## Grants List

### Arts and Humanities

#### Dance

<table>
<thead>
<tr>
<th>Organization</th>
<th>Location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minnesota Dance Theatre and School</td>
<td>Minneapolis, Minnesota</td>
<td>To support the development and production of new and existing works of dance</td>
<td>$40,000</td>
</tr>
<tr>
<td>Ragamala Music and Dance Theater</td>
<td>Minneapolis, Minnesota</td>
<td>To hire a part-time administrative assistant and to pay stipends for three company dancers</td>
<td>$46,000</td>
</tr>
</tbody>
</table>

#### Humanities

<table>
<thead>
<tr>
<th>Organization</th>
<th>Location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Dakota Humanities Council</td>
<td>Brookings, South Dakota</td>
<td>To provide staff and internal support to strengthen a statewide program to encourage authorship, literacy and reading</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

#### Literature

<table>
<thead>
<tr>
<th>Organization</th>
<th>Location</th>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graywolf Press</td>
<td>Saint Paul, Minnesota</td>
<td>For a website redesign effort as part of the organizational effectiveness component of the Regional Arts Development Program</td>
<td>$15,000</td>
</tr>
<tr>
<td>Loft, Inc.</td>
<td>Minneapolis, Minnesota</td>
<td>To restructure a website and provide for online transactions as part of the organizational effectiveness component of the Regional Arts Development Program</td>
<td>$15,000</td>
</tr>
<tr>
<td>S.A.S.E.</td>
<td>Minneapolis, Minnesota</td>
<td>To recruit and hire an executive director</td>
<td>$39,200</td>
</tr>
</tbody>
</table>

#### Music

<table>
<thead>
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<th>Organization</th>
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<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Composers Forum</td>
<td>Saint Paul, Minnesota</td>
<td>For continued operating support through the Regional Arts Development Program</td>
<td>$300,000</td>
</tr>
<tr>
<td>Ragamala Music and Dance Theater</td>
<td>Minneapolis, Minnesota</td>
<td>To update a national website as part of the organizational effectiveness component of the Regional Arts Development Program</td>
<td>$15,000</td>
</tr>
<tr>
<td>Bismarck/Mandan Orchestral Association</td>
<td>Bismarck, North Dakota</td>
<td>To develop plans for fundraising and to support initial implementation of the plan</td>
<td>$14,786</td>
</tr>
<tr>
<td>Chamber Music Society of Minnesota, Inc.</td>
<td>Saint Paul, Minnesota</td>
<td>To create a development plan</td>
<td>$12,000</td>
</tr>
<tr>
<td>Dale Warland Singers</td>
<td>Saint Paul, Minnesota</td>
<td>For continued operating support through the Regional Arts Development Program</td>
<td>$60,000</td>
</tr>
<tr>
<td>Fargo-Moorhead Orchestral Association</td>
<td>Moorhead, Minnesota</td>
<td>For continued operating support through the Regional Arts Development Program</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

#### Friends of the Minnesota Sinfonia

<table>
<thead>
<tr>
<th>Organization</th>
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<th>Purpose</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Minnesota Jewish Theatre</td>
<td>Minneapolis, Minnesota</td>
<td>To develop a script licensing program as part of the organizational effectiveness component of the Regional Arts Development Program</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

#### Theater

<table>
<thead>
<tr>
<th>Organization</th>
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<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children's Theatre Company and School</td>
<td>Minneapolis, Minnesota</td>
<td>For continued operating support through the Regional Arts Development Program</td>
<td>$175,000</td>
</tr>
<tr>
<td>Guthrie Theater Foundation</td>
<td>Minneapolis, Minnesota</td>
<td>To create the Guthrie New Play Program</td>
<td>$700,000</td>
</tr>
</tbody>
</table>

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The Bush Foundation’s Board of Directors appropriated the grants listed in this summary in fiscal year 2003, although payment of these grants may occur in future years.
Minnesota Jewish Theatre Company
Saint Paul, Minnesota
To establish a full-time position of associate director for external affairs................................................$45,000

Penumbra Theatre Company, Inc.
Saint Paul, Minnesota
For renewed operating support through the Regional Arts Development Program..............$75,000
For development of a business plan as part of the organizational effectiveness component of the Regional Arts Development Program..............................$15,000

Theater Mu, Incorporated
Minneapolis, Minnesota
To improve the artistic quality of the Theater’s productions............$56,000

Theatre de la Jeune Lune
Minneapolis, Minnesota
For continued operating support through the Regional Arts Development Program.............$210,000

Unclassified Arts and Humanities

Artspace Projects, Inc.
Minneapolis, Minnesota
For continued operating support through the Regional Arts Development Program..............$275,000

Minnesota Children’s Museum
Saint Paul, Minnesota
Toward a capital campaign to build a new gallery and to renovate permanent galleries..............$350,000
For continued operating support through the Regional Arts Development Program..............$65,000
To convert a fundraising database as part of the organizational effectiveness component of the Regional Arts Development Program..............$10,000

North Dakota Cowboy Hall of Fame, Inc.
Bismarck, North Dakota
Toward a capital campaign to construct a center of Western heritage and history..............................$75,000

Rapid City Fine Arts Council, Inc.
Rapid City, South Dakota
To fund part-time curators and to improve computer technology...$56,276

Science Museum of Minnesota
Saint Paul, Minnesota
To implement a museum-wide program focused on public understanding of current science..............................$555,000

Textile Center of Minnesota
Minneapolis, Minnesota
To develop a business plan and hire a part-time manager for the Textile Center Shop....................$35,000

Visual Arts

Duluth Art Institute Association
Duluth, Minnesota
For continued operating support through the Regional Arts Development Program..............$50,000

Highpoint Center for Printmaking
Minneapolis, Minnesota
To support staff positions......................$66,080

Juxtaposition, Inc.
Minneapolis, Minnesota
To develop a facilities and operating plan for a youth-focused visual arts center...............................$18,200

North Dakota Museum of Art
Grand Forks, North Dakota
For continued operating support through the Regional Arts Development Program..............$160,000

Northern Clay Center
Minneapolis, Minnesota
For continued operating support through the Regional Arts Development Program..............$300,000

Red Cloud Indian School
Pine Ridge, South Dakota
To fund the director and curator positions for the Heritage Center.................................................$40,000

Rochester Art Center
Rochester, Minnesota
For continued operating support through the Regional Arts Development Program..............$50,000
To upgrade software, networking and customer service applications as part of the organizational effectiveness component of the Regional Arts Development Program..............$15,000

Walker Art Center
Minneapolis, Minnesota
To support artistic and educational programming and to diversify audience participation through a “more than a museum” initiative..............................................$725,000

TOTAL ARTS AND HUMANITIES

= $5,119,443
For comparison:
2002 = $2.6 million
2001 = $3.6 million
Child Development

Minnesota Child Care Resource and Referral Network
Saint Paul, Minnesota
To continue the Child Development Program for Infants and Toddlers...............................$425,000

South Dakota State University
Brookings, South Dakota
For continued development of the Infant/Toddler Resource Center...........................................$41,027

