

SHIFT

The Direction of New Philanthropy

GILL FOUNDATION 1999 ANNUAL REPORT

GILL FOUNDATION MISSION

The Gill Foundation serves as a catalyst and provides resources for communities in pursuit of justice and equality, while building awareness of the contributions gay men and lesbians make to American society. Through grantmaking activities, technical assistance and other special programs, the foundation invests in organizations serving the needs of gay, lesbian and bisexual people, and in community programs designed to improve the quality of life for everyone. This investment champions the ideal of a pluralistic, open society that values all its members, and denies access to none.

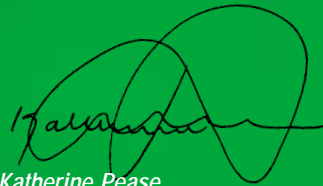
Contents

<i>Financial Highlights</i>	1
<i>The New Philanthropy</i>	2
<i>Gill Foundation Growth</i>	4
<i>Innovative Programs</i>	6
<i>Staff</i>	16
<i>Grants</i>	18
<i>Independent Accountants' Report</i>	25
<i>Financial Statements</i>	26
<i>Endnotes</i>	32

A movement for justice takes passion, commitment and money. Since its inception, the Gill Foundation has invested more than \$11 million in the pursuit of equality. In 2000, we'll invest more than \$7 million in organizations in Colorado and across the country. We are taking risks and trying new ideas, challenging nonprofits to embrace new business models and helping people think differently about philanthropy. In our 1999 Gill Foundation annual report, Shift, we articulate our views on this new philanthropy. We highlight some of the innovative programs we've invested in and share success stories from our technical assistance work with donors and nonprofits. We are confident that the Gill Foundation and the organizations we partner with will continue to create a brighter future for us all.

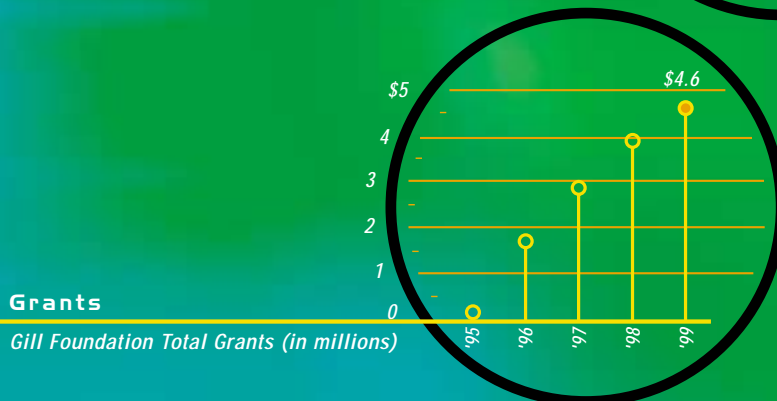
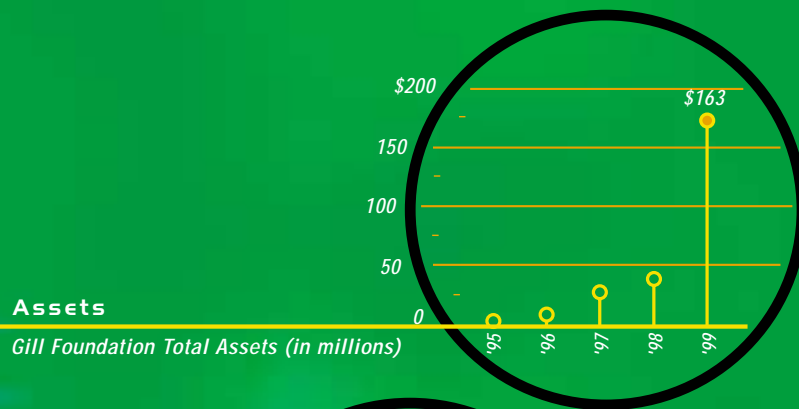


