality prekindergarten will improve the lives of children and families as well as translate into economic rewards for their state. Ever since the Trusts began to support work in early education, governors from states as varied as Connecticut, Illinois, New Mexico and Tennessee have recognized that greater investment in pre-K is a sound economic strategy for their state. In 2005, 26 states increased funding for preschool by more than \$600 million. In 2006, support jumped by another \$450 million. This is an opportunity embraced by individuals from every shade of the ideological spectrum.

To extend the information base, the Partnership for America's Economic Success, supported by Pew and other funders, has commissioned studies examining the economic impact of children's programs. The research seeks to answer a number of broader questions: What investments in kids have the greatest returns? How do efforts that improve the health and well-being of children today affect workforce productivity and economic growth tomorrow? How do the returns of successful children's programs compare with those of traditional economic development projects, such as sports stadiums, job incubator sites and subsidies to employers for relocating their businesses?

All of these projects generate knowledge and share a common approach: ensuring that states are intelligent stewards of the public's tax dollars and encouraging investments that sow the seeds for future benefits by improving the lives of our citizens, strengthening our communities and building the economic competitiveness of our country.

SUSAN K. URAHN
Managing Director, State Policy Initiatives

State Policy Initiatives

THE PEW CENTER ON THE STATES

IT MATTERS WHERE YOU LIVE

In fiscal year 2006, the budget balances of the states topped \$50 billion—a far cry from where they had been a few years earlier when states, to balance their books, drained rainy-day funds, increased taxes and cut services.

States handled their new-found surpluses in different ways. According to the National Conference of State Legislatures, 25 states, including Connecticut, Georgia and Maryland, made deposits to reserve accounts. Twenty-four states, including Texas, increased K-12 education spending. The Lone Star State, however, was one of two (along with New Jersey) to cut higher education funding; 20 others increased the budgets for colleges and universities. In some states, tax cuts made news: South Carolina, Utah and Wyoming cut sales taxes on groceries, and Indiana, Kansas and Maryland rolled back property taxes.

Each state's decisions hinged on its priorities, philosophies and politics, all of which vary widely across the nation. Indeed, it matters where you live.

Meanwhile, states are engaging in issues—global warming, health care and education reform, for instance—that once were only on the national stage. Recognizing this trend, the Trusts has been expanding its state policy portfolio and, in 2004, took a giant step forward in supporting this work by creating the Pew Center on the States. The center will accomplish its mission with a variety of tools designed to

- uncover and explore trends and innovations in public policy and management;
- evaluate the effectiveness of policy and management solutions, often through state-to-state comparisons; and
- build support among the citizenry, business community and elected and appointed officials for policy and management solutions that work.

As one tool, the center uses report cards to grade states on areas of key concern to policy makers and the public. Two projects in particular showcase the value of research that tracks and compares state performance.

GRADING PERFORMANCE

The Government Performance Project provides the nation's only comprehensive, independent analysis of how well each state government is managed. A former Trusts grantee now housed in the Pew Center on the States, the project regularly grades states on how they are managing their budgets, employees, infrastructure and information. The end result, a 50-state report card published in *Governing* magazine, reflects rigorous methodology and extensive collaboration among a team of academic experts, policy analysts and journalists.

Why care about management? To a large extent, policy outcomes depend on the quality of the support structure. For example, child welfare systems fail if the state does not have appropriate employee recruitment and training. Thus, information that helps states improve government management will, in turn, help raise the quality of services provided to citizens and businesses.

And the states pay attention. As noted by Washington governor Gary Locke, "All the governors really respect and covet" the ratings.

The project also provides interested parties both cutting-edge ideas and proven tactics on a range of key management issues. For instance, after the release of the 2005 report card, project staff worked with influential groups and officials in 10 states, including Alabama, Louisiana, Michigan, Oregon, Pennsylvania and Virginia, to help them understand the grades and share best practices around the country.

GRADING K-12 QUALITY

Quality Counts is another 50-state report card that will be working with the Pew

Center on the States. A product of Editorial Projects in Education, publisher of *Education Week*, Quality Counts assesses each state's progress in both children's academic achievement and the development and implementation of quality standards in K-12 education. Among the areas rated are educational standards and accountability, efforts to improve teacher quality, school climate (which covers class size, absenteeism, tardiness, violence and parent involvement) and resource equity (the spending and achievement gaps between rich and poor districts). States use the report to see what gaps need to be filled and what improvements need to be made.

Quality Counts, which to date has compiled basic K-12 statistics, plans to expand its focus in 2007 to include an analysis of state resources devoted to preschools and colleges. The result will provide a more comprehensive look at state education systems.

ADVANCING EFFECTIVE SOLUTIONS

This year, the Pew Center on the States will increase its capacity to track, assess and report on how well states are faring in a range of important areas.

Although these data-driven assessments are core to the center's work, they are only the beginning. When there is a need for new solutions, it will engage with states to foster innovation and build consensus around sound approaches. And when solid evidence points to the effectiveness and feasibility of a particular policy or practice, the center will share this knowledge and enhance advocacy efforts funded by the Trusts and its partners to help states move change forward.

Improving Public Policy 2007

OVERVIEW

The Policy cluster consists of the Trusts' work in three programs: Environment, Health and Human Services, and State Policy Initiatives.

Each of these areas has its own way of turning a strategic eye on an important issue. Yet all of them employ a similar set of tools that include basic and applied research, communications, public education and advocacy, and they are structured to identify and encourage pragmatic resolutions to major societal concerns.

ENVIRONMENT

The end of the twentieth century was marked by the widespread and startling realization of how much damage is being done to the earth's natural systems by human society. In less than 100 years, no more than a blink of the planet's historical eye, human beings have altered virtually every significant biological corner of the globe, shattering the long-held belief that nature was somehow impervious to the hand of man.

We know now that nature is not infinitely resilient. We also know that technological advances, however ingenious, cannot compensate for the destruction of nature. Indeed, even if this were possible, living in the equivalent of a man-made world, devoid of many of the natural wonders that add meaning, mystery and dimension to our lives, would leave us remarkably impoverished as a species.

The environmental work of the Trusts employs science, law, public education and advocacy, aimed at halting and ultimately reversing the trends that are threatening nature. We work collaboratively with a host of colleagues and institutions representing a broad spectrum of American life. We have three areas of interest:

GLOBAL WARMING AND CLIMATE CHANGE

The United States is the world's largest emitter of global warming pollution, accounting for roughly 25 percent of global emissions to date. No strategy to address global warming can succeed without substantial and permanent reductions in U.S. emissions. Although the United States still lacks a federal commitment to limit greenhouse gas emissions, mounting scientific evidence, progress at the international, regional, state and municipal levels, and increasing concern

in the private sector suggest that the momentum is shifting.

The Trusts is working to create a policy environment that leads to the adoption of mandatory federal limits on emissions that contribute to global warming. Through our work with the Clear the Air Campaign (www.cleartheair.org) at Pace University, we invest in targeted efforts to educate the public and engage key constituencies on the need for action and have made substantial investments in advocacy to reduce emissions from the nation's electric sector. Our partnership with the Energy Foundation and myriad groups throughout the nation promotes the adoption of state and regional policies that curb global warming pollution. The Pew Center on Global Climate Change (www.pewclimate.org) was launched in 1998 to advance the climate change debate through analysis, public education and a new cooperative approach with business. Working with its Business Environmental Leadership Council, a group of 41, mostly Fortune 500, companies, the center commissions highly credible scientific and policy studies by leading experts, and it uses this applied-research base to (a) educate and mobilize opinion leaders about the urgency of the problem; (b) promote policy options that will achieve real emissions reductions; and (c) encourage an improvement in international climate-change agreements.

CONSERVATION OF LIVING MARINE RESOURCES

Our marine work is aimed at preserving the biological integrity of marine ecosystems and focuses primarily on efforts to curb over-fishing, reduce bycatch and prevent the destruction of marine habitat. In the first thorough review of ocean policy in 34 years, the Pew Oceans Commission (whose materials can be found at www.pewtrusts.org) in 2003 released a host of recommendations aimed

at guiding the way in which the federal government will manage America's marine environment in the years ahead. Some of these recommendations included improving the management of the nation's commercial fisheries, establishing networks of marine reserves in coastal waters, increasing the involvement of the Army Corps of Engineers in environmental restoration, applying strong environmental standards to fish farms and regulating the discharge of waste by cruise ships.

The Trusts' advocacy efforts include support aimed at ensuring that the National Marine Fisheries Service and the Regional Marine Fishery councils comply with federal laws related to the protection of the nation's fisheries and other living marine resources, including marine mammals, birds and invertebrates. We are also beginning to work internationally to address impacts caused by overfishing. A number of organizations established by the Trusts—such as the Ocean Law Project, Restore America's Estuaries (www.estuaries.org), SeaWeb (www.seaweb.org) and Oceana (www.oceana.org)—have made major contributions, respectively, to ensuring compliance with federal fisheries laws, restoring habitat in some of America's most important bays and estuaries, raising the visibility of problems affecting the marine environment to the public and policy makers, and advocating for major reforms in the way in which fisheries are managed throughout the country.

Since the late 1990s, we have sponsored groundbreaking science aimed both at better understanding human impacts on ocean life (especially overfishing) and at assessing alternative approaches to protecting ocean habitat and marine species. We have established the Pew Institute for Ocean Science (www.pewoceanscience.org) and the Lenfest

Ocean Program (www.lenfestocean.org) to continue that work.

OLD-GROWTH FORESTS AND WILDERNESS PROTECTION

Since the early 1990s, the Trusts has been investing in public education and advocacy efforts to mobilize support for improved management of and strict protection for old-growth forests and wilderness areas on public lands in North America.

In the United States, most of this work is conducted by the Heritage Forests Campaign (www.ourforests.org), which was instrumental in securing the protection of 58.6 million acres of pristine national forests in 2001; and the Campaign for America's Wilderness (www.leaveitwild.org), a sophisticated public education and advocacy effort to advance state-based wilderness designations. Complementing these efforts is the Theodore Roosevelt Conservation Partnership (www.trcp.org), which engages the nation's hunters and anglers on behalf of habitat protection.

Established by the Trusts in 2001, the Canadian Boreal Initiative (www.borealcanada.ca) works to protect Canada's boreal forest, one of the earth's largest remaining unspoiled wilderness areas. Already, the initiative has been instrumental in the protection of approximately 50 million acres of wilderness. In late 2003, the initiative and 11 of Canada's leading environmental groups, aboriginal governments and resource development companies jointly proposed the Canadian Boreal Conservation Framework, believed to be the most extensive forest conservation plan in history. The framework calls for protection of the entire boreal forest, half as new parks and the other half as carefully managed sustainable development areas. To further bolster this Canadian work, the Trusts has created the Boreal Songbird Initiative

(www.borealbirds.org), a coalition of U.S.-based groups working to protect critical boreal forest habitat for North American migratory birds.

Our working relationships are built on carefully crafted agreements in which each partner organization commits to undertake certain activities and deliver specific results within a designated period of time. We select these organizations on the basis of shared goals, a demonstrated commitment to achieving results, a high level of professional experience and excellence and a willingness to tackle difficult tasks in a shifting and often unpredictable policy environment.

Joshua S. Reichert has directed the Environment program since 1990. He holds a doctorate in social anthropology from Princeton University and has extensive professional experience in the fields of international development, indigenous affairs and environmental protection. He is the author of more than 60 publications, and his opinion columns have appeared in newspapers nationwide. He is the architect of the program's design and approach to problem-solving, which is carried out by a highly trained professional staff of lawyers, scientists and policy analysts.

For more information on our environment work or donor partnership opportunities, contact Joshua Reichert and his staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4740
e-mail: envimail@pewtrusts.org

HEALTH AND HUMAN SERVICES

On any given day, many health and human services issues are in the news—from the tragic front-page stories about children in foster care to the advances in biomedical research that bring the promise of new treatments and cures along with ethical concerns about the implications of some breakthroughs and other health-related developments.

Policy makers struggle to address compelling health and social policy problems that affect the lives and futures of all Americans, and the Trusts' Health and Human Services program is designed to help identify policy options and responses. Our policy initiatives are tailored to address particular issues, taking care to ensure that policy options are informed by a wide range of stakeholders. We aim to be timely, results-oriented and, perhaps most important, responsive to the challenges facing policy makers and society as a whole.

All of our initiatives are developed in close consultation with experts and stakeholders in the relevant fields. We value this input and look for it in a number of ways. We meet with experts, participate in conferences and keep abreast of current events and the latest literature. We watch for trends developing at the state and national levels, and we seek out leaders and organizations focused on emerging issues. Some issues are best addressed at the state or local level, while others require national solutions or actions by both federal and state policy makers. Some call for government action whereas others may benefit from intervention by the private sector or through a public-private partnership.

We are currently playing a leadership role in the following three areas: public-health and human-services policy, science and technology, and family financial security.

PUBLIC-HEALTH AND HUMAN-SERVICES POLICY

An example of this work is foster care reform. In 2003, the Trusts launched a three-part policy initiative to help move children in foster care more quickly and appropriately to safe, permanent families and prevent the unnecessary placement of children in foster care. After a year of intensive research and analysis, the Pew Commission on Children in Foster Care (www.pewfostercare.org) at Georgetown University's Public Policy Institute recommended changes in the federal financing structure to facilitate the timely and safe movement of children from foster care to permanent families and to reduce the need to place children in foster care in the first place. It also recommended changes to provide courts with tools and information so that they can make more timely decisions to help ensure children's safety and move them to permanent families more promptly.