State of North Dakota, Department of Human Services
Bismarck, North Dakota
To support the Child Development Successor Program in North Dakota.............................$497,945

State of South Dakota, Department of Social Services
Pierre, South Dakota
To implement the Child Development Successor Program....................................................$501,623

To continue implementation of the Child Development Program for Infants and Toddlers...........$220,391

Elementary and Secondary

Amherst H. Wilder Foundation
Saint Paul, Minnesota
For continuing support (Phase II) of Achievement Plus, a school reform effort to increase academic achievement in Saint Paul public schools..........................$500,000

La Escuelita
Minneapolis, Minnesota
To increase Latino families’ involvement in the school success of their children..........................$20,000

High School Retention/Graduation

Rapid City Area School District #51-4
Rapid City, South Dakota
For a program to reduce student dropout rates, increase graduation rates and increase attendance at Central High School...................................................$449,490

Todd County School District #66-1
Mission, South Dakota
To implement a comprehensive high school graduation program.............................................$300,000

State of South Dakota, Department of Social Services
Pierre, South Dakota
To implement a comprehensive high school graduation program.............................................$300,000

To continue implementation of the Child Development Program for Infants and Toddlers...........$220,391

Higher Education

Capital Challenge Grants to Regional Private Colleges
College of Saint Scholastica, Inc.
Duluth, Minnesota
For a comprehensive capital campaign to increase endowment and enhance campus facilities....................................$750,000

University of Mary
Bismarck, North Dakota
For a capital campaign.................................................................$450,000

Philander Smith College
Little Rock, Arkansas
To develop a computer and assessment program for college faculty to improve student learning.................................$50,000

Faculty Development Program Grants for Historically Black Private Colleges
Clark Atlanta University, Inc.
Atlanta, Georgia
To renew a faculty development program that emphasizes the scholarship of teaching and learning...........................................$150,000

Augsburg College
Minneapolis, Minnesota
To develop faculty/staff learning communities for implementing and assessing a new core curriculum..................................................$79,000

Black Hills State University
Foundation
Spearfish, South Dakota
To improve student retention by improving teaching in core general education courses................$359,957
Carleton College
Northfield, Minnesota
For a faculty development program to improve student learning through writing..........................$235,733

Dakota Wesleyan University
Mitchell, South Dakota
To develop a system and culture of assessment of teaching and learning...............................$147,000

Gustavus Adolphus College
Saint Peter, Minnesota
To support a comprehensive plan for faculty development focused on teaching and learning........$225,000

Mount Marty College
Yankton, South Dakota
To help faculty adjust their teaching styles to an increasingly older and diverse student body, reestablish an interdisciplinary honors program, improve course assessment methods and develop joint student/faculty research projects...............................$150,000

Northern State University
Aberdeen, South Dakota
To support the second phase of a six-year effort to analyze the effectiveness of pedagogical strategies and instructional technologies on student learning and retention.............................................$225,000

Saint Mary’s University of Minnesota
Winona, Minnesota
To reform the general education curriculum, to improve faculty educational technology skills and to develop a core of faculty to mentor junior faculty leaders...............$300,000

University of North Dakota
Grand Forks, North Dakota
To renew a faculty development program to engage faculty in assessment as a way to enhance teaching and learning........$337,495

University of Sioux Falls
Sioux Falls, South Dakota
For a faculty development program that emphasizes critical thinking..............................................$150,000

Valley City State University
Valley City, North Dakota
To implement an assessment of student learning plan and to strengthen faculty instructional skills and subject matter competencies...............$150,000

Faculty Development Program Grants for Tribally Controlled Indian Colleges

Little Priest Tribal College
Winnebago, Nebraska
To improve student retention and success rates through the improvement of instruction with a focus on assessment.................................$90,000

United Tribes Technical College
Bismarck, North Dakota
For faculty training in instructional methodology, assessment of learning, advising and Native cultures..........................................................$80,000

Libraries

Metropolitan State University Foundation
Saint Paul, Minnesota
For community outreach programs of Metropolitan State University library and Dayton’s Bluff, a newly constructed combined public library..............................................................$251,010

Unclassified Education

American Indian OIC, Inc.
Minneapolis, Minnesota
Toward a capital campaign to expand a health career training program and increase students served in other training programs..........................$180,000

TOTAL EDUCATION = $7,350,671
For comparison:
2002 = $18.7 million
2001 = $10.8 million
Grants List

Family Health

Chicanos Latinos Unidos En Servicio, Inc.
Saint Paul, Minnesota
To add clinical and administrative staff, which will increase insured Latinos’ access to linguistically appropriate and culturally competent mental and chemical health services...........................................$90,000

Children’s Dental Services, Inc.
Minneapolis, Minnesota
To expand services for Somali patients.............................................$70,000

La Familia Guidance Center, Inc.
Saint Paul, Minnesota
To become a certified functional family therapy site.........................$210,000

Minnkota Health Project
Moorhead, Minnesota
To establish educational and social programming for youth who are gay, lesbian, bisexual or transgender ....................................................$25,000

Upper Midwest American Indian Center
Minneapolis, Minnesota
To hire a mental health director and consultant to increase American Indian mental health services capacity.............................................$63,000

Community Healthcare Association, Inc.
Sioux Falls, South Dakota
To provide support for the South Dakota “Covering Kids and Families Initiative”.................................$200,000

Mental Health Association of Minnesota
Minneapolis, Minnesota
To add a full-time client advocate position..............................................$50,000

Range Mental Health Center
Virginia, Minnesota
To provide early intervention mental health services, service coordination and case management for displaced workers and families on Minnesota’s Iron Range..............................$104,325

TOTAL HEALTH = $1,197,596

For comparison:
2002 = $1.6 million
2001 = $ .4 million

Health Care Delivery Systems

Bridging the Dental Gap, Inc.
Bismarck, North Dakota
To establish a community dental clinic.............................................$385,271
## Grants List
### Human Services

#### Domestic Violence/Sexual Assault

- **Central Minnesota Task Force on Battered Women**
  *Saint Cloud, Minnesota*
  To provide project support while initiating a transition plan for a batterers’ education program...**$30,000**

- **Domestic Violence Crisis Center, Inc.**
  *Minot, North Dakota*
  For capital to provide program space for battered women............**$50,000**

- **Shelter House, Inc.**
  *Willmar, Minnesota*
  Toward a capital campaign to build an emergency shelter and service offices ...........................................**$195,000**

- **South Dakota Network Against Family Violence and Sexual Assault**
  *Sioux Falls, South Dakota*
  Toward costs associated with a statewide rural battered women’s outreach project in South Dakota ..............................................**$36,000**

- **Working Against Violence, Inc.**
  *Rapid City, South Dakota*
  To construct a shelter building for battered women..............**$250,000**

- **Young Women’s Christian Association of Fargo-Moorhead**
  *Fargo, North Dakota*
  Toward the construction of an emergency shelter for women and children experiencing homelessness and domestic violence..........**$250,000**

#### Employment Programs

- **AccessAbility, Inc.**
  *Minneapolis, Minnesota*
  To support a document processing job training program for individuals with disabilities, immigrants/refugees and Welfare-to-Work participants ...........................................**$35,000**