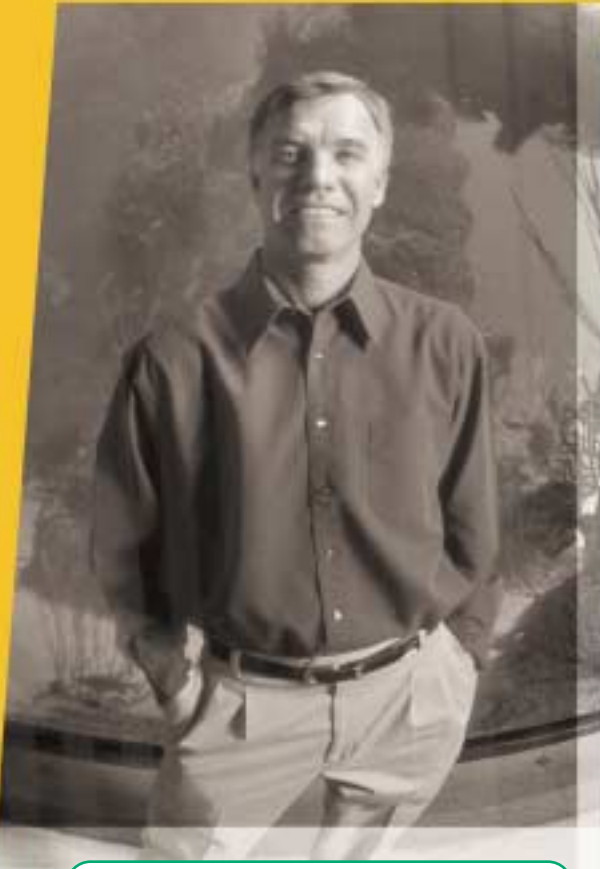
Tim Gill
Founder and Chairman



Katherine Pease
Executive Director

Financial Highlights





Tim Gill, Founder and Chairman

Tim Gill, at Colorado's Ocean Journey, a recipient of a grant from the Gay and Lesbian Fund for Colorado.

The Gill Foundation started because of a crisis. In 1992, voters approved Colorado's anti-gay Amendment 2. Tim Gill, a gay Colorado businessman, found this inconceivable and publicly pledged \$1 million to educate people about discrimination. From that crisis came a commitment to create sustainable change.

When Tim established the foundation in 1994, he saw it as a catalyst for social justice and a means of providing resources to others in pursuit of justice and equality. Tim, founder of Quark, Inc., realized that his money could help organizations working on issues related to lesbian, gay, bisexual and transgender people and people living with HIV/AIDS to do their work.

Tim's approach, like that of others who define the new philanthropy, is to do more than give money. It is an effort to provide the tools to build a stronger nonprofit sector. Donors like these are also challenging nonprofits to focus on outcomes and looking for systemic change. The new philanthropy builds on the rich history of foundations, and adds the innovation and daring of a generation that has transformed business-as-usual in all walks of life through technology. It represents a shift of a magnitude that the philanthropic community hasn't seen in nearly 100 years.

THE NEW PHILAN

The metamorphosis that we are witnessing in philanthropy is a direct outcome of the changes in the economy. The so-called "New Economy," which has its roots in the high-technology industry, has resulted in more people with disposable income than ever before. Moreover, many of these new economy donors bring with them the values and business practices they have learned from the for-profit community, combined with a desire to create social change in the same way their risk-taking helped create the new economy.

Today, the nonprofit community has an enormous challenge ahead of it. It must decide how it will respond to the changes in giving and how it will take leadership to help organizations capitalize on the new philanthropy. Yet, it is equally important for the nonprofit community to be intentional about how it approaches the new philanthropy and guard against putting nonprofit organizations and what they stand for at risk.

Much of the new philanthropy derives from individual business leaders and the values they embrace. Leaders in nonprofit management and philanthropy suggest that many of these philanthropists bring with them the values and skills from their business experience. Some of these values learned in business and affecting their philanthropy include:

- Investing more than their money in the organizations they support. They are bringing their expertise, their contacts and general business acumen to the projects they support;

- Making longer-term investments in the organizations they care about through multi-year grants;

- Making fewer, larger grants with the hope of making a more dramatic impact on the organizations they are supporting;

- Supporting operating expenses as well as program expenses;

- Providing seed money for start-up entrepreneurial organizations;

- Demanding more attention be paid to outcomes. Similarly, they are making grants contingent in part on the organization's ability to reach the agreed-upon outcomes;

THROPY:

A SHIFT TAKES PLACE

Taking risks. They are supporting organizations that are looking at innovative approaches to solving complex social problems;

Trying to partner with other individuals who have similar philanthropic goals, through the development of venture philanthropy partnerships.

Although there is no one way to categorize the donors of the new economy, some generalizations can be made. Many come from the high technology world and are often most comfortable communicating through the new technology. Many of them are extremely busy people whose pace of business may be vastly different from that which nonprofits are accustomed to and who may seek different rewards than people traditionally involved in nonprofit work.

Some of these new donors are doing their giving alone. Others are using donor pools, such as the Seattle Venture Partners Fund, which brings donors with similar interests together in order to leverage greater resources. Others are doing their giving through community foundations, some of which, like the Silicon Valley Community Foundation, are working to provide resources to the new economy donors.

This new economy philanthropy will impact many nonprofits in the United States. Nonprofits who are working with new philanthropists for the first time may want to consider:

Many new donors will ask questions in an effort to better understand an organization's work. It's an attempt to determine where they are most useful;

The new technology is an excellent means for communicating with new donors and for helping them to connect with other donors;

New donors tend to embrace innovation. They often are more willing to invest in risky ideas that might not have been funded by other donors;

Evaluation and accountability are important to many new donors. These donors can help the nonprofit community evaluate what they are doing well to avoid using resources on projects that aren't effective;

Donors may have a lot to offer your organization in addition to money. Don't forget to ask;

A good mission is an important starting point, but probably won't be enough to develop a relationship with a donor. Make sure you have a good business plan with clear goals and objectives that will help you meet your mission.