The initiative's second component, Fostering Results (www.fosteringresults.org), is a targeted public education and outreach campaign housed at the University of Illinois that is raising awareness nationally and in selected states of the need for changes to federal foster-care financing incentives and for state and local policies to improve court accountability.

Through the third component of the initiative, multifunded advocacy, the Trusts is collaborating with other organizations and funders to raise awareness of the commission's recommendations and encourage support for them to be adopted.

A second example is a recently launched initiative on pandemic preparedness. Over the

last few years, the realization that the United States needs to be better prepared for both regularly occurring and catastrophic health events has become an almost daily headline. Shortages in vaccines for measles and flu, lack of communication and coordination between adjoining localities during Hurricane Katrina, and the increasing threat of an avian flu pandemic all point toward the need for an improved response if our nation is to meet its health challenges. In December 2005, the Trusts funded Trust for America's Health (www.tfah.org) to ensure that decision makers in the public and private sectors are taking appropriate steps to protect the public and the economy against a potential pandemic event. The project will assess the plans that the federal government and states are putting together and will ascertain whether they are both comprehensive and feasible. It will also work with selected segments of the business community to assure that they are prepared to address a major health catastrophe such as a flu pandemic.

SCIENCE AND TECHNOLOGY

Two examples of Health and Human Services' work in this area are an initiative on food and biotechnology and an effort on nanotechnology. The Pew Initiative on Food and Biotechnology (www.pewagbiotech.org) at the University of Richmond is designed to help ensure that the federal regulatory system appropriately weighs the risks and benefits of agricultural biotechnology products. The initiative fosters independent analysis and debate of the issues and facilitates industry and public-interest stakeholder efforts to ensure that regulatory oversight mechanisms keep pace with the evolving technology. The initiative has established a reputation as a leading resource on agricultural biotechnology, and its work has been cited as a catalyst for change by governmental agencies, industry and advocates.

The Project on Emerging Nanotechnologies (www.nanotechproject.org) at the Woodrow Wilson International Center for Scholars works to ensure that the federal government and the private sector address the potential human health and environmental risks as well as the benefits of emerging nanotechnologies. The project works with industry, the government and the scientific and public-interest communities to identify gaps in nanotechnology risk-assessment research and oversight and to develop strategies to address them.

FAMILY FINANCIAL SECURITY

Examples of the work being done by Health and Human Services in this area are the initiatives on retirement security and student debt. The Retirement Security Project, supported by the Trusts in partnership with Georgetown University and the Brookings Institution (www.retirementsecurityproject.org), works to advance practical policies to help moderate- and lower-income Americans save for their retirement. Through nonpartisan research and analysis, public forums, outreach and communications, the project shines a spotlight on the benefits of expanding tax incentives for retirement savings and practical ways to boost 401(k) participation rates and create new avenues for saving.

The Partnership to Reduce the Burden of Student Debt (www.projectonstudentdebt.org) educates opinion leaders, policy makers and the public about the impact of excessive student loan debt. By supporting nonpartisan research and analysis and bringing together leaders from a wide range of perspectives, the partnership searches for effective and affordable solutions. Working with the Surdna Foundation and others, the effort also continues the Trusts' commitment to youth civic engagement by involving young people in public education and outreach activities to raise the awareness of the bur-

den of student debt and its impact on their life choices.

We typically work with groups that fall into three categories: public-interest organizations, research universities and private-sector stakeholders. These groups share our goals and have a demonstrated commitment to achieving results, a high level of policy experience and excellence in the topic area, and a willingness to tackle difficult tasks in a shifting, often unpredictable policy environment. We welcome inquiries from potential partners or donors who share our interests.

James A. O'Hara III, managing director of Policy Initiatives and the Health and Human Services program, served as associate commissioner for public affairs at the U.S. Food and Drug Administration and deputy assistant secretary for health at the U.S. Department of Health and Human Services, where he was responsible for formulating public health policy in food safety and other areas. He has directed two Trusts-supported projects: HealthTrack, which worked to build support for a comprehensive national approach to tracking and monitoring the links between the environment and health; and the Center on Alcohol Marketing and Youth, which aims to reduce children's exposure to alcohol advertising and marketing.

For more information on our health and human services work or donor partnership opportunities, contact James O'Hara and his staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 202.552.2155
e-mail: hhsmail@pewtrusts.org

STATE POLICY INITIATIVES

State policy makers hold significant and growing influence over the lives of all Americans. Issues of national importance—from education to public safety, health care to environmental quality—increasingly have become the province of states. State policies and practices help determine whether our children get a good start in school, whether we breathe clean air, how well businesses compete in the global economy.

States are deliberating these and other critical matters under tough conditions. In most states, the revenue picture has improved from just a few years ago, when deficits totaling billions of dollars required tax or fee increases, severe cuts in spending and other drastic measures. But states are hardly out of the woods, facing major challenges such as deferred spending on education and other important programs, depleted rainy-day funds and ballooning Medicaid costs. Fortunately, state lawmakers are often more willing than their federal counterparts to cross party lines and take risks to devise innovative solutions to difficult problems.

The Trusts has long operated at the nexus of research, public education, advocacy and policy at both the federal and state levels. Recognizing the growing influence of state policy on a range of issues of national importance, the State Policy Initiatives program is expanding the Trusts' efforts in this arena—exploring potential new issues, developing novel tools to help all of our state-focused initiatives improve policy and prompting states to use research-driven, cost-effective approaches that generate a solid return on investment. This program has two primary components: (1) the Pew Center on the States and (2) projects that

tackle critical issues in which state policy plays a key role. There are strong ties between these two parts, each playing a unique and complementary role in advancing policy change.

THE PEW CENTER ON THE STATES

The Pew Center on the States helps the Trusts and our partners advance effective policy approaches to critical issues facing states (www.pewcenteronthestates.org). The center conducts rigorous policy research, brings together diverse perspectives, analyzes states' experiences to determine what works and what does not, and collaborates with other funders and organizations to shine a spotlight on innovative, nonpartisan, pragmatic policy solutions.

The Trusts already invests in several critical state policy projects which are described in more detail below. The center supports those efforts and helps the Trusts and other funders explore a wider range of state policy issues as strategically and efficiently as possible.

Gathering information. The center gathers data across states on factors that affect policy, from budget, population and economic trends to states' policy climates. This baseline research helps inform the Trusts and our partners as we explore a range of potential state policy issues on which to work. It is also used to generate a series of Web-based indicators and reports that highlight and, in some cases, grade variation across states in areas of key concern to the public, advocates and policy makers.

Highlighting innovation. As problems become serious, states begin to explore policy options by tackling issues in different ways. The center identifies challenges affecting multiple states and locales where fresh ideas are emerging. Using various tools—from research to meetings that bring diverse stakeholders together—the center illuminates

the different policy directions unfolding in the states, assesses their impact and identifies approaches that have been most effective and those that have not.

Advancing policy solutions. We start with the facts—but we do not stop there. When solid evidence exists that a policy approach is both effective and feasible, the center supports public education and nonpartisan research and analysis efforts funded by the Trusts and others to help states move forward.

The center's specific activities include

- original research and analysis, including cross-state assessments;
- commissioned research, ensuring timely and policy-relevant information;
- publications, including policy briefing papers, that highlight proven approaches to particular challenges and raise the national profile of issues affecting multiple states;
- policy forums that bring together policy makers, experts, researchers, the media and other stakeholders, showcase diverse perspectives and help forge consensus;
- assessments of public opinion to inform public education campaigns in policy areas in which the Trusts and its partners are working;
- communications, ensuring broad dissemination and effective outreach to state decision-makers, media, influential stakeholders and the public; and
- technical assistance.

All of our work is developed in close consultation with experts and stakeholders in the relevant fields. We value this input and look for it in a number of ways. We meet with experts, participate in conferences and keep

abreast of current events and the latest literature. We watch for trends developing at the state and national levels, and we seek out leaders and organizations focused on emerging issues.

The center provides both the opportunity and an improved capacity to identify and explore new areas of interest in the state policy arena. We welcome inquiries from potential partners and donors who share our interest in working at the state level to address issues of national importance.

STATE POLICY PROJECTS

Early education. Research shows that attending a high-quality preschool can have a substantial impact on a child's success in school: improving the likelihood of learning to read by the third grade, reducing the chance of being held back for a grade or placed in special education and increasing the possibility of graduating from high school. Yet in this country, we have a fragmented system of early education that is highly uneven in access, quality and the financial burden imposed on families.

The Trusts seeks to fundamentally change the way this country invests in education for its three- and four-year-olds. We fund research and public education campaigns that support policies at the federal level and in selected states on voluntary, high-quality preschool for all three- and four-year-olds and build national visibility for the issue. We also support projects that identify and engage new and diverse constituencies as active leaders for preschool at the state and national levels. For example, one major line of work is researching and understanding the economic benefits of high-quality preschool and amplifying the voices of business leaders who support that message. The Trusts also manages a project to develop guidelines for states on creating fair and effective account-

ability systems for state prekindergarten programs. We began the early education initiative with four states and have now supported campaigns designed to significantly improve quality and expand access to pre-school in more than half the states. In all of our early education projects, the State Policy Initiatives program works with a variety of state and national organizations to highlight fact-based policies that will enable young children to succeed in school and in life.

Public safety and corrections. The Public Safety Performance Project, launched in December 2005 as an operating project of the Trusts, supports in-depth research and public and policy-maker education to help states increase public safety, reduce corrections spending and hold offenders accountable. The initiative has three main objectives. First, it helps states collect and analyze data about who is admitted to their prisons, how long they stay, who returns and what the costs of current policies are. Second, the initiative aids states in understanding how their existing sentencing, release and community-supervision policies compare to those of other states—and whether they meet their own needs for public safety and fiscal responsibility. Finally, the initiative encourages states to use this information to explore policy changes that can deliver a solid return on taxpayers' investment, as measured by cost savings, public safety and well-managed government. The initiative is based in the Trusts' Washington, D.C., office and partners with a range of national and state organizations.

Death penalty reform. The Justice Project Education Fund (www.tjpedfund.org) works to advance reforms that would ensure fairness and accuracy in the administration of capital punishment. Key reforms fall into three categories: DNA testing, adequate legal representation and procedural safe-

guards, such as rules governing police interrogations, eyewitness identification and forensic labs. The project raises public, media and policy-maker awareness of the value of such reforms as well as the fact that reform has a broad base of support, including prominent death-penalty proponents and faith-based groups. The project currently works intensively in four states that are national bellwethers for change on this issue—Georgia, Illinois, Tennessee and Texas—providing nonpartisan research and analysis to the public and state policy makers. It also seeks to educate policy makers and the public about the value of federal guidance to and support for states seeking to ensure fairness and accuracy in their capital punishment systems.

Improving elections. Campaigns and elections are the core element from which government derives its authority and an entry point for citizens to become involved in politics and public life. Yet our nation has experienced disquieting erosion in most election-related measures, from public confidence and voter turnout to campaign competitiveness. With public confidence shaken by infusions of unregulated soft money into the political system, the Trusts joins with others to support a series of initiatives to enhance the transparency and accountability of the funding of our elections. At the federal level, the Trusts supports rigorous assessments of the new federal campaign-finance laws and efforts to ensure that the laws and regulations are properly implemented and enforced. At the state level, our support is used to produce a series of reports and scorecards that prompt states to strengthen disclosure laws and improve the tools they use to share information with the public. We also support comparative analyses measuring the impact of campaign-finance innova-

tions adopted in the states that seek to enhance the competitiveness of elections, expand the role of small donors and provide incentives for campaigns to reach out more energetically to wider segments of the electorate.

While the role of money in political campaigns has always drawn the public's attention, intense scrutiny has been focused in recent cycles on the means by which we conduct our elections. Responding to flaws in the nuts and bolts of administering the 2000 presidential election, a federal law was enacted requiring every state to meet wide-ranging mandates for election reform. Recognizing a need for credible, comprehensive data and analysis by policy makers, election officials, journalists and the public seeking to determine whether and how each state is meeting those mandates and which approaches are proving most effective, the Trusts helped create electionline.org (www.electionline.org), based at the University of Richmond. In addition to tracking states' efforts, the project publishes policy briefs on significant election administration issues, such as provisional voting, statewide registration databases and voter-identification requirements, and it provides expertise and assistance to state, county and local officials striving to implement federal mandates.

We welcome inquiries from potential partners and donors who share our goals in any of the areas described above and who can contribute to advancing those goals at the state and national levels.

Susan K. Urahn has directed three programs since arriving at the Trusts in 1994: Planning and Evaluation, where she developed and introduced new methodologies to measure and strengthen the effectiveness of the

Trusts' approach to results-focused strategic philanthropy; Education, where she designed the portfolio in early education; and, since 2005, State Policy Initiatives, where she is overseeing the expansion of the Trusts' state policy efforts, including the design and implementation of the Pew Center on the States. She previously served as an education analyst with the Minnesota legislature and earned a doctorate in education from the University of Minnesota, where she also conducted policy research in higher education. Her staff hold law or doctoral degrees, and their experience at all governmental levels and in the nonprofit sector includes professional journalism, nonprofit management and development, elementary-school teaching and public policy in early education.