- **JOBS NOW Coalition**
  *Saint Paul, Minnesota*
  For public policy research and analysis................................**$59,000**

- **MMCD’s Team Works, Inc.**
  *Park Rapids, Minnesota*
  To expand a pilot job skills development and mentoring program for Native American and other at-risk high school students in rural Minnesota............................................**$50,000**

- **Project for Pride in Living, Inc.**
  *Minneapolis, Minnesota*
  To support costs of merging the Health Careers Institute with the Train to Work program..........**$60,000**

- **Project Regina, Inc.**
  *Minneapolis, Minnesota*
  To support a combined social worker/program manager position ..................................**$54,625**

- **United Cambodian Association of Minnesota, Inc.**
  *Saint Paul, Minnesota*
  To support an employment program and to complete a transition to a new leader and building...........**$120,000**

#### Health and Rehabilitation

- **Accessible Space, Inc.**
  *Saint Paul, Minnesota*
  To create 18 units of accessible, affordable housing in Fargo for very low-income adults with mobility impairments, traumatic brain injuries and severe physical disabilities .............................................**$100,000**

- **Ain Dah Yung Our Home Shelter**
  *Saint Paul, Minnesota*
  For Oyate Nawajin, a culturally based mental health counseling and support program..................**$75,000**

- **Clare Housing**
  *Saint Paul, Minnesota*
  Toward a capital campaign to create 30 units of housing with supportive services for low-income adults living with HIV/AIDS..................**$140,000**

- **Enterprise North, Inc.**
  *New Ulm, Minnesota*
  To develop a thrift store and warehouse space................................**$40,000**

#### Housing

- **Greater Minnesota Housing Fund**
  *Saint Paul, Minnesota*
  To fund community and office space within supportive housing projects in Greater Minnesota..................**$250,000**

- **The Supportive Housing and Managed Care Pilot**
  *Minneapolis, Minnesota*
  For an evaluation of a pilot project that tests the provision of supportive housing and services to address long-term homelessness........**$400,000**
Law and Corrections

Dispute Resolution Center
Saint Paul, Minnesota
To integrate mediation and restorative justice services..................$50,000

Stevens Square Community Organization, Inc.
Minneapolis, Minnesota
To expand the service area of the Central City Neighborhoods Partnership restorative justice program..........................$50,000

Rural Family Assistance Programs

Rum River Interfaith Caregivers, Inc.
Princeton, Minnesota
To hire a store manager for the start-up and operations of a thrift store........................................$30,000

Unclassified Human Services

Center for Victims of Torture
Minneapolis, Minnesota
For staff and consultant expenses associated with creating a statewide capacity to heal survivors of torture in Minnesota communities........$80,000

Interact Center for the Visual and Performing Arts
Minneapolis, Minnesota
To hire an executive director .............................................$120,000

Pillsbury United Communities
Minneapolis, Minnesota
To support initiatives to increase earned income......................$50,500

Youth and Family Programs

American Indian Housing Corporation
Minneapolis, Minnesota
For technical assistance, training and related organizational development costs.......................................................$100,000

Big Brothers/Big Sisters of the Coulee Region, Inc.
LaCrosse, Wisconsin
To expand the Big Brothers/Big Sisters program in Winona, Minnesota.............................................$30,000

Boys Club of Detroit Lakes
Incorporated Crovisier Park
Detroit Lakes, Minnesota
To expand a targeted academic support program for students academically at risk.................................$22,000

Boys Club of Rapid City, Inc.
Rapid City, South Dakota
To broaden the donor base........$25,000

Confederation of Somali Community in Minnesota
Minneapolis, Minnesota
To complete the transition to an independent organization and for financial planning.................................$40,000

Hmong American Mutual Assistance Association, Inc.
Minneapolis, Minnesota
To continue the Academic Barriers Challengers after-school program ..................................................$20,000

Hmong American Partnership
Saint Paul, Minnesota
To construct the Hmong American Center..........................$375,000

Home on the Range
Sentinel Butte, North Dakota
Toward a capital campaign to build a new girls’ dormitory and other program space........................................$240,000

Hope Community, Inc.
Minneapolis, Minnesota
For planning and organizational development to guide long-term growth.............................................$150,000

La Oportunidad, Inc.
Saint Paul, Minnesota
To strengthen a volunteer/intern program..............................$30,000

Life's Missing Link
Minneapolis, Minnesota
For a staff position to develop a resource database, a network of service providers and a volunteer program to serve truant and homeless youth .......................................................$58,647

Little Earth Neighborhood Early Learning Center Corporation
Minneapolis, Minnesota
To support administrative staff to continue implementation of the Little Earth Joint Partnership, its vision and long-range plan..............................$190,000

Lutheran Social Services of North Dakota
Fargo, North Dakota
To implement a two-year development project to secure permanent funding for the Healthy Families Region IV Program.............................$170,000

Merriam Park Community Services
Saint Paul, Minnesota
For a merger of human service organizations......................$50,000

Minnesota African Women’s Association
Minneapolis, Minnesota
To hire a full-time executive director and add new staff hours as needed ..............................................$20,000

Minnesota Youth Intervention Programs Association
Mendota Heights, Minnesota
To expand services to youth intervention programs throughout Minnesota.................................$100,000

New Foundations, Inc.
Saint Paul, Minnesota
To expand direct services provided for homeless women in recovery and their children.............................$180,000

Oromo Community, Inc.
Minneapolis/Saint Paul
Minneapolis, Minnesota
To hire an elders outreach liaison.............................................$55,688
Parenting With Purpose  
*Brooklyn Park, Minnesota*  
To hire a new, full-time staff member  
.....................................................$30,000

Prairie Learning Center, Inc.  
*Raleigh, North Dakota*  
For a capital campaign to renovate buildings........................................$100,000

Project for Pride in Living, Inc.  
*Minneapolis, Minnesota*  
Toward a capital campaign  
..............................................................................$350,000

Relief Association of South Sudan in Minnesota, Inc.  
*Minneapolis, Minnesota*  
To implement direct service programs for Sudanese immigrants and refugees..........................$15,000

Synergy Residential Academy  
*Minneapolis, Minnesota*  
To expand program staff for a voluntary residential academic academy that maintains parental involvement in the lives of youth who are enrolled because of home or family crisis that affect their academic performance.........$50,000

Tri-Valley Opportunity Council, Inc.  
*Crookston, Minnesota*  
To develop a database of transit-dependent populations and form a five-county collaboration to increase transit options..................$66,000

Washburn Child Guidance Center  
*Minneapolis, Minnesota*  
To develop and evaluate a treatment model for children with emotional and behavioral difficulties.......$91,000

Young Women’s Christian Association of Saint Paul  
*Saint Paul, Minnesota*  
For capital renovations for social space for programs to support at-risk children and teens...............$218,500

**Grants List**

**Ecological Health**

**Blue Earth River Basin Initiative**  
*Fairmont, Minnesota*  
To implement a third crop strategy in the Blue Earth River Basin...........$141,000

**Community Design Center of Minnesota**  
*Saint Paul, Minnesota*  
To establish a youth conservation corps on Saint Paul’s East Side  
..............................................................................$150,000