At the Gill Foundation, we have learned that philanthropy is a dynamic process that requires constant innovation and examination of expectations and beliefs. Through the core grantmaking program, the Gay and Lesbian Fund for Colorado and the OutGiving Project, the Gill Foundation has learned to be both a resource and a catalyst for change.

We've tried to combine some of the best teachings from philanthropic leaders who have come before us, with the entrepreneurial spirit of the for-profit sector, in order to impact the communities we work within. We invite grantmakers and grantseekers alike to join us in partnerships that combine the old with the new and create a better world for all of us.



Katherine Pease, Executive Director

Katherine Pease at the new Denver headquarters of the Gill Foundation. In 1999 the foundation brought its national grants and technical assistance operations together in Denver.

GILL FOUNDATION

Movement. Direction. Investment. Thinking. Innovation.
Concepts at the very core of the Gill Foundation.

Ultimately, the goal of the Gill Foundation is to create a better world. A world where lesbian, gay, bisexual and transgender (LGBT) people can walk down the streets without worrying about their personal safety. A world where LGBT people can serve openly and proudly in the U.S. military. A world free of HIV. A world where two women—or two men—in love are able to marry.

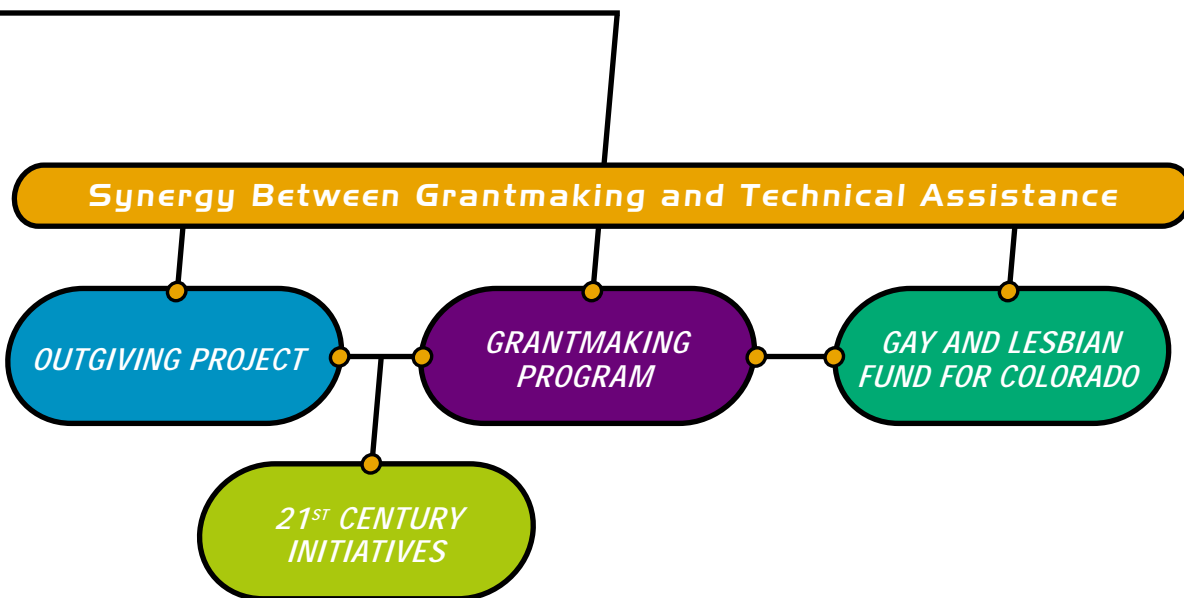
In order to achieve those goals, the foundation is forging stronger ties between its grantmaking efforts and the OutGiving Project, the foundation's training and technical assistance program. By bringing together these two defining elements of our work, we can more effectively serve our constituents.

In 1999, the Gill Foundation expanded its operations, opening a Denver headquarters. Denver is the home of Tim Gill, and is a centrally located major urban hub, which makes the foundation easily accessible from other parts of the country. We have closed our Washington, DC office and moved our OutGiving Project to Denver. Our Colorado Springs office remains vitally important as home to the Gay and Lesbian Fund for Colorado.

In 2000, the foundation will employ 30 people and will invest more than \$7 million in organizations throughout the country. Grants will be made to national organizations, as well as to organizations in Colorado and the nonurban United States (areas with populations of 1.5 million or fewer). Our core grantmaking program remains focused on programs that serve LGBT and HIV/AIDS communities.