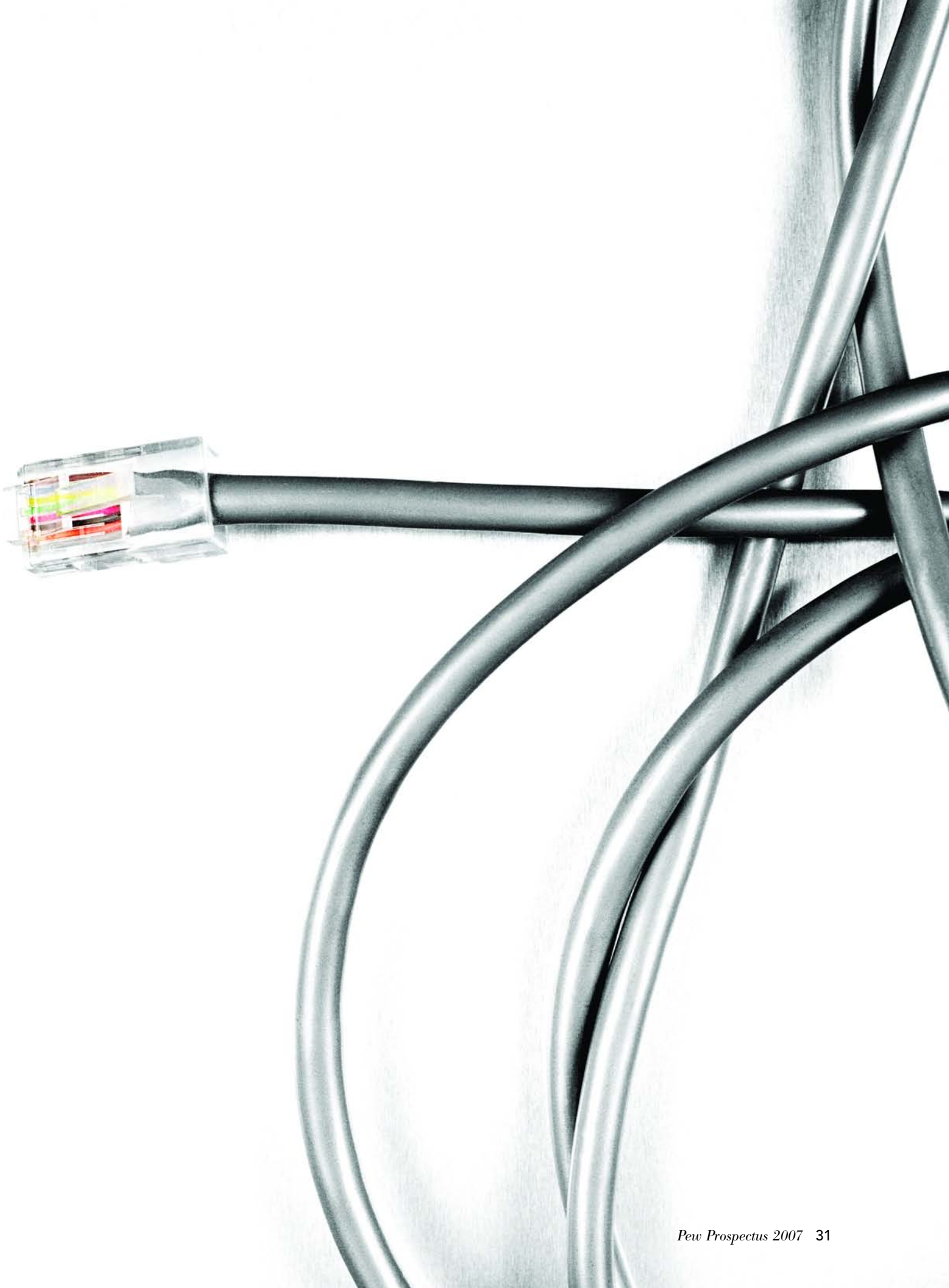
For more information on our state policy work or donor partnership opportunities, contact Susan Urahn and her staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4755
e-mail: statepolicymail@pewtrusts.org

“Popular government without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both. Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power that knowledge brings.” – James Madison, 1822

Informing THE PUBLIC

Pew’s Information Initiatives are principally carried out by the Pew Research Center, a Washington-based subsidiary of the Trusts. The nonpartisan center uses public opinion polling and other research tools to produce reports that track important issues and trends. Information projects outside the center focus on such issues as the opinions of young Americans and religion in society.



INFORMATION INITIATIVES

In early spring 2006, the U.S. Senate was locked in a stalemate over illegal immigration when back-room negotiations over a compromise proposal began. The idea was to offer a chance at legalization to some, but not all, of the estimated 11.5 to 12 million unauthorized migrants living in the country and to oblige some to go home.

Over a weekend of closed-door meetings, senators and staffers faced the dilemma of finding a way to divide the population and come up with credible estimates of the numbers that would fall into each category. They focused on the one set of numbers that everyone involved in the debate had already accepted: the Pew Hispanic Center's calculation of the size of the unauthorized migrant population.

PROVIDING SOLID DATA

The center also found distinct differences in experiences and aspirations among migrants who had been in the country for one, two or more than five years. The Senate negotiators eventually reached a compromise rooted in the center's data, tying requirements and potential benefits to the length of time a migrant has been in the country.

The immigration issue is far from being resolved—the House of Representatives and Senate are still very much at odds. But the debate over policy has benefited from a general agreement on the facts, much of them the result of timely and useful research by the Pew Hispanic Center.

The center's information is emblematic of the work of its umbrella organization, the Washington-based Pew Research Center, which is scrupulously nonpartisan and never takes positions on issues. Rather, it identifies important topics and seeks to fill information gaps that can be useful to advocates of all stripes, policy makers and the public at large. In a city full of think tanks, the Pew Research Center appropriately describes itself as a "fact tank."

Having credibility on all sides—particularly on an issue as divisive as immigration reform—is no small accomplishment. We live in a nation divided by political partisanship. Thanks to advances in technology, information now flows more freely, widely and quickly than ever before. But so do misinformation, propaganda and half-truths.

In Washington, policy debates routinely include allegations that the facts have been twisted by one adversary or the other to serve a partisan agenda. The Pew Research Center is not immune to such charges, but its lack of bias, reflected in research that is often used by both sides of a given debate, gives it unusual credibility.

BENEFITING FROM PROXIMITY

Seven projects make up the Pew Research Center: the Pew Research Center for the People and the Press, Stateline.org, the Pew Internet & American Life Project, the Pew Forum on Religion & Public Life, the Pew Hispanic Center, the Project for Excellence in Journalism and the Pew Global Attitudes Project.

They share the mission of combating the corrosive effects of misleading data by producing credible and timely information in their various fields of endeavor and aggressively sharing that work with relevant audiences. Collectively, they seek to present a "plumb line" of reliable information on a range of pressing and often polarizing topics.

While the individual projects maintain considerable autonomy, they share one address and often collaborate on discrete pieces of research, such as an upcoming study of America's Muslim population. Their combined data and related analytical articles are made broadly available through the center's common Web site, www.pewresearch.org.

It is the Pew Trusts' belief that this work strengthens society by helping the news media, policy makers and the public at large better understand important issues and trends that are shaping the nation's future.

DONALD KIMELMAN

Managing Director, Information and Civic Initiatives

Information Initiatives

PEW GLOBAL ATTITUDES PROJECT

OPINIONS COUNT

The world's people are more interconnected at the same time that historic religious, ethnic and national rivalries deepen and new fractures open. The need for timely, reliable information and impartial analysis of international public opinion has never been greater—and it increases each year. Since 2001, the Pew Global Attitudes Project has been working to meet the growing demands of journalists, policy makers and citizens for knowledge and insight into how people everywhere view themselves and others.

In the past five years, the project has conducted more than 110,000 interviews in 70 languages and dialects in 50 countries and the Palestinian Authority. Sometimes the topics are prompted by single, cataclysmic events, such as 9/11, and sometimes they are stimulated by more tectonic effects, such as the spread of democracy or globalization. While the scope of the project has grown in the wake of 9/11 and the Iraq war, its goal remains unchanged: to be a comprehensive, credible source of timely information uncolored by partisan political concerns.

The forces at play in the world move at many speeds and in many directions, yet the project has established itself as the premier resource for capturing collective attitudes on topics of international interest in a way that goes far beyond conjecture, stereotype or the inevitable limitations of individual opinion.

WHAT THE WORLD THINKS

It is now common knowledge that, after receiving unprecedented support from all over the world in the immediate aftermath of 9/11, the United States saw its image plummet, particularly in the Muslim world, because of the Iraq war, the war on terrorism and U.S. support for Israel. The Pew Global Attitudes Project first revealed the dissipating good will, and it has continued to track the trajectory of peoples' views, finding that not only is the United States' image affected, but even Americans themselves are less well regarded by people in other countries.

Yet there is a great deal of nuance to the generalizations, and the project consistently captures the subtler tones. For instance, it

has revealed a general perception that the United States fails to consider the interests of other nations when it acts in the international arena—yet those in this country hold a very different view. It also has found a declining support for terrorism in Muslim countries, especially when terrorists strike within their borders, as in Morocco, Indonesia, Pakistan and, dramatically, Jordan.

Last year, the project looked at a broader question: How do Western and Muslim societies view each other? It conducted polling in Muslim-majority countries, Europe and the United States, and then interviewed Muslim minorities in four European countries to gain insight into the views of this rapidly growing segment of the population.

Each side, the project reported, has a mostly negative image of the other. Westerners see Muslims as fanatical, violent and intolerant. Muslims say the same of Westerners and add words like “selfish,” “immoral” and “greedy.” Muslims have an aggrieved view of their situation, blaming the United States and Western policies for their lack of prosperity, while Westerners feel the problem is caused by government corruption and Muslim fundamentalism. At the same time, Westerners are skeptical of Muslim values and see a conflict between Islam and modern mores, although fewer Muslims feel this way. In general, European Muslims hold more moderate views than their counterparts in Muslim-majority countries, particularly on whether there is an inherent conflict between being a devout Muslim and accepting modernity.

Through all the differences, the project found a point of agreement: Muslims and Westerners are convinced that relations between the peoples are abysmal.

In 2006, the project began inquiries in Asia that looked at how populations of China,

Japan, India, Indonesia and Pakistan viewed one another. It revealed considerable distrust predicated upon historical animosities and new rivalries in a part of the world that is as potentially problematic as it is dynamic.

HELPING INTERPRET

However unpleasant the facts, good and unbiased data that are gathered using clear and tested methodologies and made universally available are essential to public discourse. The project disseminates the findings through reports, fact-based analysis and commentary, and its audiences are broad and growing. On the policy level, for instance, Andrew Kohut, the project’s director and the Pew Research Center’s president, presented the findings during invited testimony to the Senate Foreign Relations Committee last year.

The project also reaches the grassroots level: Lisa Sievert, a high-school teacher in Farmington, Michigan, presented one of the project’s studies to her junior and senior students in advanced-placement courses in government and international affairs. As reported in *The Wall Street Journal*, the teens were baffled by anti-American slogans they heard in the news and craved deeper understanding of why anyone would utter them.

In the upcoming year, the project will mount its most ambitious survey effort, sampling public opinion on a wide range of issues in more than 40 countries. In a world where the ties that bind are, in some ways, stronger than ever, yet the differences that divide are growing deeper, the work of the Pew Global Attitudes Project could not be more important to future conversations among diverse peoples or more relevant to the present.

Informing the Public 2007

OVERVIEW

A vibrant democracy depends on a citizenry that pays heed to the issues and on policy makers who are in touch with constituent concerns. Information Initiatives comprises projects that have been conceived in that spirit.

INFORMATION INITIATIVES

These initiatives use public opinion surveys and other social science research tools to produce timely, objective information, and their thoughtful infusion of facts and trustworthy analysis make an invaluable contribution to political discourse, policy-making and public discussion. Most of this work is carried out through the Pew Research Center (www.pewresearch.org).

The center is open to collaboration with think tanks, universities and other research organizations sharing an interest in this kind of work, and with those who wish to invest in it.

THE PEW RESEARCH CENTER

THE PEW RESEARCH CENTER FOR THE PEOPLE AND THE PRESS

www.people-press.org

The center, a Trusts-supported initiative since 1995, has a national reputation for measuring Americans' attitudes and values with independence, impeccable rigor and consistent accuracy. It compiles information in clearly written reports and makes them fully accessible through both traditional and new technologies. It undertakes at least one public opinion survey per month and at least three major surveys per year on the degree of attention the public gives to major news stories; public views of politics and current policy issues; fundamental values that animate American political behavior; and public attitudes about the credibility, social value and salience of the news media.

THE PEW GLOBAL ATTITUDES PROJECT

www.pewglobal.org

This project fulfills one of the fondest hopes of the legendary George Gallup: to ask identical questions to people all over the world—at the same time. It does so in an era when the world is paradoxically being drawn closer together and pulled further apart by the rapid flow of information and misinformation. The project's surveys help to illuminate how America sees the world, how the world sees America and how people on all continents see important trends pertaining to such concerns as globalization, terrorism and economic issues.

THE PEW FORUM ON RELIGION & PUBLIC LIFE

www.pewforum.org

The forum, through its panel discussions, briefings, polling reports, publications, Web site and other outreach activities, has gained a reputation as a vital source for timely, nonpartisan information on religion's influence in American public life. It engages policy leaders and the media through an exploration of important topics, including the relation of church and state in the United States—as in the debates on the Pledge of Allegiance and on religion and welfare reform—and the religious divide between the United States and Europe. The forum sums up its work annually in the report *American Views on Religion, Politics and Public Policy*.

THE PEW INTERNET & AMERICAN LIFE PROJECT

www.pewinternet.org

The project studies the social and civic impact of the Internet, arguably the most

far-ranging, behavior-changing communications innovation in recent history. It surveys not only what people think about the technology but also how they use it, for instance, to learn about health care, expand their educational and religious activities, engage in politics and build relationships with family and friends.