**Dakota Resource Council**  
*Dickinson, North Dakota*  
To hire an energy coordinator to advance renewable energy efforts in North Dakota..............$80,000

**Environmental Association for Great Lakes Education**  
*Duluth, Minnesota*  
To create a statewide network aimed at educating the public, promoting safer practices and initiating new policies regarding children’s environmental health..............$42,400

**Friends of the Mississippi River**  
*Saint Paul, Minnesota*  
To support an initiative to protect and improve the Mississippi River and its tributaries in the Twin Cities metropolitan area..............$155,000

**The Great Plains Institute for Sustainable Development, Inc.**  
*Minneapolis, Minnesota*  
For a program to help position the Northern Plains region as the continental leader in the energy economy of the future............$267,698

**Great Plains Windustry Project**  
*Minneapolis, Minnesota*  
To expand a grassroots network of rural landowners to promote wind energy.............................$175,500

**Great River Greening**  
*Saint Paul, Minnesota*  
Toward an ecological analysis that sets priorities for restoration of land in the Twin Cities’ river valleys...................$40,000

**Headwaters Foundation for Justice f/k/a Headwaters Fund**  
*Minneapolis, Minnesota*  
To develop and implement an environmental justice fund for grassroots groups from low-income, rural and communities of color in Minnesota......................$200,000

**Institute for Agriculture and Trade Policy**  
*Minneapolis, Minnesota*  
To address ecological health by engaging in coalition-building activities in Minnesota and the Dakotas...........$202,500

**Minnesota Center for Environmental Advocacy**  
*Saint Paul, Minnesota*  
To hire staff for a public health program..........................$144,251

**Minnesota Environmental Initiative, Inc.**  
*Minneapolis, Minnesota*  
To start a voluntary ozone reduction program to improve air quality in the Twin Cities metropolitan region ......................$30,000

**Minnesota Institute of Public Health**  
*Mounds View, Minnesota*  
To design a plan for reducing exposure to pesticides in the Red River Valley......................$74,984

**Minnesotans for an Energy-Efficient Economy**  
*Saint Paul, Minnesota*  
To support additional staff and associated project development ........................................$215,000

**TOTAL HUMAN SERVICES**  
= $5,351,960  
*For comparison:  
2002 = $ 7.7 million  
2001 = $11.7 million*
Grants List
Fellowship Programs

Bush Artist Fellows Program
To enable selected writers, choreographers, composers and visual artists in Minnesota, North Dakota, South Dakota and 26 counties in western Wisconsin to set aside a significant period of time for work in their chosen art forms.................$660,000

Bush Leadership Fellows Program
To provide midcareer study and internship opportunities for selected residents of Minnesota, North Dakota, South Dakota and 26 counties in western Wisconsin.............$1,407,750

Bush Medical Fellows Program
To provide midcareer opportunities for primary care physicians in Minnesota, North Dakota, South Dakota and 26 counties in western Wisconsin.................$732,500

TOTAL GRANTS TO FELLOWSHIP PROGRAMS = $2,800,250

For comparison:
2002 = $3.2 million
2001 = $3.2 million

TOTAL GRANTS TO ORGANIZATIONS = $23,616,128

GRAND TOTAL = $26,416,378

TOTAL GRANTS TO ORGANIZATIONS = $23,616,128
Leadership Fellows

Margaret E. Anderson Kelliher
Minneapolis, Minnesota
State Representative, Minnesota House of Representatives
To obtain a master's degree in public administration at Harvard University’s John F. Kennedy School of Government

Song L. Anderson
Champlin, Minnesota
Mental Health Therapist, Hmong/Asian Counseling Services
To pursue a doctorate in clinical psychology at Argosy University

Kari Dunn Buron
Saint Paul, Minnesota
Autism Resource Specialist, Otter Lake Elementary School ISD 916
To study Asperger Syndrome and social cognition through a self-directed study program

John W. Dorn
Mankato, Minnesota
English Teacher, East High School, Mankato District 77
To study public policy at Harvard University’s John F. Kennedy School of Government

Mary Ann Dressel
Duluth, Minnesota
Counselor 11 Employee Assistance Program, Saint Mary’s Duluth Clinic/Miller-Dwan Medical Center
To pursue a doctorate in clinical psychology at Argosy University

Roxanne J. Gould
Minneapolis, Minnesota
Director, American Indian Learning Resource Center, University of Minnesota
To complete a doctorate in educational leadership at the University of Minnesota

Mary A. Jacquart
Saint Paul, Minnesota
System Director for Educational Grant Programs, Minnesota State Colleges and Universities
To study leadership, develop leadership skills and investigate issues related to federal policy and higher education

LuAnn Kolumbus
Saron, Wisconsin
Independent Consultant
To obtain a master’s degree in social work from the University of Minnesota Duluth

Martin J. Kooistra
Sioux Falls, South Dakota
Content and Knowledge Manager, U.S., Habitat for Humanity University
To engage in community development and housing policy studies at the Joint Center for Housing Studies and the Social Enterprise Initiative at Harvard University

Harlan W. LaFontaine
Hopkins, Minnesota
Dakota Language Trainee, Shakopee Mdewakanton Sioux Community
To study the Dakota language, culture and spirituality through a self-directed study program

Anil T. Mangla
Woodbury, Minnesota
Research Scientist, MedTox Laboratories
To obtain a master’s degree in public health from the University of Minnesota and study the global impact of infectious diseases through an internship at the World Health Organization

David J. Mather
Minneapolis, Minnesota
Archaeologist
To complete a Ph.D. in interdisciplinary studies at the University of Minnesota

Julie A. Mathiesen
Sturgis, South Dakota
Art Teacher, Sturgis High School Meade School District
To pursue a doctorate in educational technology at Pepperdine University’s Graduate School of Education

Michele Micklewright
Brooklyn Park, Minnesota
Board Certified Chaplain
To study complimentary healing therapies and integrate them into chaplaincy and spiritual care

Alice L. Negretti
Saint Paul, Minnesota
Deputy Ombudsman, Office of the Ombudsman for Older Minnesotans
To complete a doctorate in psychology at the University of Saint Thomas
Ogbiji Victor Okom  
*Brooklyn Park, Minnesota*  
Teacher, New Harrison Education Center, Minneapolis Public Schools  
To complete a doctorate in educational leadership and administrative licensure at the University of Saint Thomas

Carol L. Pavlish  
*Prior Lake, Minnesota*  
Associate Professor, The College of Saint Catherine  
To complete a Ph.D. in the Department of Work, Community and Family at the University of Minnesota by studying the health of refugee women in Africa

Ramona S. Scarpace  
*Plymouth, Minnesota*  
Director, Program Assessment and Integrity Division, Minnesota Department of Human Services  
To attend the Executive Leadership Program at the Center for Creative Leadership

Mary J. Schneider  
*Fargo, North Dakota*  
Executive Director, Legal Services of Northwest Minnesota  
To obtain a LL.M. degree in international human rights from the Irish Centre for Human Rights at National University