And we'll continue to focus on the Gay and Lesbian Fund for Colorado, which supports quality community programs and highlights the contributions of LGBT people. In an effort to engage the community in our programs, the Gay and Lesbian Fund for Colorado has established a Community Funding Panel made up of diverse members of the Colorado Springs community. The panel, which will make grant decisions for El Paso County, Colorado, will enable the Gay and Lesbian Fund for Colorado to better serve the community and build stronger ties to nonprofit organizations in Colorado Springs.

In addition, diverse groups of leaders from the lesbian, gay, bisexual and transgender communities are being convened to plan and develop the Gill Foundation 21st Century Initiatives. Through these three initiatives — the People of Color Initiative, the Statewide Organizing Initiative and the Community Center Initiative for Nonurban America — we hope to substantially broaden our reach within LGBT communities. These new projects represent a minimum investment of \$4.5 million in addition to our regular grantmaking during the next five years.



Gill Foundation

This is the umbrella organization that creates and manages all projects and aspects of the foundation's work. Started by Tim Gill in 1994 with one staff person, the foundation now encompasses four major project areas and employs 30 people.

Gill Foundation Grantmaking

The core grantmaking program provides funding to qualified Colorado, national and nonurban (communities of fewer than 1.5 million people) nonprofit organizations working for lesbian, gay, bisexual and transgender civil rights and in the continuing fight against HIV/AIDS. Since 1994, grants of more than \$11 million have been made to more than 300 organizations.

Gill Foundation's OutGiving Project

Because a movement for social change costs money, the Gill Foundation established the OutGiving Project in 1995. Working with qualified nonprofits around the country, OutGiving trains organizations to raise money. Through the donor resources program, staff works with a network of donors around the country to help them become more effective in their giving, and in their work with the nonprofits they fund. The OutGiving Project has worked with more than 500 organizations in dozens of communities, and hosted more than 1,000 donors at national and regional donor conferences across the country since it began.

Gay and Lesbian Fund for Colorado

This fund supports quality community programs while building public awareness of the contributions gay men and lesbians make as part of American society. The Gay and Lesbian Fund for Colorado funds six program areas designed to impact the quality of life in Colorado. Those program areas are: social justice; children and youth; arts and culture; leadership development; public broadcasting; and excellence in communications. The Gay and Lesbian Fund for Colorado has given more than \$1.8 million to nonprofits on behalf of the gay and lesbian community in Colorado.

Gill Foundation 21st Century Initiatives

These three multi-year initiatives were begun in 1999 to focus resources on areas of specific need to the lesbian, gay, bisexual, transgender and HIV/AIDS communities. The three initiatives are: People of Color, investing \$1 million to develop leadership and strengthen people of color organizations within the LGBT movement; Statewide Organizing, committing \$1.5 million to statewide LGBT organizations; and Community Centers, granting \$2 million to support and establish new community centers in nonurban communities.



This family portrait comes from the book *Love Makes a Family*, a product of Family Diversity Projects, which works with the Family Pride Coalition to support gay and lesbian families nationwide.

Family Pride Coalition

SAN DIEGO, CALIFORNIA
GILL FOUNDATION NATIONAL LGBT GRANTEE

As lesbian, gay, bisexual and transgender people have found greater acceptance in several areas, many have watched as their parenting rights have come under attack.

"A few years ago, you didn't see a single gay adoption bill," said Ray Drew, executive director of the Family Pride Coalition. "It was largely because our families weren't very visible."

Now, LGBT families are easier to spot, but that visibility has come at a price. This spring, Mississippi joined Florida as the second state to ban adoption by gays and lesbians. Other states have enacted legislation that, while not overtly banning adoption by gays, has the same effect by denying adoption rights to unmarried couples.

"There has been a backlash," Drew said. "We see anti-adoption bills springing up across the country."

Family Pride, which is based in San Diego, California, is working to halt the barrage. The organization provides support to local parenting groups across the country and works to empower people to become actively involved in the decision-making processes of their home states.

The Family Pride Coalition receives funding from the Gill Foundation through the national grants program. Supporting innovative nonprofits such as Family Pride is just one way the Gill Foundation celebrates gay and lesbian families.

"Parents can be incredibly dedicated activists," said Robin Kane, Family Pride's director of advocacy. "They obviously have a very intense interest. But they are also very busy people."

Family Pride connects parents with organizers working to defeat legislation that negatively affects LGBT families, sends action alerts when necessary and presents positive LGBT family images in the media.

"In addition to stopping the bad legislation," Kane said, "we're also changing the discussion about our families."

Urban Peak

DENVER, COLORADO
GILL FOUNDATION COLORADO LGBT GRANTEE

When the families of young lesbian, gay, bisexual and transgender (LGBT) people learn of their sexuality, the teens often find themselves without a place to call home.