THE PEW HISPANIC CENTER

www.pewhispanic.org

The center studies the economic, social, cultural and political realities of America's Latino population, as well as the impact Latinos are having on America's civic, political and economic life.

The objective of the center's surveys and data analysis is to inform policy discussions about the nation's most rapidly growing population. Its major reports include groundbreaking studies on the size, location and attitudes of the undocumented immigrant population in the United States; estimates of the size and nature of the Hispanic workforce; reports on the billions of dollars in remittances that Latino immigrants send annually to their families in their native countries; a study of the Hispanic electorate in 2004; and a first-of-its-kind series of surveys done with the Henry J. Kaiser Family Foundation on the demographic, financial, health-care, educational and political characteristics of Latino populations in the United States.

STATELINE.ORG

www.stateline.org

This initiative tracks and analyzes important policy developments and trends in the nation's 50 states, providing a window into what U.S. Supreme Court Justice Louis Brandeis famously called our "labo-

ratories of democracy." Its Web site features reports on its own original research and contains links to hundreds of other sources of information, much of it located in the state capitals.

Stateline.org averages more than one million page-views per month and 10,000 subscribers to its weekly e-mail newsletter. Its annual *State of the States* report covers trends in such areas as education, health care, tax and budget policy, welfare reform and homeland security.

THE PROJECT FOR EXCELLENCE IN JOURNALISM

www.journalism.org

The project specializes in the study of media content and trends, guided by the belief that a better understanding of press performance and its effects can lead to better journalism. It releases a regular index of what stories the media are covering and produces periodic reports detailing how specific stories are reported or how a particular news medium is performing. Its annual *State of the News Media* report provides the most comprehensive look at the state of American journalism across the cable, television, print, radio and online sectors.

The Trusts' Information cluster is directed by Donald Kimelman, who, since joining the Trusts in 1997, has been identified with projects recognized for their innovation and impact. Kimelman came to the Trusts following a 25-year career in journalism, including an 18-year tenure at *The Philadelphia Inquirer*. He served as a national correspondent based in Houston and as the *Inquirer's* Moscow correspondent cov-

ering the period of transition from Brezhnev's death to Gorbachev's ascension. He was a member of the paper's editorial board for seven years, where he wrote frequently on urban issues and social policy. He also served as foreign editor, overseeing coverage of the wars in Bosnia and Chechnya and, as Pennsylvania editor, supervising state and suburban coverage. Kimelman is a graduate of Yale University and the Columbia Graduate School of Journalism. He chairs the board of the Pew Research Center and also serves on the board of the nonprofit Independence Visitor Center.

For more information on the work of Information Initiatives or donor partnership opportunities, contact Donald Kimelman and his staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4848
e-mail: information@pewtrusts.org

Stimulating CIVIC LIFE

Pew fosters a vibrant public life by supporting national initiatives that encourage civic participation, and, in Philadelphia, we place an added emphasis on supporting institutions that create a thriving arts and culture community and that enhance the well-being of the region's neediest citizens.

“No subversive forces can ever conquer a nation that has not first been conquered by ‘subversive inactivity’ on the part of the citizenry, who have failed in their civic duty and in service to their country.” – J. Howard Pew, 1953



CULTURE

A conference of arts journalists last year brought more than 125 arts writers, reporters and editors from all across the nation to Philadelphia, where they took in the local cultural events that constitute their “beat.”

They had much to explore because, for a city so rich in history, Philadelphia has also arrived as an arts destination. Our largest cultural institutions enjoy international distinction; still, we also lay claim to hundreds of smaller yet stellar museums, performing arts ensembles and community-based organizations. All told, Greater Philadelphia has more than 1,000 such groups, up from 523 in 1995, representing growth in all arts disciplines. No wonder that a conference attendee said, as others expressed in similar ways, that the visit made her “discover, and fall in love with, the new Philadelphia.”

INNOVATIVE SOLUTIONS FOR CREATIVE ENDEAVORS

Pew is proud to have helped our hometown become arts-identified and arts-friendly. Over the years, we have supported ambitious programming and strong, sustainable institutions to meet two strategic objectives: to promote artistic excellence and expand public participation.

In addition to the artists and their creations, leadership and collaboration are key: Arts organization leaders must be committed to long-term planning, and the cultural community must work together to promote the region's artistic treasures.

The Culture program assures that the region's arts and heritage continue to thrive by supporting a broad spectrum of institutions and artists, innovative artistic and programmatic projects, and marketing initiatives. All projects involve significant technical assistance and professional development, components that have proven to be effective means of extending the impact of our support.

Over the years, the Culture program has established Artistic Initiatives in dance, music, history, theater and the visual arts, plus a fellowship program in diverse fields. Once located in different parts of the city, they are now housed together in the Philadelphia Center for Arts and Heritage, along with a project to help strengthen the management and operations of cultural organizations, essential aspects of an effective "delivery system" for cultural experiences.

UNDERSTANDING THE LARGE PICTURE

Through the Culture program, Pew has joined other funders in creating the Pennsylvania Cultural Data Project. This unique, high-quality database streamlines the grants application process for nonprofits, yet goes much further. The detailed financial and programmatic information, which is entered, managed and maintained by the nonprofits, is used by these organizations—more than 400 so far—to monitor their own trends and compare themselves to other organizations. Researchers, state arts officials and policy makers can also access the results for analysis and advocacy.

In addition, the project's data were compiled in a new publication, *Portfolio*. Released last fall by the Greater Philadelphia Cultural Alliance, it gives the first complete picture of the region's nonprofit cultural sector and describes the incredible journey the arts have taken here.

The Culture program offers resources that include funding, relevant data and strategic partnerships with others. Looking ahead, we will seek even more opportunities to support the cultural vitality of our city and region through extensive investments in artists, artistic activity and the organizations that make it possible for the public to see and enjoy their productions.

MARIAN A. GODFREY

Managing Director, Culture and Civic Initiatives

Culture

CAMPAIGN FOR CULTURE

BRINGING AUDIENCES TO THE ARTS

The audience's shuffle turns into a hush as the orchestra conductor raises his baton or the theater curtain rises. In an art gallery, every person in the semi-circle of viewers is fixed on the same painting, yet each feels something different. In many ways, the arts move us deeply and give us a knowledge that is often beyond words.

Yet most people do not give a thought to the fact that the seats and galleries do not fill by themselves. Even well-motivated audiences need information to get to performances or exhibitions, and all of the organizations want to attract new audiences. With a burgeoning arts scene, including many new venues, Philadelphia's cultural marketing has recently caught up with the excitement produced by artists and arts groups.

Every Thursday, a select list of people, mostly in the Philadelphia region but also elsewhere in the nation and beyond, receive the news they need through an e-mail with offers that are hard to refuse: half-price tickets to many arts events in the city and its environs.

Recipients are "select" because they have done what anyone can do—they have signed up for a free, weekly e-mail of cultural specials from PhillyFunGuide.com.

That offer, called FunSavers, is part of the comprehensive set of activities under the Trusts-supported Campaign for Culture, administered by the Greater Philadelphia Cultural Alliance, which is intended to boost attendance and revenues for regional, non-profit arts and culture institutions.

KNOWING THE TOTAL PICTURE

The campaign, which started in 2001, was developed in response to a survey that yielded both good and bad news. The good: A large majority of area residents appreciated arts and culture and recognized both the renown of many local arts institutions and the artistically strong programming available. The bad: They did not always convert their positive attitudes into attendance.

One problem was the huge array of leisure pursuits available. In the vigorous culture scene alone, the opening of the Kimmel

Center for the Performing Arts added some 3,000 seats each night to the existing inventory, and eight other performance spaces had opened in the previous six years, along with dozens of art galleries and smaller venues. Since then, the National Constitution Center opened, and this year, the Philadelphia Art Museum will expand into a renovated Art Deco-era annex. While the new sites were welcomed, they raised the question of how many people would actually fill the seats or attend the exhibitions.

Reaching potential audiences was also problematic. The cost of advertising is high (the region is one of the country's most expensive media markets), and residents as well as arts institutions are spread geographically across the region. Moreover, the cost of attending some cultural events was thought to be a barrier for new audiences.

Considering the variety of problems, the Campaign for Culture developed a simple and elegant approach to resolving them: smoothing the flow of information and then creating a central source for the easy purchase of discounted tickets.

Then the campaign designed its new tool, PhillyFunGuide.com, the first comprehensive, up-to-date Web calendar of the region's arts and culture events. A centralized resource means consumers can now find reliable information in one place—and they can make purchases online, just as they have become accustomed to doing for books and airline tickets. Built into the calendar are e-mail news flashes, including the weekly FunSavers with the last-minute, discounted tickets. The program is now a national model and has been replicated in Baltimore and San Jose, California. It is being implemented in New Orleans as a gift from the Philadelphia cultural community and its funders.

The campaign also sponsored a media drive to promote the calendar and special offers as well as individual cultural events. Currently, 34 organizations are participating in a cooperative advertising program that effectively triples the value of their advertising dollars through bulk purchasing and corporate sponsorships. Through this effort, many organizations have been able to promote their events in newspapers and on the radio for the first time.

Finally, the campaign created efficiencies and reduced the costs of duplicate mailings by creating a shared audience mailing list of more than 250,000 names from 65 organizations.

JUST THE TICKET: RESULTS

Good information and convenient ticket purchasing have translated into hard figures. PhillyFunGuide.com now lists some 21,000 events per year, and the Web site has attracted 2.9 million visits since its 2002 launch. It has received acclaim as one of the most reliable and comprehensive listings in the country.

FunSavers has generated an average of more than \$500,000 a year in additional revenues to some 120 cultural institutions. Arts groups report that 65 percent of those purchasing the tickets are new customers, and in a survey of subscribers, 88 percent reported that they attended events that they might not have otherwise noticed.

And that does not begin to tally the aesthetic pleasures, the sense of belonging to a community and the wonderful memories that we all take home from the arts.

PEW FUND FOR HEALTH AND HUMAN SERVICES *in Philadelphia*

“Our behavioral-health system cannot be constructed based on our philosophy of what we think works. It has to be based on data about what does work. The people we serve are counting on us to get this right.”

With these motivating words, Arthur Evans, Ph.D., director of Philadelphia’s Office of Behavioral Health and Mental Retardation Services, began his discussion of evidence-based practices. He was speaking to local nonprofit leaders at a recent session of Programs Adjusting to a Changing Environment (PACE), a series of meetings that the Pew Fund for Health and Human Services in Philadelphia sponsors for its nonprofit grantee partners to update them on issues and trends in their field.

Evans gave the example of treating schizophrenia. Many mental health professionals received their training at a time when a diagnosis of schizophrenia meant that a patient was not expected to improve. But the latest research shows that, with appropriate care, two-thirds of people with schizophrenia will be able to either experience a complete abatement of symptoms or function at a high level despite their disorder.

However, many organizations have yet to incorporate this new research into practice. Situations such as this reaffirm the need for PACE and similar resources that introduce organizations to the latest research and trends.

BEYOND DIRECT SUPPORT

Through the Pew Fund, the Trusts supports, in the city of Philadelphia and the four surrounding Pennsylvania counties, organizations that serve people at all stages of life. The program focuses its assistance on some of the most vulnerable members of the community—poor children and families; adults who face multiple, complex issues related to substance abuse, homelessness or chronic mental and physical disabilities; and the frail elderly.

The Pew Fund helps nonprofits in the Philadelphia region to sustain strong existing services, develop programs to address emerging needs or expand assistance.

In addition, the Pew Fund's PACE series serves as an important resource for helping local organizations understand and adapt to critical policy issues and trends—such as the move toward evidence-based practices in behavioral health—thereby improving their ability to provide crucial aid to vulnerable populations.

Recent PACE sessions have focused on the implications of new federal guidelines for the Temporary Assistance for Needy Families program, recent federal and state changes to Medicaid, and Pennsylvania's efforts to rebalance funding for its long-term care services. Feedback from participants consistently indicates that these sessions significantly deepen their knowledge of issues and motivate them to educate their boards, reassess programs and become involved with coalitions to improve decision makers' awareness about the impact of particular policies.

KEEPING UP WITH TODAY'S WORLD

Given the complex and rapidly changing nature of the social, economic and political forces that shape the work of Pew Fund grantee partners, it is often a daunting challenge for nonprofit leaders to find ways of keeping abreast of the latest developments. The Pew Fund's PACE sessions, along with the program's support of capacity-building projects (see the two following pages), underscore our deep commitment to provide local organizations with the tools and resources they need to continue providing high-quality, vital services to those who need them most.

FRAZIERITA D. KLASSEN

Deputy Director for Local Programs, Health and Human Services

Pew Fund for Health and Human Services in Philadelphia

STREAMLINING SYSTEMS

HELPING OPERATIONS CATCH UP WITH A FAST-GROWING PROGRAM

A Philadelphia organization for youth recently found that the exponential growth of its activities placed significant strain on its operations. The organization engages underserved and at-risk children by involving them in making murals at neighborhood sites throughout the city. This activity teaches transferable life and job skills such as personal responsibility, teamwork and conflict resolution. By 2004, its after-school efforts were serving 1,100 at-risk young people at 47 sites and growing significantly.

However, the organization's internal systems for communication, information and project management had failed to keep pace. Its approximately 300 instructors and muralists maintained program files independently, some keeping these electronically and others on paper—a practice that was duplicative and cumbersome. The organization clearly lacked the means for tracking the progress and experiences of the youth taking part in its programs.