Linda J. Smaller  
*Saint Paul, Minnesota*  
School Psychologist, Lincoln School White Bear Lake ISD 624  
To obtain a director of special education licensure and a certificate of dispute resolution at Hamline University

Mary B. Sorenson  
*Warren, Minnesota*  
Northwest Minnesota 21st Century Community Learning Centers Director, Northwest Service Cooperative  
To pursue an administrative specialist degree at Minnesota State University Moorhead

Bea N. VueBenson  
*Saint Paul, Minnesota*  
Community Outreach Pastor, Gustavus Adolphus Lutheran Church (ELCA)  
To pursue a master’s degree in counseling and psychotherapy at the Alfred Adler Institute

---

**Film/Video**

Liza Davitch  
*Minnetonka, Minnesota*

Jenny Lion  
*Saint Paul, Minnesota*

David Ryan  
*Northfield, Minnesota*

**Music Composition**

Philip Blackburn  
*Saint Paul, Minnesota*

Tellef Johnson  
*Brookings, South Dakota*

Michelle Kinney  
*Golden Valley, Minnesota*

J.D. Steele  
*Minneapolis, Minnesota*

**Scriptworks**

Vincent Delaney  
*Saint Paul, Minnesota*

Adelaide MacKenzie Fuss  
*Black Hawk, South Dakota*

Kevin Kling  
*Minneapolis, Minnesota*
Medical Fellows

Denise L. Bonde, M.D.
Rochester, Minnesota
To enhance knowledge and develop new skills in the areas of asthma, allergy, immunology and smoking cessation as well as to obtain a master's in public health focusing on public health practice

Gary Carlson, M.D.
Northfield, Minnesota
To study Adlerian and transpersonal psychology with an emphasis on wellness counseling and body/mind consciousness

Jed Gorlin, M.D.
Hopkins, Minnesota
To gain the business skills, both knowledge and management training, to lead the Memorial Blood Centers to achieve its mission

Christine Hart, M.D.
Sioux Falls, South Dakota
To complete a master's in public administration and to study Insulin Resistance Syndrome in Native Americans

Merle Hillman, M.D.
Saint Louis Park, Minnesota
To develop the personal expertise and administrative skills necessary to be effective as a DMAT team leader and a leader in the community EMS system

Jeff Ho, M.D.
Minneapolis, Minnesota
To become cross-trained and licensed as a physician/peace officer in the State of Minnesota in order to provide full and unrestricted emergency medical care to persons affected within a tactical operation

Kenneth Riff, M.D.
Wayzata, Minnesota
To observe, train and practice in alternative care models, including blended medicine; to integrate “high-tech” interventions with “high-touch” care and to evaluate how a community-wide integrated research program can impact overall community health care

Susan Roe, M.D.
Minneapolis, Minnesota
To develop skills as a cardiovascular pathologist

Kay Schwebke, M.D.
Saint Paul, Minnesota
To become an expert in the management of persons co-infected with HIV/HCV

Christopher Tashjian, M.D.
River Falls, Wisconsin
To develop skills in performing caesarian sections and colonoscopies/endoscopies; to complete the Mini MBA program at the University of Saint Thomas

Kathleen Van De Walle, D.O.
Aberdeen, South Dakota
To develop clinical and interventional skills for managing acute and chronic pain in outpatient and inpatient settings; to develop leadership skills

Parin Winter, M.D.
Plymouth, Minnesota
To study acupuncture to enhance conventional medicine skills in treatment of pain
**Leadership Fellows Program**

**Preliminary Selection Committee**

**William D. Allen**  
Eagan, Minnesota  
Therapist, Family Therapy Resource Center

**John Archabal**  
Saint Paul, Minnesota  
Director, Bush Foundation Leadership Fellows Program

**Genie Dixon**  
Minneapolis, Minnesota  
Independent Consultant

**Dwight A. Gourneau**  
Rochester, Minnesota  
President, NAMTech, Inc.

**Martha Lee**  
Saint Paul, Minnesota  
Assistant Director, Bush Foundation Leadership Fellows Program

**Calvin Ryan Mosley**  
Minnetonka, Minnesota  
Special Assistant to the President, The College of Saint Catherine

**Final Selection Committee**

**Diane Berthel**  
Saint Paul, Minnesota  
Principal, Berthel Schutter, LLC

**Gary Cunningham**  
Minneapolis, Minnesota  
Director, Pilot City Health Center, Hennepin County

**Priscilla A. Day**  
Duluth, Minnesota  
Associate Professor and Chair, Department of Social Work, University of Minnesota Duluth

**Dwight A. Gourneau**  
Rochester, Minnesota  
President, NAMTech, Inc.

**Kathryn O. Johnson**  
Rapid City, South Dakota  
Owner and Principal Consultant, Johnson Environmental Concepts

**Steven W. Laible**  
New Brighton, Minnesota  
Certified Public Accountant

**Larry P. Nybladh**  
Moorhead, Minnesota  
Superintendent, Independent School District 152

**Catherine V. Piersol**  
Sioux Falls, South Dakota  
Bush Foundation Board Member and Attorney, Piersol Law Firm

**Daniel R. Rice**  
Grand Forks, North Dakota  
Dean, College of Education and Human Development, University of North Dakota

**Valerie K. Ulstad, M.D.**  
Minneapolis, Minnesota  
Cardiologist, Hennepin County Medical Center

**Artists Fellows Program**

**Preliminary Panelists**

**Film/Video**

**Judy Irving**  
San Francisco, California  
Documentary Filmmaker

**Priscilla A. Day**  
San Francisco, California  
Documentary Filmmaker

**Laurence Kardish**  
New York, New York  
Senior Curator, Department of Film and Media, Museum of Modern Art

**Yvonne Rainer**  
New York, New York  
Film/Videomaker and Choreographer

**Preliminary Panelists**

**Literature**

**Kimiko Hahn**  
Flushing, New York  
Poet and Professor of English, Queens College/CUNY

**Judith Kitchen**  
Brockport, New York  
Fiction and Nonfiction Writer and Writer-In-Residence, SUNY Brockport

**Shawn Wong**  
Seattle, Washington  
Fiction Writer and Professor of English, University of Washington
Preliminary Panelists

Music Composition

Anthony Davis
San Diego, California
Composer and Professor of Music, University of California-San Diego

Janice Giteck
Seattle, Washington
Composer and Professor of Music, Cornish College of the Arts

Elizabeth Schulze
Williamsport, Maryland
Music Director and Conductor, Maryland Symphony Orchestra

Scriptworks

Kathleen Dimmick
New York, New York
Dramaturg and Director

Erik Ehn
Greenbrae, California
Playwright and Theater Faculty, California Institute of the Arts

Elizabeth Wong
Monterey Park, California
Play and Screen Writer and Lecturer, University of California-Santa Barbara

Final Panelists

Anthony Davis
San Diego, California
Composer and Professor of Music, University of California-San Diego

Erik Ehn
Greenbrae, California
Playwright and Theater Faculty, California Institute of the Arts

Boo Froebel
New York, New York
Artistic Director, Galapagos Art Space and Producer, Performance on 42nd at the Whitney Museum of American Art at Altria