Funding from the Gill Foundation has allowed Urban Peak to develop specialized programs for LGBT young people and to create a safe space for them. A program specialist helps LGBT youth build community both inside and outside of Urban Peak and addresses community issues impacting gay youth.

"A disproportionate number of young people on the streets are gay or lesbian," said Roxane White, Urban Peak's executive director. "Creating a safe space is incredibly important when people are already feeling unsafe."

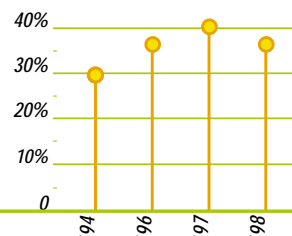
Programs supporting Colorado LGBT communities are a priority of the Gill Foundation's grantmaking. The foundation recognizes the importance of supporting cutting-edge programs for LGBT youth in Colorado and across the country.

Urban Peak was founded in 1988 by a group of Denver residents in response to the growing number of homeless youth. What began as a drop-in center and street outreach program has evolved into a full service agency providing a complete continuum of services to homeless and runaway youth. It is Colorado's only emergency overnight shelter dedicated to homeless and runaway youth younger than 21.

In addition to housing, the center gets young people into General Equivalency Diploma classes and makes sure they have medical and mental health care, job training and other services. The new Financial Aid Endowment Fund helps pay the expenses of other higher education and provides a mentor to help students with other problems.

"It has determined whether or not I go to school," said Alisha Eversole, 20, a freshman at Metropolitan State College of Denver. "If I didn't have this scholarship, I wouldn't be in school right now."

Adoption



Percent of people who believe in equal rights for adoption by gay spouses. (Princeton Research Survey Associates)¹

MOVEMENT



The Gill Foundation is building a movement in small towns across America where gay and lesbian people are often less visible than in major cities. The foundation focuses on the local impact of national issues such as equality in the military, housing, employment, domestic partnerships and HIV/AIDS.

DIRECTION



Technical assistance describes a wide variety of functions at the Gill Foundation's OutGiving Project. The fundamental purpose is to provide training and direction to nonprofits, helping them improve organizational management and strategic, creative fundraising skills.

Michelle Benecke, co-executive director of the Servicemembers Legal Defense Network, helps gays and lesbians who come under attack while serving their country in the armed forces.



Servicemembers Legal Defense Network

WASHINGTON, DC
GILL FOUNDATION NATIONAL LGBT GRANTEE

Patricia Kutteles might never have learned the truth about the gay-bashing death of her son Pfc. Barry Winchell had it not been for the Servicemembers Legal Defense Network.

"The SLDN helped immensely in finding out what really went on," Kutteles said.

Founded in 1993, SLDN is the only national legal aid and watchdog organization that assists men and women harmed by the military's "Don't Ask, Don't Tell, Don't Pursue" policy. It has helped more than 2,100 servicemembers, including people from 50 states and more than a dozen foreign countries.

SLDN receives funding through the Gill Foundation's national grant program. Through this program, the foundation provides money to organizations that help educate all citizens about important issues facing gay people everywhere.

When Winchell was killed in July at Fort Campbell, Kentucky, Army officials said his death was a classic drunken brawl crime, but SLDN received information that it was a hate crime based on his perceived homosexuality. Friends say Winchell had been harassed for months. According to SLDN, the entire case is proof that the "Don't Ask, Don't Tell" policy is a failure.

While Winchell's death is an unusually high-profile case, SLDN documented 968 incidents of anti-gay harassment between February 15, 1999, and February 15, 2000, up 142 percent over the 400 cases the previous year. In addition, the organization documented 665 cases where servicemembers were asked about their sexuality and pursued, an increase from 511 a year earlier.

All branches of the military are now offering increased training on the policy.

"This is a victory to finally have this training and to have this message sent out to the field," said Michelle Benecke, co-director of SLDN. "But it's a shame it took the murder of a private at Fort Campbell to get them to do this."

Kalamazoo Gay and Lesbian Resource Center

KALAMAZOO, MICHIGAN
OUTGIVING INCOMMUNITY SITE

Board members at the Kalamazoo Gay and Lesbian Resource Center knew they needed help determining their next move after they secured a permanent space and hired their first executive director.

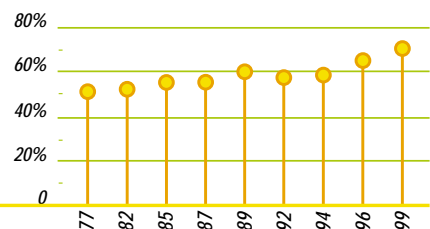
That's where the Gill Foundation's OutGiving InCommunity program came in.

"It was good timing for us," said Jon Stryker, a member of the board of directors and a major funder of the center through his Arcus Foundation. "We're in a growth stage and we needed someone to come in and encourage us and do trainings."