To enable its dedicated staff to work more efficiently, the organization turned to the Trusts for help. With support from the Pew Fund, the organization established a centralized database that, among other functions, enables staff to have access to such facts as the programs students took, the work they created and comments from instructors. This information allows the organization to help students assemble their portfolios and applications for higher education and other opportunities. The database reduces both the number of staff needed and the time involved to produce monthly reports for key funders.

Over the last several years, providing capacity-building dollars to local health and human service nonprofits has been an important feature of the Pew Fund program. Without such support, nonprofits are often unable to take advantage of resources such as new technologies and outside expertise to improve their work. Between 1999 and 2005, the Pew Fund awarded a total of nearly \$7 million to 103 area nonprofits to help them improve their overall operations and management and remain competitive for public and private dollars.

Recipients have used this funding for a variety of organizational priorities. In many cases, they have replaced outmoded and labor-intensive internal management systems with new technology. These improvements have allowed them to better track revenue and expenditures; evaluate the costs and benefits of their programs and identify alternative approaches for funding them; streamline the administrative responsibilities of the staff; and measure program performance.

STAYING ON TOP OF COMPLEX CLIENT NEEDS

In another example, a key service provider for disadvantaged individuals and families in Bucks County received Pew Fund support to improve its system for collecting and maintaining medication information for its 600 behavioral-health clients. Many of these individuals take prescribed drugs for both mental and physical conditions. These complex medication regimens require close monitoring and must often be adjusted to ensure appropriate dosage levels.

Previously, the agency used a labor-intensive, paper-based system for maintaining client medication information, which was difficult to keep current, particularly because dosages changed frequently and clients were served at three locations.

The agency is using the Trusts' funding to upgrade its electronic database, creating a secure and easily available means for retrieving client medication information with demographic data and treatment history.

LEARNING FROM EXPERIENCE

Looking back over the Pew Fund's experience with providing such advantageous, capacity-building support, we recently decid-

ed to make this important resource more accessible and responsive to the needs of the local providers. A key challenge for organizations is to identify their most pressing technical assistance needs, set priorities and develop appropriate projects that address them. Many organizations require guidance up front to be sure they are focusing on the most critical problems in the most effective way.

To address these issues, the Pew Fund enlists the support of a seasoned partner, the OMG Center for Collaborative Learning, a well-respected research and consulting firm with expertise in organizational assessment and development. OMG serves as a resource for Pew Fund grantees, helping them understand their capacity-building needs and constructing the most effective approaches for tackling them. With two cycles of grants awarded each year, OMG also provides timely funding support to enable these organizations to move forward.

Pew Fund organizations work across the region to address a variety of compelling needs through such programs as after-school academic enrichment for youth, housing and other supports for the chronically homeless, high-quality early child care for poor children, and personal care services that enable the frail elderly to remain at home. These organizations rely on highly trained, compassionate professionals to carry out this demanding work. However, without effective internal organizational systems, staff may spend valuable time struggling with out-of-date equipment and unwieldy processes, rather than directing their energies toward the provision of services. The Pew Fund will continue to support these organizations as they seek and implement the most successful strategies for carrying out their important work on behalf of the Greater Philadelphia community.

CIVIC INITIATIVES

Kyle Farley knows Philadelphia. Eight years ago, as a Ph.D. candidate in colonial history at the University of Pennsylvania, he and a friend began giving walking tours of the city. These ambles proved so popular that he launched a sightseeing company exclusively employing guides who are professional scholars or teachers of history.

He is also one of the many engaging and expert hosts of a new project, SoundAboutPhilly, a series of Web-based audio tours that anyone can download onto an MP3 player or listen to online.

SoundAboutPhilly introduces the city from numerous, historically informed yet personal perspectives and explores the nation's founding; the city's diverse neighborhoods through their local foods, an effective way to convey the rich immigrant history; and favorite locales and things to do, described by everyday Philadelphians. Future tours will center on the city's religious, African-American and colonial history as well as on music, art and sports.

OPPORTUNITIES TO INVEST IN EXTRAORDINARY PROJECTS

Innovative ventures like SoundAboutPhilly encapsulate two of the main mandates of the Civic Initiatives program. Reflecting the interest of the Trusts' founders, the program seeks to educate the American public about the concepts of liberty and individual freedom that are tightly bound up in the city's early history. Pew also looks for exciting projects in the civic and cultural arenas that have the potential to strengthen Philadelphia's appeal to visitors and residents alike.

Achievements include the creation of the Greater Philadelphia Tourism Marketing Corporation, which in 2006 became the first organization to win three awards from the Travel Industry of America in the same year. We have supported the redevelopment of Philadelphia's Independence Mall, and our challenge grant for landscaping is helping bring this \$300-million project to completion, giving the area's millions of annual visitors a wonderful setting in which to absorb the spirit of our nation's founding days.

Visitors to the Benjamin Franklin Parkway, the city's most majestic thoroughfare, can now enjoy the newly restored landscaping of Logan Circle, thanks to a Pew-funded partnership with the Pennsylvania Horticultural Society. We also supported the restoration of eight monumental bronze sculptures atop Philadelphia's City Hall Tower. The figures, created by Alexander Milne Calder, represent the principles on which our republic was established. And we have provided a challenge grant for the preservation of Christ Church, a National Historic Landmark where many founding fathers worshipped.

Pew's longstanding interest in acquainting the American public with our nation's history manifested itself this past year in other ways, including support to the Colonial Williamsburg Foundation to teach Philadelphia-area teachers techniques that will enable them to offer quality interactive American history and civics education. And on the fortieth anniversary of the passage of the National Historic Preservation Act, we supported a summit that reviewed how well our nation is maintaining its landmarks and recommended policy and programmatic changes to advance the field.

NEXT STAGES OF CIVIC COMMITMENT

Pew continues to explore ways to highlight the city's and nation's heritage. Through donor partnerships, we can further enhance the "virtuous cycle" of positive development in Philadelphia and contribute to an increased understanding of American democracy.

MARIAN A. GODFREY

Managing Director, Culture and Civic Initiatives

DONALD KIMELMAN

Managing Director, Information and Civic Initiatives

Stimulating Civic Life 2007

OVERVIEW

Public life in America thrives when everyone participates, and historically, Americans have eagerly taken part in activities that enrich the quality of our lives as individuals, as communities and as a nation.

The Civic Life cluster fosters engagement through a wide variety of satisfying and useful forms: through support of art, which inspires and often challenges us to see our world in new ways; through support for non-profit health and human services organizations, because protection of and care for society's most vulnerable individuals and families is the acid test of civic stewardship; and through the preservation of our country's history, the origin of our civic responsibilities.

CULTURE

Philadelphia is enjoying a renaissance as a great American city, and arts and culture are key components of the *new* Philadelphia story. Residents and visitors enrich their lives with the arts in many ways. They experience the performing and visual arts, museums and libraries, historic buildings and sites, folk and traditional arts, and public art works, parks and gardens. The arts are an important part of daily life in our community and help define our civic identity in the eyes of national and international observers.

The Culture program assures that the region's arts and heritage continue to thrive by supporting a broad spectrum of institutions and artists, innovative artistic and programmatic projects and marketing initiatives. All projects involve significant technical assistance and professional development, components that have proven to be effective means of extending the impact of our support.

We manage these investments systematically and proactively, working with organizations that benefit from established leadership and management skills and substantive knowledge of their respective artistic disciplines. We structure our programs competitively in order to identify organizations and projects of high quality and impact, and we frequently assemble panels of nationally recognized experts to advise on the selection processes. Many of these initiatives are managed by external program offices, and all institutional support and artistic initiatives require the submission of applications based on specific guidelines, as follows:

THE PHILADELPHIA CULTURAL LEADERSHIP PROGRAM

The Philadelphia Cultural Leadership Program provides operating support to help

well-governed organizations strengthen their management, operations and program development. Two related programs offer technical assistance funds and activities: The Philadelphia Cultural Management Initiative (www.artshelp.org), through a grant to Drexel University, addresses such areas as marketing, technology planning, financial management, strategic planning, fund-raising and staff training. And the Comprehensive Capitalization Initiative of the Nonprofit Finance Fund (www.nonprofitfinancefund.org) focuses on long-term stability, assisting organizations in the careful crafting of capital projects and endowment campaigns.

ARTISTIC INITIATIVES

The Artistic Initiatives aim to increase the quality and scope of artistic programming through targeted projects that provide financial support and professional development assistance to artists and arts and heritage organizations. These initiatives, which were brought together in the Philadelphia Center for Arts and Heritage in the autumn of 2005, elevate artistic excellence, giving residents and visitors to our region a wide range of outstanding performances and exhibitions to attend. And they enhance the cultural community's ability to work together effectively, contributing to a vibrant environment for art. The initiatives are

- Dance Advance
(www.danceadvance.org)
- Heritage Philadelphia Program
(www.heritagephila.org)
- Pew Fellowships in the Arts
(www.pewarts.org)
- Philadelphia Exhibitions Initiative
(www.philexin.org)
- Philadelphia Music Project
(www.philadelphiamusicproject.org)
- Philadelphia Theatre Initiative
(www.philadelphiatheatreinitiative.org)

The Trusts also funds Pennsylvania Performing Arts on Tour (www.pennpat.org), in partnership with the Pennsylvania Council on the Arts, the Vira I. Heinz Endowment and the William Penn Foundation.

SUPPORT FOR REGIONAL CULTURE

Support for regional culture helps the cultural community do a better job of promoting its programs through marketing and research initiatives. The Trusts-supported Greater Philadelphia Cultural Alliance's Campaign for Culture (www.philaculture.org/campaign/initiatives.htm), with its comprehensive online directory of cultural events and innovative weekly e-mail offers of discounted tickets, aims to increase local arts participation. The Pennsylvania Cultural Data Project (www.pacdp.org), a program operated by the Trusts in partnership with the Greater Philadelphia Cultural Alliance's Campaign for Culture, the Greater Pittsburgh Arts Council, The Heinz Endowments, the Pennsylvania Council on the Arts, The Pittsburgh Foundation and the William Penn Foundation, significantly streamlines the process for organizations to apply for support from funding organizations. The project provides comprehensive information on the activities and finances of nearly 400 cultural organizations in the Philadelphia region and statewide, for use not only by participating organizations and funders but also advocates and policy leaders.

We encourage nonprofit arts and heritage organizations in the Philadelphia region to examine the specific guidelines of the program relevant to their needs and then contact the appropriate project. The project directors are experienced in recognizing organizational and artistic excellence and in helping individuals and organizations make

their best case for support. The directors are immersed in the issues pertaining to their areas of specialization and bring a national perspective to concerns particular to Philadelphia. They also share a commitment to stimulate artistic innovation and operational leadership by encouraging creative ideas and new influences.

The Culture program welcomes prospective donor partners who are seeking to invest in the arts. We offer a structure for fostering and sustaining the arts, plus organizational capacity and leadership to manage new funds and projects. We invite ideas about new cultural collaborations that will have significant impact on the region's cultural profile and contribute in compelling and measurable ways to the civic life of Philadelphia.

Marian A. Godfrey has directed the Culture program since 1989 and earned national recognition for her advocacy of the arts. She has a distinguished record of service on arts boards and panels ranging from local councils to national associations and the National Endowment for the Arts. She and her staff all have experience as practicing artists and administrators.

For more information on our culture work or donor partnership opportunities, contact Marian Godfrey and her staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4870
e-mail: culturemail@pewtrusts.org

PEW FUND FOR HEALTH AND HUMAN SERVICES IN PHILADELPHIA

The five-county Philadelphia area contains vulnerable populations, among them adults who live on society's margins even in the best of economic times, the isolated and frail elderly, and disadvantaged children and youth and their families. Building on a long-standing commitment of the Trusts, the Pew Fund for Health and Human Services in Philadelphia provides operating and project-specific support to nonprofit organizations in Philadelphia, Bucks, Chester, Delaware and Montgomery Counties to offer much-needed assistance to individuals and families in these categories.

The Pew Fund also provides capacity-building resources so that local nonprofits can more effectively fulfill their compassionate missions by becoming increasingly outcome-oriented, financially secure and able to adapt to new demands. To help these organizations better understand the external environment, in which the context for health care and social-service delivery is changing rapidly and profoundly, the Pew Fund sponsors Programs Adjusting to a Changing Environment. This informational seminar series gives these groups a larger and more interconnected view of the implications of the critical issues facing them so that they can adapt appropriately. The Pew Fund's strategy also includes a component designed to address policy issues that cut across the three population categories.

To inform the content and direction of the Pew Fund, staff closely tracks and assesses

key demographic, policy and financing trends that affect the ability of local health and human service nonprofits to deliver effective, efficient programs. We augment our knowledge and experience by consulting national and local experts, including researchers, policy makers and practitioners. Consequently, our funding priorities are based on the latest research on best practices in the field, emerging community needs and lessons learned through the experience of the nonprofit organizations with which we work.

The Pew Fund identifies the nonprofit organizations it supports through a rigorous, competitive solicitation and review process involving our staff and external experts. Applicants respond to a letter of intent announcement, which sets forth goals and objectives, application requirements and selection criteria. Potential applicants are encouraged to review the announcement to determine if the Pew Fund's objectives are consistent with their priorities and aims.

We also welcome inquiries from potential donors who seek to improve the quality of life for disadvantaged populations in the Philadelphia region.

Frazierita D. Klasen has directed the Pew Fund since it began in 1991. Her extensive experience both at the Trusts and in her previous work in the public and nonprofit sectors provides her with significant expertise to lead the Pew Fund. Locally active, Klasen served as an elected mem-

ber of her township school board and is a member of both the Governor's Commission on Children and Families and the Governor's Office of Health Care Reform's advisory panel.