Yvonne Rainer
New York, New York
Film/Videomaker and Choreographer

Shawn Wong
Seattle, Washington
Fiction Writer and Professor of English, University of Washington

Medical Fellows Program

Policy Board

Rebecca Hafner, M.D.
Avon, Minnesota

Mary Hedges, M.P.A.
Northfield, Minnesota

William Jacott, M.D.
Minneapolis, Minnesota

Mary Jo Kreitzer, Ph.D., R.N.
Minneapolis, Minnesota

Jon Rice, M.D.
West Fargo, North Dakota

Garith Steiner
Viroqua, Wisconsin

Robert Stevens
Waconia, Minnesota

Michele Strachan, M.D.
Saint Louis Park, Minnesota

Jon Wempner, M.D.
Waconia, Minnesota

David Westgard, M.D.
Rochester, Minnesota

Selection Committee

Mark Butterbrodt, M.D.
Pine Ridge, South Dakota
1992 Bush Fellow
Pediatrician, Porcupine Health Clinic

Mary Hedges, M.P.A.
Northfield, Minnesota
Executive Director, Minnesota Emergency Medical Services Regulatory Board

Mary Jo Kreitzer, Ph.D., R.N.
Minneapolis, Minnesota
Founder and Director, Center for Spirituality and Healing, University of Minnesota

James Lehmann, M.D.
Waconia, Minnesota
1981 Bush Fellow
Medical Director, Nightingale Center

Jon Rice, M.D.
West Fargo, North Dakota
1989 Bush Fellow
Medical Director, Blue Cross and Blue Shield of North Dakota

Linda Roebke
Waconia, Minnesota
Member, Ridgeview Medical Center Foundation Board of Directors

Valerie K. Ulstad, M.D.
Minneapolis, Minnesota
1996 Bush Fellow
Cardiologist, Hennepin County Medical Center

Jon Wempner, M.D.
Waconia, Minnesota
1979 Bush Fellow
Family Physician, Lakeview Clinic
The financial statements of the Foundation appear on the following pages and have been audited by KPMG.

The Bush Foundation's investment objectives and policies are designed to meet long-term goals for investment return and spending as established by the Investment Committee of the Foundation's Board of Directors. The Foundation's long-term investment objective is to achieve a rate of growth sufficient to allow the Foundation to meet its granting requirements (5% of average annual assets) and cover reasonable operating expenses while maintaining the inflation-adjusted principal of the fund.

The oversight, review and implementation of the Foundation's investment policy are the responsibility of the Investment Committee. An effective investment policy is essential in securing a reliable source of funds for the programs of the Foundation. The major responsibilities of the Committee are to determine in which asset classes the Foundation will invest (stocks, bonds, real estate, etc.), how those assets will be allocated and which external investment managers will do the actual investing. The finance staff of the Foundation has daily responsibility for the portfolio. Jeffrey Slocum & Associates, Inc., the Foundation’s investment consultant, assists the Committee and the staff by providing information regarding performance evaluation, investment manager selection, asset allocation and other advisory needs.

During the year, the Investment Committee increased the Foundation's allocation to hedge funds from 10% to 20% with a corresponding decrease in large capitalization equities. This decision was made to help protect the portfolio from downside risk that occurred in the equity markets the prior three years and also to maintain a positive return strategy that will enable the Foundation to meet its spending requirements. The Foundation's current asset allocation policy target for equities and equity-like investments is 45%, its allocation to fixed income securities is 15% and the remaining 40% of the portfolio is allocated to alternative investments such as real estate, venture capital and hedge funds.

Total assets of the Foundation were $651 million at November 30, 2003, compared to $609 million for the prior fiscal year. The market value of the Foundation's investment portfolio declined steadily through the first quarter and then maintained itself for the next six months before significantly rebounding in the final quarter. This contrasted with the prior year when the portfolio consistently declined from the first quarter to the last. The annualized total investment return for 2003 was 20.1% on a calendar basis.

This was a substantial improvement over the prior three years when the portfolio produced negative returns each year. All segments of the financial markets in which the Foundation was invested ended the year positively, enabling the Foundation to gain the momentum displayed in the fourth quarter.

Investment income for the year, which includes interest, dividends and other income, was $13.7 million as compared to last year's income of $16.2 million. Investment and administrative expenses were $7 million, a decrease from the prior year's expenses of $7.2 million. The Board approved $25.6 million in new grant appropriations, net of cancellations, which was lower than the amount appropriated in 2002 of $36.4 million. These appropriated amounts do not include the effects of discounting, which are reflected in grants payable on the financial statements. Grant payments during the year totaled $32.9 million, as compared to $32 million paid in 2002.

We anticipate that economic market conditions will continue producing positive investment returns for the Foundation over time that will more closely mirror long-term historical norms. This will ease our ability to meet our granting requirements and cover our operating expenses. Going forward, we will continue to explore potential avenues of enhancing return without exposing the portfolio to excessive risk and to monitor our operations so that a positive outcome is generated for the Foundation and the region in which it serves.

Kathryn H. Tunheim
Treasurer
Independent Auditors’ Report

Board of Directors
The Bush Foundation:

We have audited the accompanying statements of financial position of the Bush Foundation (the Foundation) as of November 30, 2003 and 2002 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of November 30, 2003 and 2002 and the change in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

KPMG LLP
January 28, 2004
## Statements of Financial Position
November 30, 2003 and 2002
(In thousands)

<table>
<thead>
<tr>
<th>Assets</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, interest-bearing deposits, and cash equivalents</td>
<td>$ 199</td>
<td>$ 477</td>
</tr>
<tr>
<td>Investments, at fair value (note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash equivalents (money market trusts and short-term investment funds)</td>
<td>34,715</td>
<td>37,952</td>
</tr>
<tr>
<td>Corporate and U.S. Government debt securities, cost of $84,399 in 2003 and $89,796 in 2002</td>
<td>84,466</td>
<td>81,921</td>
</tr>
<tr>
<td>Corporate stocks, cost of $263,141 in 2003 and $344,242 in 2002</td>
<td>313,430</td>
<td>321,361</td>
</tr>
<tr>
<td>Real estate and partnerships, cost of $74,134 in 2003 and $62,518 in 2002</td>
<td>75,546</td>
<td>68,282</td>
</tr>
<tr>
<td>Hedge funds, cost of $115,756 in 2003 and $68,688 in 2002</td>
<td>123,858</td>
<td>69,454</td>
</tr>
<tr>
<td>Venture capital investments, cost of $39,476 in 2003 and $41,998 in 2002</td>
<td>23,777</td>
<td>26,953</td>
</tr>
<tr>
<td>Listed options contracts</td>
<td>(6,755)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td>649,037</td>
<td>605,923</td>
</tr>
<tr>
<td>Dividends and interest receivable</td>
<td>1,088</td>
<td>1,709</td>
</tr>
<tr>
<td>Federal excise and unrelated business income tax receivable</td>
<td>52</td>
<td>268</td>
</tr>
<tr>
<td>Furniture, equipment, and other assets</td>
<td>217</td>
<td>271</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 650,593</td>
<td>$ 608,648</td>
</tr>
</tbody>
</table>

| Liabilities and Net Assets                 |            |            |
| Accounts payable                           | $ 294      | $ 461      |
| Payable for securities with settlements pending | 6,172      | 5,719      |
| Accrued and other liabilities             | 434        | 442        |
| Accrued federal excise taxes - deferred   | 490        | —          |
| Grants payable (notes 1 and 7)            | 24,521     | 28,759     |
| **Total liabilities**                      | 31,911     | 35,381     |
| Unrestricted net assets                   | 618,682    | 573,267    |
| **Total liabilities and net assets**       | $ 650,593  | $ 608,648  |