The OutGiving Project is the Gill Foundation's training and technical assistance program. Through a series of workshops, OutGiving InCommunity helps organizations improve their skills in fundraising, board development and other areas. The project delivers tools and skills to several nonurban communities each year. When a city is selected, OutGiving commits to offering a series of workshops over several months. Working with local sponsoring organizations and donors, OutGiving staff members work with people in the community to identify the workshops best suited to their needs.

"It has been very good in educating the board and staff on what the next steps are and what we need to do now," said Sharon Roepke, executive director of the Kalamazoo center. "It also has encouraged board members to give. It kind of sets a foundation for the giving patterns of our board."

Armed Forces



Percent of people who think homosexuals should be hired for the armed forces.

(GLBT Civil Rights Laws in the United States, NGLTF Policy Institute, 1998)ⁱⁱ

A supporter participates in a demonstration organized by Basic Rights Oregon, which has persuaded many Oregon employers to prohibit discrimination against LGBT people in the workplace.



Silicon Valley Donor Conference

MENLO PARK, CALIFORNIA
OUTGIVING DONOR RESOURCES PROJECT

For Ellen Wagner, it was only natural that she serve as a co-chair of the Gill Foundation's first regional OutGiving Donor Resources Conference last fall in Silicon Valley.

"After having been at the OutGiving meeting last May in Aspen (Colorado), there had been some discussion about trying to do a smaller version in the Bay Area," said Wagner, a California resident. "I enjoyed it enough that I wanted to do it again."

The OutGiving Project is the Gill Foundation's training and technical assistance program. OutGiving donor work helps communities build their philanthropic base through an annual national conference and smaller regional ones.

Other programs specifically for donors include skill-building workshops, donor discussion groups and individual consultations to help givers in their efforts to be better donors and to inspire others to give. These events are always solicitation-free. More than 60 people attended the conference in Silicon Valley.

The donor work conducted by OutGiving strongly resonates with Wagner, who, along with her partner, has given money to various organizations over the years.

"I don't know that either of us would call ourselves philanthropists," Wagner said. "Both of us have had sort of this philosophy of tithing and giving away 10 percent of our earnings."

"The Silicon Valley conference was an opportunity to encourage people to think about how they can use their money to advance the movement for civil rights for lesbian, gay, bisexual and transgender people," Wagner said.

"I think the Gill Foundation has provided us with a really good way of bringing the notion of gay and lesbian giving to the community level and has allowed us to transcend some of the local politics that sometimes get in the way."

Basic Rights Oregon

PORTLAND, OREGON
GILL FOUNDATION NONURBAN LGBT GRANTEE

Alan Hodges has seen the difference in his workplace since Portland General Electric signed the Fair Workplace Project's employment nondiscrimination pledge two years ago.

"Our employees have felt much more comfortable in a company that makes a point to be diverse," said Hodges, president of Portland General Operations, a subsidiary of Enron Corp., one of the world's largest integrated natural gas and electricity companies. "We have received a lot of positive comments from the community and from employees."

Officials at Portland General signed the pledge in 1998 after they were approached by organizers from Basic Rights Oregon. In addition, the company added sexual orientation to its nondiscrimination policies and identified itself as a "Fair Workplace."

Basic Rights Oregon started the Fair Workplace Project in 1996 as an educational outreach project designed to address discrimination faced by lesbian and gay employees in the state. The Gill Foundation funds the organization's outreach to rural Oregon as part of its commitment to nonurban communities.

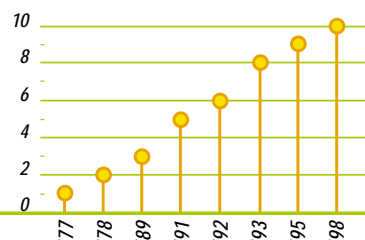
Nearly 400 employers – about 25 percent of them outside the Portland metropolitan area – have taken actions similar to those of Portland General.

"It has been an educational process for employers and we've really reached out to them," said Maura Roche, interim executive director at Basic Rights Oregon.

With this success, the project now tackles two new goals: increasing the number of small companies designated as Fair Workplaces and encouraging companies to offer domestic partner benefits.

"We want to show employers that this is about basic fairness," Roche said.

Public Employment



States with laws prohibiting discrimination on the basis of sexual orientation in public employment. (Gallup)ⁱⁱⁱ

INVESTMENT



Today's new "venture philanthropists" are investing in the future, bringing along the skills and values from the business world where they made their money. The Gill Foundation embodies the idea that money, strategy and technical assistance can nourish organizations and communities to produce real change.

THINKING



New ways of thinking and new ideas about change are at the heart of the new philanthropy. At the Gill Foundation, we are combining a passion for the new philanthropy, a concentration of resources, and partnerships with organizations to make a measurable difference.

AIDS Resource Center of Wisconsin serves people like Fran Culbert with an innovative collaboration among service providers statewide, allowing more monies to be used to serve people with AIDS and less for overhead.