For more information on the Pew Fund or donor partnership opportunities, contact Frazierita Klasen and her staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4865
e-mail: pewfundmail@pewtrusts.org

CIVIC INITIATIVES

The Civic Initiatives subprogram has a broad mandate that captures a wide range of work outside the policy and information arenas. Reflecting the interests of the Trusts' founders, the program seeks to educate the American public about the nation's democratic principles and the role and legacies of the founding fathers. The Trusts also looks for civic and cultural opportunities that have the potential to strengthen Philadelphia's appeal to visitors and residents alike. Because of Philadelphia's seminal role in the founding of American democracy, those two objectives frequently coincide.

Over the past decade, the Trusts has provided support for the conservation of the Star-Spangled Banner and Thomas Jefferson's handwritten copy of the

Declaration of Independence. We were the lead sponsor of a major exhibition devoted to the life of Benjamin Franklin in honor of the 300th anniversary of his birth. After opening in Philadelphia in December 2005, the Franklin show is traveling to four additional American cities before a final stop in Paris.

In Philadelphia, the Trusts' home town, we helped assemble a public-private partnership to renovate Philadelphia's Independence Mall and made significant contributions to the buildings that are assembled there—the Independence Visitor Center, the Liberty Bell Center and the National Constitution Center—as well as to the mall's general landscaping. All of these efforts have substantially rejuvenated America's "most historic square mile." To enhance the wider ambiance of the city, we have supported new landscaping at picturesque Logan Circle; new lighting for the streets, sidewalks, monuments and building facades of the Benjamin Franklin Parkway; and the preservation of such local cultural landmarks as the Academy of Music. We also are partnering with two other Philadelphia-based foundations to spearhead the fund-raising for the Barnes Foundation's court-approved move of its world-renowned art collection to a new location on the Benjamin Franklin Parkway.

These civic initiatives are largely Trusts-initiated, and we welcome donor partners who wish to join in bringing them to fruition.

For more information on our civic initiatives or donor partnership opportunities, contact:

Marian Godfrey at 215.575.4870 or
Donald Kimelman at 215.575.4848

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
e-mail:
civicinitiativesmail@pewtrusts.org

DONOR SERVICES

A former U.S. Navy captain and a dedicated sailor, H.F. (Gerry) Lenfest is passionate about protecting the world's oceans. In 2004, he created the Lenfest Ocean Program in partnership with The Pew Charitable Trusts: He set the goals and objectives for the project and then delegated the responsibility for the project's success to Pew.

"By joining forces with Pew," he notes, "we were able to immediately take advantage of a wealth of knowledge and innovative practices they've spent years building and honing."

Since its launch, the Lenfest Ocean Program has detailed the need to protect our nation's fisheries. The program's studies help ensure that depleted fisheries in the United States are successfully rebuilt. The fruits of another partnership between The Lenfest Foundation, the Sandler Family Supporting Foundation and Pew helped inform the U.S. Government when, recently, it established the Northwestern Hawaiian Islands Marine National Monument, the largest marine reserve in the world. "This archipelago is a natural treasure that now has a good chance of remaining that way. I consider my dollars well spent," says Lenfest.

PARTNERING FOR CHANGE

Family foundations and wealthy individuals—many of them entrepreneurs whose businesses have capitalized on joint ventures and strategic alliances—have begun outsourcing their charitable initiatives to Pew because we face pressing and emerging societal issues head-on, focus on achievable goals and measurable results, and carefully consider every charitable investment that we make. We do the same for our donors in a variety of ways:

Pooling resources. Foundations, corporations and individuals benefit from our highly experienced staff and versatile infrastructure, achieving results more significant than any one partner might achieve alone. For instance:

- **Marine life.** High-seas bottom trawling, a fishing technique that virtually clear-cuts the ocean floor and causes irreparable harm to many species, is the target of an effort by Pew in collaboration with four family foundations: The J.M. Kaplan Fund, The Lenfest Foundation, the Oak Foundation and the Sandler Family Supporting Foundation.
- **Culture.** Recognizing the need for reliable statewide data on arts and culture, the William Penn Foundation, The Heinz Endowments and The Pittsburgh Foundation joined the Trusts to establish the Pennsylvania Cultural Data Project. Managed by Pew, the project has developed an online data-collection tool that allows arts managers to benchmark operating results and streamlines the process of applying for funding. Other states are now considering the model. The project is a collaborative effort of the Greater Philadelphia Cultural Alliance, the Greater Pittsburgh Arts Council, the Pennsylvania Council on the Arts, The Pittsburgh Foundation, The Heinz Endowments, The Pew Charitable Trusts and the William Penn Foundation.

Custom-designed initiatives. We design, implement and manage sizeable charitable initiatives at the request of a donor—such as a highly focused, results-based, \$10-million challenge grant for the Neubauer Family Foundation to support The Philadelphia Orchestra.

Customized philanthropic assistance. We advise on all facets of successful philanthropy, from articulating and implementing a charitable vision, to ensuring effective start-up operations, to instituting evaluation methods that ensure a donor's funds are used wisely. Financial-services firms and corporate philanthropies are among those that have invited us to share our lessons learned with their clients.

LEVERAGING KNOWLEDGE

We also put knowledge into action by tapping into our government affairs expertise to rigorously advance policy when our projects can benefit from effective advocacy. Whatever the form of the collaboration, our donor partners have access to a range of tools to enhance their social investments.

SUSAN AHERON MAGILL
Managing Director, Donor and Government Relations

Donor Services

SPOTLIGHTING PARTNERSHIPS

THE POWER OF KNOWLEDGE

Donors can leverage their resources and strategic vision with the talent, infrastructure and global networks of Pew. We develop initiatives that allow our partners to join their passions with our expertise and knowledge and deliver positive results. Here are several examples of our collaborative efforts, with two of them described in detail.

BUILDING BLOCKS FOR YOUNG CHILDREN

Robert Dugger is deeply concerned about the future of at-risk American youngsters. As an economist and hedge-fund manager, he also knows the importance of the bottom line. So when he began talking to Pew about a project to promote the well-being of children below the age of five, he knew that helping these children was not only an altruistic goal—it was fiscally savvy as well: Such investments, he believed, would yield very high returns for our nation's economy.

His vision led to the formation of the Partnership for America's Economic Success, established last year to examine the economic value of various investments that help children grow into productive adults.

"As we began the partnership project, we realized that, to make a real difference, we needed to not only change the message, but also the messengers," Dugger says. "This meant bringing in new experts and champions from business, finance, economics, the public sector and philanthropy. Together with our funding partners, we are attracting some of the nation's top researchers on the costs and benefits of early investments in kids' lives. We're gathering data, analyzing results and building the evidence base. As a collaborative, we're learning what it takes to start a nationwide conversation about how we can secure our economic future by helping all children succeed."

So far, 11 donors have teamed up to provide more than \$3 million to capitalize the partnership. Over the next two years, the partnership will support research by lead-

ing experts, including a Nobel-laureate economist and business leaders, as they examine policy options and financing vehicles to encourage investments in young children.

Recognizing the importance of public education and media outreach, the partnership will also examine how to effectively communicate the results of that research to the public and policy makers. Having no stake in a particular, predetermined approach and no adherence to any one constituency, Pew uses its expertise to guide the project and seek solutions based on hard facts.

"With the Partnership for America's Economic Success, I wanted an ally that had a nonpartisan reputation, a history of proven results, high standards for research and analysis, experience in managing complex initiatives that help accomplish real policy change and a commitment to early childhood," Dugger says. "Pew brings all of those to the table."

SHARING INFORMATION WITH LOCAL CONSERVATIONISTS

In the northeastern United States, an unprecedented period of property transfers is endangering primeval forests, agricultural lands and waterways that have supported and sustained the region for thousands of years. As more and more private developers seek opportunities to purchase these lands, the risk to millions of untouched acres steadily increases.

To protect these wilderness areas, Pew recently established the Northeast Land Trust Consortium, a pilot project with four local land trusts, to preserve selected sites and prohibit any future development through the purchase of wilderness areas

and conservation easements that keep the land protected. Pew raises funds and matches the dollars raised to provide acquisition costs to its selected partners.

More than 25 individuals and foundations in the Northeast have contributed to Pew for the consortium project, with donations ranging from \$15,000 to \$500,000. Donors designate their funds specifically for one of the conservation areas; those funds are pooled to purchase and preserve large tracts of land that would otherwise have been unaffordable.

For example, with the help of the consortium project, the Appalachian Mountain Club, a Pew partner, was able to acquire the 37,000-acre Katahdin Iron Works property near Moosehead Lake in Maine—home to a diversity of wildlife and, in the future, extensive hiking trails and overnight facilities.

While Pew's financial contributions and fund-raising are important, our knowledge, experience and national reputation are vital in designing successful strategies to protect the environment. Not only will thousands of acres be protected, but the partnership also allows the various land trusts to work together, leverage their expertise and replicate successes.

"The consortium has played a critical role in providing credibility for this project as well as motivation for donors, through the match as well as real hands-on assistance," says Andrew Falender, the mountain club's executive director.

REPRESENTATIVE COLLABORATIVE PURSUITS

Reducing global warming.

To promote public policies and business practices that reduce greenhouse gas emissions throughout all sectors of the U.S. economy, Pew received contributions from the Annenberg Foundation, The William and Flora Hewlett Foundation and the Turner Foundation.

Investing in our nation's youth.

The ultimate goal of the Partnership for America's Economic Success is to make the successful development of children the top priority of the nation. Housed at Pew, the project is the result of innovative thinking and input from our donors: the Buffett Early Childhood Fund, Robert H. Dugger, The George Gund Foundation, the Horace Hagedorn Foundation, Paul Tudor Jones, the Ohio Children's Foundation, The PNC Financial Services Group, Inc., Scholastic and the Schott Foundation for Public Education.

Conserving marine ecosystems.

Pew's commitment to preserve the biological integrity and diversity of marine ecosystems—primarily by curbing overfishing, reducing bycatch and preventing the destruction of marine habitat—has had the invaluable assistance of The J.M. Kaplan Fund, The Lenfest Foundation, the Marisla Foundation, the Oak Foundation, and the Sandler Family Supporting Foundation.

Helping our children in foster care.

Through the Trusts' Fostering Court Improvement Project, we are working to improve court oversight of child welfare cases and facilitate better and more timely

decisions related to youngsters' safety, well-being and placement in permanent homes. We are grateful for support from Andrew and Michelle Barclay of the Barton Foundation.

Helping families become more financially secure.

The Surdna Foundation has joined with Pew to help reduce the burden of student indebtedness on Americans and their families. Helping young people raise awareness about this issue is a key part of the effort. The Project on Student Debt promotes non-partisan research, identifies practical policy options and explores ways to pay for them.

Expanding access to quality pre-K.

Pew is leading a national effort to ensure that quality preschool is available for all three- and four-year-olds, through the sponsorship of research and public education campaigns as well as the development of effective, high standards for state pre-kindergarten programs. This work is conducted in partnership with Robert H. Dugger, the Foundation for Child Development, the Joyce Foundation and The PNC Financial Services Group, Inc.

Preserving our natural heritage.

Through the Northeast Land Trust Consortium, we are working with local land trust partners to save some of the most ecologically rich areas in this region of the United States. We are grateful for the tremendous commitment to preserving our nation's natural heritage by many dedicated individuals and foundations, including the ASD Foundation, Michael Collora and Clare O'Connell, Richard M. Burnes, Lawrence Coolidge, Strachan Donnelley, Nancy W. Grady, Timothy A. Ingraham, James P. Kelly, Mr. and Mrs. George

Macomber, The Maine Community Foundation (component fund), The Maple Hill Foundation, John and Tashia Morgridge, The New Hampshire Charitable Foundation—North Country Region, Andrew L. Nichols, Preston H. Saunders, Paul and Tina Schmid, Steven and Paula Mae Schwartz, Arnold and Ruth Scott, Sweet Water Trust, Wayne D. and Barbara Thornbrough and several anonymous donors.

Building a thriving arts and culture community.

To ensure the diversity and sustainability of Philadelphia arts and heritage, Pew is working with many donors to support Philadelphia institutions and artists, innovative artistic and programmatic projects, and marketing initiatives, and is also engaged in a statewide partnership, the Pennsylvania Cultural Data Project. We are collaborating on these efforts with The Heinz Endowments, the Neubauer Family Foundation, The Pittsburgh Foundation and the William Penn Foundation.

Protecting North American wilderness.

Our investments to improve management and protection for old-growth forests and wilderness areas on North American public lands have been generously supported by David Bonderman, The Champion Foundation, The Robert and Michelle Friend Foundation, The William and Flora Hewlett Foundation, The Lenfest Foundation and the Gordon and Betty Moore Foundation.

For more information on donor partnership opportunities, contact Susan Magill and her staff:

The Pew Charitable Trusts
2005 Market Street, Suite 1700
Philadelphia, PA 19103-7077
tel: 215.575.4791
e-mail: donorservices@pewtrusts.org

PLANNING AND EVALUATION

The late U.S. Senator Daniel Patrick Moynihan once quipped, “We’re all entitled to our own opinions, but we’re not entitled to our own facts.” In that spirit, two years ago the Trusts launched an ambitious project, the Pew Research Center, a multifaceted “fact tank” that would bring seven well-respected initiatives under one roof to conduct independent research and polling on important issues facing the country.

The creation of the center marked the culmination of a comprehensive preparation effort facilitated by Planning and Evaluation that involved not only the leadership of the seven component projects and the Trusts’ Information Initiatives program, but every operations unit across the institution and a score of trusted external advisors. And since its launch, the center continues to be on target toward realizing its bold business plan, closely adhering to the initial forecasts for implementation.