See accompanying notes to financial statements.
Statements of Activities
Years ended November 30, 2003 and 2002
(In thousands)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues, losses, and other support:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>$6,609</td>
<td>$6,994</td>
</tr>
<tr>
<td>Interest</td>
<td>6,482</td>
<td>7,503</td>
</tr>
<tr>
<td>Net realized losses on investment transactions</td>
<td>(16,082)</td>
<td>(61,120)</td>
</tr>
<tr>
<td>Unrealized appreciation (depreciation) in fair value of investments, net of deferred federal excise tax expense of $490 in 2003 and $0 in 2002</td>
<td>83,238</td>
<td>(14,129)</td>
</tr>
<tr>
<td>Other income</td>
<td>601</td>
<td>1,676</td>
</tr>
<tr>
<td><strong>Total revenues, losses, and other support</strong></td>
<td>80,848</td>
<td>(59,076)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program (note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants, net of cancellations (notes 1 and 7)</td>
<td>(28,455)</td>
<td>(36,482)</td>
</tr>
<tr>
<td>Management and general (note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment expenses (note 5)</td>
<td>(2,612)</td>
<td>(3,327)</td>
</tr>
<tr>
<td>Administrative expenses (note 5)</td>
<td>(3,650)</td>
<td>(3,779)</td>
</tr>
<tr>
<td>Federal excise and unrelated business income tax – current (note 4)</td>
<td>(716)</td>
<td>(107)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>(35,433)</td>
<td>(43,695)</td>
</tr>
<tr>
<td><strong>Change in unrestricted net assets</strong></td>
<td>45,415</td>
<td>(102,771)</td>
</tr>
<tr>
<td>Unrestricted net assets at beginning of year</td>
<td>573,267</td>
<td>676,038</td>
</tr>
<tr>
<td><strong>Unrestricted net assets at end of year</strong></td>
<td>$618,682</td>
<td>$573,267</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
Statements of Cash Flows
Years ended November 30, 2003 and 2002 (In thousands)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in unrestricted net assets</td>
<td>$45,415</td>
<td>$(102,771)</td>
</tr>
<tr>
<td>Adjustments to reconcile change in unrestricted net assets to net cash used in operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Loss (gain) on disposal of furniture and equipment</td>
<td>(1)</td>
<td>2</td>
</tr>
<tr>
<td>Net unrealized (appreciation) depreciation in fair value of investments</td>
<td>$(83,238)</td>
<td>14,129</td>
</tr>
<tr>
<td>Net realized losses on investment transactions</td>
<td>16,082</td>
<td>61,120</td>
</tr>
<tr>
<td>Decrease in dividends and interest receivable</td>
<td>621</td>
<td>203</td>
</tr>
<tr>
<td>Decrease in other assets</td>
<td>36</td>
<td>46</td>
</tr>
<tr>
<td>Increase (decrease) in payables and accrued and other liabilities</td>
<td>$(175)</td>
<td>150</td>
</tr>
<tr>
<td>Decrease in federal excise and unrelated business income taxes receivable</td>
<td>216</td>
<td>859</td>
</tr>
<tr>
<td>Increase in accrued federal excise taxes deferred</td>
<td>490</td>
<td>—</td>
</tr>
<tr>
<td>Increase (decrease) in grants payable</td>
<td>$(4,238)</td>
<td>5,120</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>$(24,768)</td>
<td>$(21,119)</td>
</tr>
</tbody>
</table>

Cash flows from investing activities:

| Purchase of furniture and equipment | (5)        | (4)        |
| Increase in payable for securities with settlements pending | 453        | 3,536      |
| Proceeds from sale of investments | 746,482    | 641,949    |
| Purchase of investments | $(725,677) | $(639,340) |
| **Net cash provided by investing activities** | $21,235    | $6,141     |

Net decrease in cash, interest-bearing deposits, and cash equivalents

| (3,515) | (14,978) |

Cash, interest-bearing deposits, and cash equivalents at beginning of year | 38,429 | 53,407 |

Cash, interest-bearing deposits, and cash equivalents at end of year | $34,914 | $38,429 |

Supplemental disclosure of cash flow information:

| Cash paid during the year for taxes | $567 | $124 |

See accompanying notes to financial statements.
1. Significant Accounting Policies

Organization
The Bush Foundation (the Foundation) is an exempt private foundation that provides grant support in the areas of education, humanities and the arts, community and social welfare, health, and leadership development to nonprofit corporations in Minnesota, North Dakota, South Dakota, and western Wisconsin, as well as two nonregional grant programs.

Basis of Accounting
The financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Tax Exempt Status
The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and is a private foundation as defined in Section 509(a) of the Code. The Foundation is subject to applicable state and federal unrelated business income tax and federal excise tax. A provision for unrelated business income tax and excise tax has been made and is included in the financial statements.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Foundation to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses during the year. Actual results could differ from those estimates.

Cash Equivalents
The Foundation considers all interest-bearing deposits and short-term investments purchased with maturities of three months or less to be cash equivalents.

Investments
Investments are carried at fair value, which is determined by the partnerships' general partner for real estate and venture capital investments and quoted market prices for all other investments. Realized and unrealized gains and losses are recognized in the period in which they occur. Realized gains and losses are recorded on a trade-date basis.

Derivative Financial Instruments
The Foundation invests in various stock indices, fixed-income, and foreign currency derivatives. The Foundation uses derivatives with the objectives of reducing portfolio risk and/or lowering investment costs. Derivative uses include managing the duration of the fixed-income portfolio, gaining investment exposure to specific markets, and maintaining investment policy allocation. Derivative instruments are measured at fair value and reported in the statement of financial position. Changes in the fair value are reported in the statement of activities.

The Foundation uses listed options contracts to reduce return volatility and enhance portfolio yield of designated equity holdings (the Option Overlay Program). The Option Overlay Program focuses on the Foundation's exposure to large cap U.S. equity holdings and consists of four separate position phases. Each phase has a term of one year, covers approximately one quarter of the Foundation's large cap U.S. equity exposure, and has an initial price cap target 15% above the quarter-end S&P index level.

The Foundation, in conjunction with its investment manager, has established risk management policies and procedures for the Option Overlay Program which are set forth in the Option Overlay Policy Statement executed between the Foundation and the investment manager. In addition, the Foundation, the investment manager, and its investment advisor apply portfolio management and monitoring techniques to monitor the Foundation's use of derivative instruments under the Option Overlay Program.