AIDS Resource Center of Wisconsin

MILWAUKEE, WISCONSIN

GILL FOUNDATION NONURBAN HIV/AIDS GRANTEE

A close look at the AIDS Resource Center of Wisconsin proves business doesn't have to be conducted in the same old ways.

Leaders in the organization decided that instead of having independent agencies across Wisconsin, it made more sense to form a coalition with a centralized administrative and fundraising mechanism.

"AIDS service organizations across the country see reductions in revenue up to 33 percent of their budget and are forced to eliminate staff and reduce programs and services. Yet, the ARCW service delivery model continues to thrive," said Mike Gifford, deputy executive director. "ARCW's budget has doubled in the last five years."

The Gill Foundation funds ARCW because of the innovative way in which ARCW does its good work. As new philanthropists, we look for new ideas and new ways to solve old problems. ARCW's collaborative model does just that.

During the past three years, eight AIDS service organizations have been merged into ARCW. Administrative expenses are a record low of 6.7 percent of the agency's 2000 budget and development costs are 9.9 percent.

The AIDS Resource Center of Wisconsin's comprehensive services include case management, dental, medical and mental health care, alternative pain reduction, a food pantry, rental assistance, legal services and others. It recently started the Midwest AIDS Training and Education Center to teach healthcare providers about new treatment options and a statewide Return to Work program.

ARCW's public policy advocacy program – AIDS Action Wisconsin – is the state's leading advocate for people affected by HIV/AIDS. It works with local, state and federal government to ensure responsive and responsible public policy on health and civil rights issues.

Big Bend Cares

TALLAHASSEE, FLORIDA

GILL FOUNDATION NONURBAN HIV/AIDS GRANTEE

It's not uncommon to find Camye Bryant, director of education at Big Bend Cares, meeting with a group of black pastors about working to prevent HIV and AIDS.

"I want to not only help them educate their congregations, but also to talk to ministers about compassion for people with HIV and AIDS," she said.

Big Bend Cares, which provides HIV prevention, education and support to an eight-county area near Tallahassee in north Florida, has made working with leaders in faith communities a hallmark of its work. Bryant works with more than 20 churches and synagogues in this largely rural area.

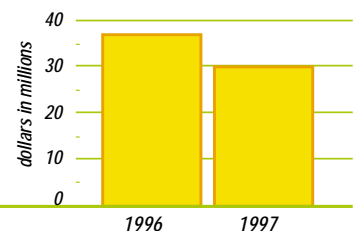
The Gill Foundation funds the organization as part of its work with HIV/AIDS organizations in nonurban areas, parts of the country where many larger HIV/AIDS programs don't reach, and where education and prevention are essential.

"The church is supposed to be our safety, our refuge, our ark, but often, we're turning people away," she said.

In March, the organization and several churches held the community's second "Black Church Week of Prayer for the Healing of AIDS." Nearly 100 people attended. The program is significant in other ways for people of faith: for many people, listening to a presentation was the first time they had come in contact with a person living openly with HIV. The program opened with prayer and had other prayers interspersed.

"We can begin – since we're talking about a Week of Prayer – to pray down the stereotypes and fears that lie so deep in the heart of so many of our churches," Bryant said.

AIDS Funding Nationwide



From 1996 to 1997, philanthropic funding for HIV/AIDS prevention, treatment and research dropped 19%. (Funders Concerned About AIDS, 1999)^{iv}



LEARNING THE BUSINESS OF ART

The Business of Art Center in Manitou Springs helps artists learn the business side of their craft through a grant from the Gay and Lesbian Fund for Colorado.

Association for Children for Enforcement of Support

COLORADO SPRINGS, COLORADO
GAY AND LESBIAN FUND FOR COLORADO GRANTEE

Denise Stinson knows how children are impacted when they live with one parent and the other pays no child support.

"My children lost both parents," said Stinson, coordinator of the El Paso County, Colorado chapter of the Association for Children for Enforcement of Support (ACES). "A lot of times, they were with baby sitters. I had to work those 16-hour shifts or we couldn't have kept our house."

ACES is trying to keep that from happening to other families. The organization, with 400 members in El Paso County, makes sure parents know their rights, monitors court cases and meets with judges. It also testifies on behalf of child-friendly legislation. Other chapters are scattered throughout the country.

ACES receives funding from the Gay and Lesbian Fund for Colorado as part of the Gill Foundation's commitment to children and youth. The goal of the Gay and Lesbian Fund for Colorado is to support quality programs and raise awareness of the contributions gay men and lesbians make to American society, and supporting stronger families is just one way the program does that.

The child support collection rate in Colorado is 17 percent, below even the national average of 20 percent. Among ACES members, however, the collection rate is 80 percent. Still, 316,000 children in the state are owed in excess of \$890 million in unpaid support.