UNITING ESSENTIAL ELEMENTS

This success may be the exception to the rule in the organizational world. The management specialists Robert Kaplan and David Norton, authors of *The Balanced Scorecard*, have identified a disconnect between strategy formulation and strategy execution in most organizations, noting that 95 percent of corporate employees are unaware of even the most basic elements of their own company's goals. But the highest-performing companies develop mechanisms to promote and maintain a focused direction throughout the organization.

At Pew, Planning and Evaluation strives to link strategy formulation to execution through a series of reinforcing processes:

Preparing thoughtfully. Getting the approach right from the very beginning is crucial. As a valued advisor to the program staff, Planning and Evaluation ensures that Pew's projects are grounded in the best available knowledge; reflect a clear and achievable design; and can have a discernible and meaningful impact on an important social problem within a reasonable timeframe.

We report on Pew's ongoing progress and future direction through a rigorous annual planning process that culminates each year in a board planning retreat.

Assessing progress, analyzing returns. After an initiative is launched, our emphasis shifts to regularly reviewing its progress. Planning and Evaluation designs and oversees external evaluations—conducted by recognized experts—that gauge whether initiatives are on track to meet their stated goals and identify necessary adjustments to strategy.

When the project concludes, we analyze Pew's return on investment to evaluate its design and improve our ability to develop and administer program initiatives.

Applying knowledge. Research Services, a division of Planning and Evaluation, provides staff with extensive information resources to enhance the design and supervision of initiatives. This unit also conducts specialized analyses, helping staff understand important trends in our issue areas. Pew promotes frank internal conversations about our successes, challenges and lessons learned, and we disseminate the knowledge externally through publications, professional associations and one-on-one assistance to our peers.

Advising leadership. As an internal consultant, Planning and Evaluation provides information and knowledge for the Trusts' leadership, both the senior management team and the board, when they need it.

ADDING VALUE

Throughout our work, Planning and Evaluation seeks to meet this overarching goal: to inform the institution's critical decision-making, strengthen the design and execution of its initiatives and broaden its knowledge base.

MICHAEL J. DAHL
Managing Director, Planning and Evaluation

Planning and Evaluation

GUIDING STRATEGY

BEGINNING WITH THE FACTS

A management consultant in the private sector once described the act of starting a business without first doing the necessary analysis as “flying the plane without the control panel.” While you might eventually arrive at your desired destination, you should not bet your life on it. At Pew, Planning and Evaluation is the control panel, providing staff and external partners with the underlying knowledge to inform their decision-making. While such research and analysis does not guarantee success, we believe it greatly enhances one’s chances of reaching the intended destination.

MOVING TO SCALE

An example of our work is the development of a plan to expand a locally successful initiative, the Pennsylvania Cultural Data Project. The project offers a standardized, statewide, Web-based data-collection system for arts and culture organizations. Operated by Pew, the project is a collaboration among leading public and private arts funders and regional arts councils in the commonwealth. Through

this tool, more than 400 arts organizations across the state are able to file their financial and organizational data online once a year and then use this information in applying for grants to all of the participating funders. More importantly, these records are aggregated in a secure database. Now, arts groups can benchmark critical performance measures against their peers, and researchers can access reliable, objective and comprehensive information about arts and culture in Pennsylvania. The value of the project to both cultural institutions and analysts will only grow over time, as it accumulates ever richer longitudinal data.

After others noticed its success in Pennsylvania, the Cultural Data Project received inquiries about expanding into other states. While Culture program staff saw this interest as an opportunity to vastly improve and broaden the capacity for research and analysis, they considered many questions: Who are the potential users of the product? Is the demand sufficient to justify moving into new regions? What expenses will be incurred? How will the costs of offering the product and services be covered? How should an

enlarged program be managed and governed? To answer these questions, Culture program staff turned to Planning and Evaluation for assistance.

Over the next nine months, Planning and Evaluation helped guide and manage the planning process, from the initial feasibility assessment through the development of a detailed business plan for the project's partners and Pew's board. This work required bringing together expertise from multiple areas to address a wide array of issues, including public and policy-maker attitudes toward arts and culture organizations, technology platforms and software user interfaces, legal models for software licensing, business planning and financial feasibility analysis.

Planning and Evaluation's role was to serve as a healthy skeptic, stress-testing the numerous hypotheses underlying the case for expansion. The threshold question was whether there was an unmet need in the market. Addressing this key issue required objective, practical assessments of the potential demand for the project and the appropriate management of growth. It also required the team to analyze the relative strengths and weaknesses of competing alternatives and pragmatically gauge our ability to deliver services to new regions in a cost-effective manner.

The team assessed the incremental costs of expansion under different models for governing and managing the initiative and considered numerous pricing models in developing a five-year schedule for the project. Finally, Planning and Evaluation conducted a detailed and candid risk assessment to identify what might go wrong (and how best to avoid it). In the end, the team recommended that the Cultural Data Project expand nationally, but at a measured pace

and with key benchmarks along the way. It also made detailed recommendations on how to package, price and market the project's services.

Even though the best-laid plans do not guarantee success, the team determined that the risks were far outweighed by the potential for the project to dramatically simplify the grants application process, provide valuable new tools for organizational management and establish, for the first time, an accurate assessment of the financial state and reach of the cultural sector.

BRINGING IT ALL TOGETHER

Just as important as the final recommendation to move ahead, however, was the insight generated by bringing together such a diverse, cross-functional group. The process encouraged out-of-the-box thinking, as each team member approached the problem from a dramatically different vantage point. It grounded the analysis in objective assessments of potential challenges—including technological, financial, legal and managerial. And most importantly, the shared mission of serving the cultural sector, informed by the Culture staff's extensive knowledge of the arts community, kept the team focused on the potential long-term return for the field.

Only time will tell whether the expansion plan is on target and whether the Cultural Data Project can fulfill its potential to become the standard for data collection, management and research in the cultural sector. And even the most considered plan must constantly be reassessed, and mid-course adjustments made, based on new knowledge. But at least the rigor of the initial planning process ensures that those flying the plane have the instruments required to arrive at their anticipated destination.

2006

MILESTONES

Each year, we join with excellent organizations to produce work that exemplifies exactly what we mean in stating that Pew serves the public interest. On these pages, we highlight the results of some of the Trusts-supported work that made a difference in 2006.

ENVIRONMENT

The governors of Maryland and Virginia agree to support an Atlantic States Marine Fisheries cap on the industrial harvest of **menhaden**, a small fish that is vital to the food chain and the health of the Chesapeake Bay. The Maryland governor thanks Pew in his public remarks about the regulatory accord.

The United Nations Convention on International Trade in Endangered Species bans the global trade of **wild caviar** due to unsustainable fishing levels.

The Pacific Fishery Management Council prohibits commercial **krill fishing** in West Coast federal waters. Krill are small crustaceans with an important role at the bottom

of the marine food chain. Further, the National Marine Fisheries Service, part of the U.S. Department of Commerce, approves the closure of 420,000 square miles of water to **bottom trawling**, a fishing technique that destroys the ocean floor by scraping it clean.

The European Union toughens **shark-finning** standards. Finning consists of removing a shark's fins and then dumping its body back into the water, a destructive practice that has caused a dangerous decline in shark populations.

President Bush designates the **Northwestern Hawaiian Islands** a national monument, creating the world's largest marine reserve. (See pages 10-11).

More than 273,000 acres of public land in the Golden State are permanently protected through the **Northern California Coastal Wild Heritage Wilderness Act**.

The Canadian environment minister and the Lutsel K'e Dene First Nation agree to establish an eight-million-acre national park in the **boreal forest**. The park will be almost four times the size of Yellowstone National Park.

California establishes the most ambitious **greenhouse gas reduction** goal in the country, requiring the state to reduce its emissions to 1990 levels by 2020.

Seven state governors (Connecticut, Delaware, Maine, New Hampshire, New Jersey, New York and Vermont) agree to establish the **Regional Greenhouse Gas Initiative**, the first-ever mandatory cap-and-trade program for carbon dioxide in the United States. Maryland's governor signs a law requiring the state to join the effort in 2007. The initiative sets a cap on carbon dioxide emissions from power plants starting in 2009 and aims to reduce the emissions 10 percent from the 2009 level within a decade.

HEALTH AND HUMAN SERVICES

Informed by the nonpartisan research of the **Pew Commission on Children in Foster Care**, Congress budgets \$100 million to facilitate the commission's recommendations calling for improved data collection and training by state courts. The reforms have broad support and are lauded by officials at the U.S. Department of Health and Human Services.

President Bush signs the Pension Protection Act of 2006 into law. It contains reforms suggested by the **Retirement Security Project's** analysis of the benefits of promoting automatic enrollment in 401(k) plans and making permanent the saver's tax credit, which helps moderate-income families save for retirement. Working with the Heritage Foundation, the project develops research that highlights the value of automatic IRAs for the 71 million Americans whose employers do not offer pension plans. This prompts the

introduction of bipartisan legislation in Congress to implement the change.

The **Partnership to Reduce the Burden of Student Debt's** public education efforts spotlight the "9.5 percent loophole," guaranteeing lenders higher-than-market yield on certain student loans at taxpayer expense. This contributes to Congress fully and permanently closing the loophole and directing \$1.1 billion in savings to students and other priorities. After hearing from students organized by the partnership, the U.S. Secretary of Education's Commission on the Future of Higher Education identifies decreased debt burden as a fundamental principle that should guide federal financial aid.

The **Project on Emerging Nanotechnologies** helps propel the barely-addressed issue of potential environmental, health and safety risks of nanotechnology onto the agendas of the nation's leaders. The project's first-ever inventory of nanotechnology-based consumer products establishes that these emerging technologies are already incorporated into much of Americans' daily lives. Widely-applauded reports by respected scientists and policy experts raise important questions about the adequacy of current federal regulations and help prompt informational hearings in Congress and at agencies such as the U.S. Food and Drug Administration.

Two **Pew Scholars in the Biomedical Sciences** win top science awards. Craig C. Mello, Ph.D., a 1995 Scholar, is a co-winner of the 2006 Nobel Prize in physiology or medicine for his discovery that certain RNA molecules can silence the expression of targeted genes. This phenomenon, called RNA interference, is a normal part of gene regulation during embryonic development and may play a role in cancer as well as cardiac

disease. Carol W. Greider, Ph.D., a 1990 Scholar, shares the 2006 Albert Lasker Award for Basic Medical Research (often called “America’s Nobel prize”) for her work involving the prediction and discovery of telomerase, an RNA-containing enzyme that protects chromosomes and maintains the integrity of the genome. Her work sheds light on the aging process as well as the progression of cancer in the body.

Informed by **Ensuring Solutions to Alcohol Problems**, the Bush administration institutes a new Medicaid policy starting January 2007, to reimburse physicians for providing services to identify and treat patients’ problems with alcohol and other drugs.

STATE POLICY

Illinois becomes the first state in the nation to commit to providing **quality prekindergarten** for both three- and four-year-old children. In Texas, Pew’s partnering organizations inform a successful public debate to extend preschool eligibility to children of military families. This breaks a longstanding legislative logjam over expansion of the state’s pre-K program. Tennessee’s governor states his intention to cover all four-year-olds; and the state expands its top-quality program by 57 percent this year and will consider additional funds next year. In fiscal year 2007, not a single state legislature decreases its investment in prekindergarten, and 31 states and the District of Columbia increase theirs. Over the past two years, states’ pre-K investments have grown by more than \$1 billion.

Vigorous public education efforts by the **Democracy 21 Education Fund**, the **Campaign Legal Center** and other Pew partners help fend off attempts to weaken the Bipartisan Campaign Reform Act of 2002

and prompt the Federal Election Commission to strengthen regulations in order to properly implement the law.

The Bipartisan Campaign Reform Act of 2002 requires changes in the rules governing campaign finances that await adequate implementation by the Federal Election Commission. In a series of cases involving the political action committees known as §527 organizations, the District of Columbia federal district court rules that the commission must adequately explain the means it will rely upon to effectively enforce the law, either through more vigorous enforcement on a case-by-case basis or the adoption of clear regulations. In the proceedings, the **Campaign Legal Center** successfully represents senators John McCain and Russell Feingold as “friends of the court.”

Pew joins with 10 other donors to launch the **Partnership for America’s Economic Success**, a two-year initiative administered by the Trusts to develop evidence on the economic impacts of effective investments in young children. The partnership commissions 12 research projects and (with the Committee for Economic Development and The PNC Financial Services Group, Inc.) sponsors a conference on the latest research on the economic return from investments in preschool.

The Pew Center on the States releases its first state policy report, **Special Report on Medicaid: Bridging the Gap Between Care and Cost**, which analyzes how state Medicaid programs are wrestling with rising costs and highlights examples of innovations that are working, ones that are not, and why. The report appears in *Governing* magazine and *State News*, a publication of the Council of State Governments.

The **Government Performance Project** conducts its fourth report card that grades man-

agement in the 50 states. Previous report cards have made the project a valued source to states interested in improving their management systems.

Connecticut establishes significant new sentencing and corrections policies with technical assistance from Pew's **Public Safety Performance Project** and its grantee partner, the **Council of State Governments**. Major points include expansion of the state's programs to help offenders on probation make a successful transition back to society and reduction of the number of offenders who violate the conditions of their release. By embracing these and other opportunities identified by the council, the state expects to realize savings of \$6.3 million in fiscal 2007 and \$8.5 million in 2008. Laying the groundwork for a second round of reform, Connecticut also creates two groups: a Sentencing Task Force to analyze sentencing trends and make recommendations to improve the current system, and a Criminal Justice Policy and Planning Division to assess the cost-effectiveness of community-based programs and provide policy makers with options to generate future savings.