Fair Value of Financial Instruments
The carrying value of dividend and interest receivable, payable for securities with settlements pending, and accounts payable are reasonable estimates of their fair value due to the short-term nature of these financial instruments. Investments are stated at fair value. Grants payable have been stated at fair value by discounting multiyear grants.

Grant Appropriations
Grants are recorded as expense when approved by the Foundation's board of directors, except when the grants are conditional as defined by requirements of Statement of Financial Accounting Standards (SFAS) No. 116. Cancellations of grants occur principally when the grantees do not meet the grant terms. Cancellations were $813 in 2003 and $1,268 in 2002.

Classification of Expenses
Grants and expenses associated with the Foundation's direct charitable activities are considered to be program expenses, while all other expenses of the Foundation are considered to be management and general expenses.

Reclassification
Certain reclassifications have been made to the 2002 financial statements to conform to the 2003 presentation.
2. Futures Contracts

The Foundation uses financial futures contracts and options to adjust the relative exposure to fixed-income and equity markets. The notional amount of these contracts at November 30, 2003 and 2002 was $0 and $21,912, respectively. Realized and unrealized gains and losses related to these contracts are recorded when they occur. These contracts settle daily; therefore, the average fair value of these contracts is established daily and the contract is marked to market. Net trading losses of $523 and $4,567 were recognized during fiscal years 2003 and 2002, respectively. The futures contracts are exchange-traded with counterparties with good credit standing.

3. Securities Lending Transactions

Under a securities lending agreement, the Foundation has authorized the lending agent to manage and administer a securities lending program. The lending agent has the responsibility for negotiating the terms of each loan and for collecting the required collateral, which must be in the amount of 102% in the case of securities of United States issuers and 105% in the case of securities of non-United States issuers of the market value of any securities loaned, including any accrued interest. Collateral was invested in a short-term investment trust and was due to the investment borrower in accordance with the terms of the collateral agreement. As of November 30, 2003 and 2002, the securities lending program was temporarily suspended.

4. Federal Excise Taxes and Distribution Requirements

Federal Excise Taxes
The Foundation is subject to a 2% excise tax on its taxable investment income, which principally includes income from investments plus net realized capital gains (net capital losses, however, are not deductible). Tax on net investment income is reduced from 2% to 1% for any taxable year in which the Foundation’s qualifying distributions meet certain requirements prescribed by Internal Revenue Code Section 4940(e).

The Foundation met these requirements in 2003 and 2002. Accordingly, the current federal excise tax expense is based upon the 1% tax rate. Deferred federal excise taxes are also based on the 1% tax rate and arise from unrealized appreciation in the market value of investments, as well as from differences in the recognition of income from certain investments.

Distribution Requirements
The Foundation is subject to the distribution requirements of the Internal Revenue Code. Accordingly, within one year after the end of each fiscal year, it must distribute 5% of the average market value of its assets as defined in the Internal Revenue Code. The Foundation has complied with distribution requirements through November 30, 2003 and 2002.

5. Investment and Administrative Expenses

The classification of expenses between investment and administrative (grant-related) activities is determined by either specific identification of the expense or by an allocation based on management estimates. The classifications for 2003 and 2002 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and staff benefits</td>
<td>$326</td>
<td>$261</td>
</tr>
<tr>
<td>Investment management</td>
<td>$2,093</td>
<td>$2,876</td>
</tr>
<tr>
<td>Program management</td>
<td></td>
<td>$733</td>
</tr>
<tr>
<td>Consulting fees</td>
<td>$21</td>
<td>$20</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>$172</td>
<td>$178</td>
</tr>
<tr>
<td></td>
<td>$2,612</td>
<td>$3,327</td>
</tr>
</tbody>
</table>

6. Pension Plan

The Foundation has a defined contribution pension plan whereby individual annuity contracts with Teachers Insurance and Annuity Association of America and College Retirement Equities Fund are purchased for all qualified employees. The amount of the contribution is equal to 10% of the employee’s salary up to the Social Security income limit and then 15% of the employee’s salary up to a maximum of $200. The expense of the plan for 2003 and 2002 was $155 and $140, respectively.

7. Grants Payable

The following table provides the activity within the unpaid grants account:

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid grants at beginning of year</td>
<td>$28,759</td>
<td>$23,639</td>
</tr>
<tr>
<td>Grants appropriated, net of cancellations</td>
<td>$28,455</td>
<td>$36,482</td>
</tr>
<tr>
<td>Grants paid</td>
<td>(32,883)</td>
<td>(31,957)</td>
</tr>
<tr>
<td>Refunds of previous years’ grants</td>
<td>$190</td>
<td>$595</td>
</tr>
<tr>
<td>Unpaid grants at end of year</td>
<td>$24,521</td>
<td>$28,759</td>
</tr>
</tbody>
</table>

Grants payable in more than one year are stated at fair value. Fair value is determined as the present value of estimated future cash flows using discount rates of 2.5% and 5.0% as of November 30, 2003 and 2002, respectively.

The following is a summary of grants authorized and payable at November 30:
**Bush Foundation Board**

- **William P. Pierskalla**, Chair  
  *Los Angeles, California*
- **Esperanza Guerrero-Anderson**, First Vice Chair  
  *Golden Valley, Minnesota*
- **Ivy S. Bernhardson**, Second Vice Chair  
  *Bloomington, Minnesota*
- **Dudley Cocke**, Secretary  
  *Norton, Virginia*
- **Kathryn H. Tunheim**, Treasurer  
  *Minneapolis, Minnesota*
- **Wilson G. Bradshaw**,  
  *Saint Paul, Minnesota*
- **Shirley M. Clark**  
  *Eugene, Oregon*
- **Roxanne Givens Copeland**  
  *Bloomington, Minnesota*
- **L. Steven Goldstein**  
  *Minnetonka, Minnesota*
- **Robert J. Jones**  
  *Minneapolis, Minnesota*
- **Diana E. Murphy**  
  *Minneapolis, Minnesota*
- **Catherine V. Piersol**  
  *Sioux Falls, South Dakota*
- **Gordon M. Sprenger**  
  *Chanhassen, Minnesota*
- **W. Richard West**  
  *Washington, District of Columbia*
- **Ann Wynia**  
  *Saint Paul, Minnesota*

**Bush Foundation Staff**

- **Anita M. Pampusch**  
  President
- **Dianne J. Maki**  
  Receptionist/Secretary
- **Connie Sangren**  
  Administrative Assistant
- **Victoria Tirrel**  
  Administrative Assistant
- **Army Fellows Program**
  - **Julie Gordon Dalgleish**  
    Director
  - **Kathi Polley**  
    Program Assistant
- **Leadership Fellows Program**
  - **John Archabal**  
    Director
  - **Martha A. Lee**  
    Assistant Director
- **Medical Fellows Program**
  - **Alice Sanborn**  
    Assistant Director
  - **Michael R. Wilcox, M.D.**  
    Director
- **Grant Program Consultants**
  - **Wilbert H. Ahern**
  - **Maggie Arzdorf-Schubbe**
  - **Kathryn J. Draeger**
  - **John H. Kohring**
  - **Susan E. Showalter**
  - **Margaret J. Walker**
- **General Counsel**
  - **Terence Doyle**
  - **Briggs & Morgan**