The **Justice Project Education Fund** helps spur the State Bar of Texas to adopt nationally recognized guidelines for legal representation in death penalty cases. In April 2006, the State Bar becomes the first organization of lawyers in the country to adopt any form of the American Bar Association Standards for Death Penalty Representation, which the U.S. Supreme Court has cited as an appropriate performance criterion for defense counsel in capital cases.

INFORMATION INITIATIVES

"The **Pew Research Center** [is] one of the most respected research institutes in

America," says the leading French daily *Le Monde*. Hundreds of newspaper articles in any given week cite the center's nonpartisan polling and quote its researchers' fact-based analyses. This is a measure of the credibility that the center has earned over time through the accomplishments of its component projects. Particularly noteworthy and newsworthy in 2006 are the following:

The **Pew Research Center for the People and the Press** releases its biennial news consumption survey, which finds that while nearly one in three Americans regularly get news from the Internet, the growth of the online news audience has slowed considerably since 2000. For the most part, the Web has evolved as a supplemental news source that is valued most for headlines and convenience, not for detailed, in-depth reporting.

A report by the **Pew Research Center for the People and the Press** and the **Pew Forum on Religion & Public Life** finds that Americans cannot easily be characterized as liberal or conservative on today's most pressing social questions. Rather, their opinions fluctuate depending on the issue, tending, for instance, to be conservative on gay rights and liberal on stem cell research and the question of whether a pharmacist has the right to refuse to sell birth-control pills. On abortion, one of the most divisive social concerns of the day, they express a desire for a middle ground.

The **Pew Forum on Religion & Public Life** releases a report on the Pentecostal renewal movement, one of the fastest-growing segments of global Christianity. Although Pentecostals are now thought to comprise two billion of the world's Christians, relatively little was known about the views of these individuals. Conducted in 10 countries with sizeable renewal populations, the report finds that Pentecostal beliefs and practices

are reshaping the face of Christianity throughout the developing world.

As the debate over immigration reform intensifies, the **Pew Hispanic Center** emerges as the definitive resource for data on the size, characteristics and work patterns of the immigrant population—and of public opinion about immigration issues more broadly. Its estimate of between 11.5 and 12 million unauthorized migrants in the United States in 2006 becomes the accepted standard. In a survey conducted nationally and in five cities that have experienced differing rates of immigration (Chicago, Las Vegas, Phoenix, Raleigh-Durham and Washington, D.C.), the center finds that a growing number of Americans believe that immigrants are a burden to the country, taking jobs and housing and creating strains on the health care system. Although the center has found no consistent relationship between increases in immigration and negative employment prospects for native-born workers, the public remains largely divided in its views of the overall effect of immigration. Roughly as many believe that newcomers to the United States strengthen American society as say they threaten traditional American values. Even so, over the longer term, positive views of immigrants, those from Latin America in particular, have risen dramatically. Reflecting this ambivalence, the public is split over many of the policy proposals aimed at dealing with unauthorized migrants in the United States.

The **Pew Global Attitudes Project** releases two major analyses on America's position in the global community and the relationship of the Muslim world with the West. The data, collected from nearly 17,000 people in 15 nations, including the United States, show that America's global image continues to slip, especially because of the war in Iraq. The project also finds that Muslims feel

increasingly embittered toward the West. Even so, solid majorities in France, Great Britain and the United States retain overall favorable views about Muslims.

Using survey results from the Pew Global Attitudes Project, Pew Research Center President **Andrew Kohut** co-authors the book *America Against the World*, which explains the worldwide rise of anti-Americanism. Kohut is invited to describe the survey results in many venues, including a Senate Foreign Relations Committee hearing in July.

The **Pew Internet & American Life Project** releases groundbreaking reports on the future of the Internet, bloggers, the online activities of men and women, and the Internet's effect on social ties. *The Observer*, a United Kingdom weekly newspaper, describes project director Lee Rainie as knowing "more about the impact of the Internet on everyday life than anyone else on the planet."

The **Project for Excellence in Journalism** formally joins the Pew Research Center. The *State of the News Media 2006*, the project's annual report on American journalism, reveals a transformation in how people learn about the world around them. Power is moving away from journalists as gatekeepers of the news because citizens are assuming a more active role as assemblers, editors and creators of their own news. Although media audiences are moving online, the report stresses that this transition is not the end of traditional journalism, but rather a redefinition of the roles of reporters and citizens.

A **Stateline.org** report on the vulnerability of state computer databases is cited in the decision of Maine's elected officials to pass a law requiring the state to notify victims of computer database security breaches.

CULTURE

The Greater Philadelphia Cultural Alliance releases *Portfolio*, a groundbreaking report that offers an in-depth look at the economic reach of the nonprofit cultural sector in southeastern Pennsylvania, a \$573-million sector that provides 14,000 jobs. Based on detailed financial and organizational information from 218 cultural organizations that participated in the Pennsylvania Cultural Data Project, *Portfolio* is the first report of its kind in the country.

In the first full calendar year of the **Philadelphia Center for Arts and Heritage**, its Artistic Initiatives support commissions of 43 new dance pieces, music compositions, plays or works of visual art, and the presentation of 49 world premieres.

The **Philadelphia Exhibitions Initiative** presents 10 new exhibitions by internationally recognized contemporary artists, many of which were the artists' first showings in Philadelphia. *The New York Times* singles out Ellen Harvey's site-specific installation at the Pennsylvania Academy of Fine Arts as "superb." The initiative also publishes a major anthology on curatorial practice titled *Questions of Practice: What Makes A Great Exhibition?* The book is presented at the Frieze Art Fair in London during a special panel session sponsored by the Royal College of Art.

The American Association for State and Local History gives awards of merit to two **Heritage Philadelphia Program** projects for the restoration of the 260-year-old Mill at Anselma in Chester Springs and the History Hunters Youth Reporter Program, a collaboration of four local historic sites. NPR, *The New York Times*, the *Chicago Tribune* and other national media outlets feature stories on *The Princess and the Patriot*, a Benjamin

Franklin-related exhibition at the American Philosophical Society.

A review of the **Pew Fellowships in the Arts** reports that fellows have been able to leverage their awards into significant professional accomplishments. For instance, Zoe Strauss, 2005 fellow in photography, is invited to participate in the Whitney Biennial exhibition, and 1998 poetry fellow Daisy Fried receives a Guggenheim Fellowship. The Philadelphia Orchestra premieres 1999 fellow Jennifer Higdon's *Percussion Concerto* at Carnegie Hall.

Funded by the **Philadelphia Music Project**, the Opera Company of Philadelphia stages a much-heralded production of *Margaret Garner*, based on a novel by Nobel Prize laureate Toni Morrison, who wrote the opera's libretto.

PEW FUND FOR HEALTH AND HUMAN SERVICES IN PHILADELPHIA

In the program's most recent funding cycles, the **Pew Fund** allocates approximately \$16 million in service-delivery support to 107 nonprofit organizations that annually serve more than 75,000 individuals and families in the Philadelphia region. In addition, with support from the Pew Fund and other funders across the state, the Medicaid Policy Center is launched in partnership with the University of Pittsburgh's Graduate School of Public Health. The center's mission is to increase the understanding of medical assistance and its role in the health care system in Pennsylvania and to promote the development of effective policy solutions and long-term strategies that will best serve the program's constituents.

CIVIC INITIATIVES

Young Voter Strategies at George Washington University coordinates 15 nonpartisan organizations to register more than 500,000 young voters nationwide (the goal was 350,000) and generates more than 740 news stories (the goal was 350) about the increasingly active 18-to-30-year-old electorate.

SoundAboutPhilly, a project conceived by the Trusts and developed by the Greater Philadelphia Tourism Marketing Corporation, launches with three customizable “sound-seeing” podcast tours that are easily downloaded to MP3 players or listened to online. Philadelphia is the first city to create free podcast tours on a significant scale, introducing the city’s neighborhoods from numerous historically informed yet personal perspectives.

Two of the five historic parks laid out in William Penn’s original plans for Philadelphia undergo revitalization. **Logan Circle**’s landscaping is overhauled, and the beloved paulownia trees are replaced with saplings. **Franklin Square** reopens after a three-year, \$6.5-million renovation project overseen by Once Upon a Nation. With a fountain built in 1837 now refurbished and new landscaping, the square contains a carousel built in the traditional Philadelphia style, and a mini-golf course themed with local historic and cultural sites.

The Pew-supported exhibition ***Benjamin Franklin: In Search of a Better World***, marking the founding father’s 300th birthday anniversary, generates 1,700 newspaper and magazine articles and attracts 200,000 visitors. The related campaign “Philly’s Got BENergy” earns the Greater Philadelphia Tourism Marketing Corporation three of the Travel Industry of America’s 2006 Odyssey

Awards, the first time an organization has won multiple awards from the association in one year.

Former Secretary of State Henry Kissinger, Vice President Dick Cheney and U.S. Senator Joseph R. Biden, Jr. are among many distinguished speakers at the conference “**Islam and the West**,” organized by the World Affairs Council. The event, which features Princeton University Islamic scholar Bernard Lewis, asks whether the two cultures are headed toward a “clash of civilizations” or whether the differences are resolvable.

DONOR SERVICES

The Trusts has formed **collaborations** with 60 organizations and individuals that are contributing to a wide range of projects, such as those that aim to conserve marine ecosystems; assure both access to and the quality and accountability of prekindergarten programs; reduce global warming; build a thriving arts and cultural community in Pennsylvania; and protect North American wilderness areas.

PLANNING AND EVALUATION

Planning and Evaluation staff complete numerous evaluations of Pew’s charitable investments and provide guidance to the Pew leadership on topics such as nuclear energy, income mobility and youth voting. Both academics and practitioners acknowledge **Pew’s practices in planning and evaluation** as setting the national standard. Large nonprofits and government agencies approach the unit’s staff for insights on integrating planning and evaluation with program design, implementation and assessment.

2006

FINANCIAL INFORMATION

STATEMENT OF FINANCIAL POSITION *June 30, 2006*

ASSETS

TOTAL ASSETS **\$5,124,260,119**

LIABILITIES AND NET ASSETS

TOTAL LIABILITIES \$148,464,935

TOTAL NET ASSETS 4,975,795,184

TOTAL LIABILITIES AND NET ASSETS **\$5,124,260,119**

STATEMENT OF ACTIVITY *Year ended June 30, 2006*

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUES				
Contributions	\$5,760,898	\$41,757,186	\$ —	\$47,518,084
Contract revenue	166,321	—	—	166,321
Other income	12,504	—	—	12,504
Investment income	8,280,520	—	—	8,280,520
Distributions from supporting trusts	170,956,136	36,633,772	—	207,589,908
Changes in the fair value of the beneficial interest in trusts	—	—	406,922,855	406,922,855
Net assets released from restrictions	58,294,825	(58,294,825)	—	—
TOTAL REVENUES	243,471,204	20,096,133	406,922,855	670,490,192
EXPENSES				
Grants	147,026,736	—	—	147,026,736
Program	38,395,957	—	—	38,395,957
General and administration	10,795,737	—	—	10,795,737
Fund-raising	1,051,158	—	—	1,051,158
TOTAL EXPENSES	197,269,588	—	—	197,269,588
CHANGES IN NET ASSETS	46,201,616	20,096,133	406,922,855	473,220,604
NET ASSETS - BEGINNING OF YEAR	7,970,015	44,139,440	4,450,465,125	4,502,574,580
NET ASSETS - END OF YEAR	\$54,171,631	\$64,235,573	\$4,857,387,980	\$4,975,795,184

The financial information presents the consolidated information of the Trusts and The Pew Research Center, a wholly-owned subsidiary. Audited financials are available upon request.

PEW LEADERSHIP

The Board of The Pew Charitable Trusts

Robert H. Campbell
Susan W. Catherwood
Gloria Twine Chisum
Alan J. Davis

J. Howard Pew II (*Chair*)
J.N. Pew IV, M.D.
Mary Catharine Pew, M.D.
R. Anderson Pew

Sandy Ford Pew
Rebecca W. Rimel
Robert G. Williams
Ethel Benson Wister

Administration

Rebecca W. Rimel
President and Chief Executive Officer

Programs

Marian A. Godfrey
Managing Director, Culture and Civic Initiatives

Donald Kimelman
Managing Director, Information and Civic Initiatives

James A. O'Hara III
Managing Director, Policy Initiatives and the Health and Human Services Program

Joshua S. Reichert
Managing Director, Policy Initiatives and the Environment Program

Susan K. Urahn
Managing Director, State Policy Initiatives

Operations

Henry B. Bernstein
Managing Director, Finance, and Treasurer

Michael J. Dahl
Managing Director, Planning and Evaluation

Deborah L. Hayes
Managing Director, Public Affairs

Joy A. Horwitz
Managing Director, Legal Affairs, and General Counsel

Susan Aheron Magill
Managing Director, Donor and Government Relations

The official registration and financial information of The Pew Charitable Trusts may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1.800.732.0999. Registration does not imply endorsement.

Copies of these documents are also available by contacting us at 2005 Market Street, Suite 1700, Philadelphia, PA 19103-7077, or by calling 215.575.9050.

The Pew Charitable Trusts is registered in additional states as required by law. For a list of other states with charitable solicitation disclosure requirements, go to www.pewtrusts.org, click on About Us, and then click on Accountability.