"Working individual cases is not as progressive as systemic changes," Stinson said. "It is when we change the system that children's lives are truly improved."

Business of Art Center

MANITOU SPRINGS, COLORADO
GAY AND LESBIAN FUND FOR COLORADO GRANTEE

When the doors of the Business of Art Center opened 12 years ago in Manitou Springs, Colorado, sculptor Harriet Lee was waiting to go inside.

"I was totally naive," Lee said. "I had committed myself to taking the step, but I had no business sense. I was pretty unsure of myself as an artist. I was pretty green."

She was in the right place. Created in 1988, the Business of Art Center is a nonprofit small business incubator for artists. It provides low cost, professionally equipped shared studio space as well as training in marketing, law, accounting, gallery relations and public relations to improve artists' business skills.

The Gay and Lesbian Fund for Colorado funds the center as part of its commitment to arts and culture programming. Based in Colorado Springs, Colorado, the Gay and Lesbian Fund for Colorado awards grants in six program areas. It seeks to increase awareness of the contributions gay men and lesbians make to American society by funding programs to build stronger communities.

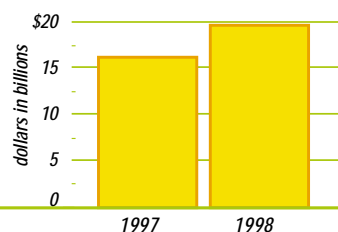
"A lot of artists come out of whatever their learning environment was and haven't a clue what the game is," said Rodney Wood, executive director. "We try to expose them to the 'what to's and 'how to's and also to keep developing their technical skills."

The center has 25 studio artists. Another 350 artists are affiliated with the center in some way. People who have used the center have started more than a dozen studios and galleries.

The center also has an art institute, which offers classes, workshops and seminars by regional and national artists; exhibition and performance galleries; an educational facility that provides workshops, classes and informal exchanges about the arts and a community center.

"We want people to see the whole pie and not just a piece of it," Wood said.

Giving



In 1998, philanthropic giving was \$19.46 billion— a 22% increase from 1997 (largest single year increase ever recorded).

(Fundors Concerned About AIDS, 1999)^y

INNOVATION



Supporting a wide range of worthwhile projects for the general public is the role of the Gay and Lesbian Fund for Colorado. It's an innovative way of building partnerships in the community and building awareness of the contributions that gay men and lesbians make to society.



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GILL FOUNDATION STAFF

1 **Richard K. Jung**
PROGRAM OFFICER

2 **Michelle V. Bailey**
DIRECTOR OF INTERACTIVE TECHNOLOGY

3 **Bev Stanton**
COMMUNICATIONS ASSOCIATE

4 **Ben Lusz**
EXECUTIVE ASSISTANT

5 **Lisa V. Holman**
DONOR RESOURCES ASSOCIATE, OUTGIVING

6 **Scott Blaine Swenson**
DIRECTOR OF COMMUNICATIONS

7 **J. Allen Carpenter**
RECEPTIONIST / OFFICE MANAGER

8 **Russell D. Roybal**
NATIONAL FIELD MANAGER, OUTGIVING

9 **Nancy Hernandez**
OUTGIVING TRAINING ASSISTANT

10 **Merle Stryker**
OFFICE MANAGER

11 **Erika J. Shatz**
SENIOR PROGRAM OFFICER

12 **Robert Espinoza**
COMMUNICATIONS ASSISTANT

13 **Marielle Oetjen**
PROGRAM OFFICER

14 **Katherine Pease**
EXECUTIVE DIRECTOR

15 **Patty Strear**
OUTGIVING TRAINING COORDINATOR

16 **James David Ross**
COMMUNICATIONS OFFICER

17 **Tony Tapia**
DIRECTOR OF GRANTMAKING

18 **Babette Stedman**
PROGRAM ASSISTANT

19 **Chris Phelan**
ACCOUNTING MANAGER

20 **Lila G. Gracey**
DIRECTOR OF DONOR RESOURCES, OUTGIVING

21 **Christopher Eastin**
SYSTEM ADMINISTRATOR

22 **Jan Brennan**
PROGRAM COORDINATOR,
GAY AND LESBIAN FUND FOR COLORADO

23 **Donna Red Wing**
DIRECTOR OF OUTGIVING

24 **Janet Anderson**
OUTGIVING TRAINING OFFICER

25 **Cristina Y. Arnal**
GRANTS MANAGER

26 **Mary Lynn Korch**
DIRECTOR OF FINANCE AND ADMINISTRATION

27 **Salvador Valles**
PROGRAM ASSISTANT

28 **Jaron Bryant**
OUTGIVING ASSOCIATE

29 **Kevin L. Shea**
PROGRAM ASSISTANT

Board of Directors (not pictured)

Tim Gill

Greg Craig

Bourge Hathaway

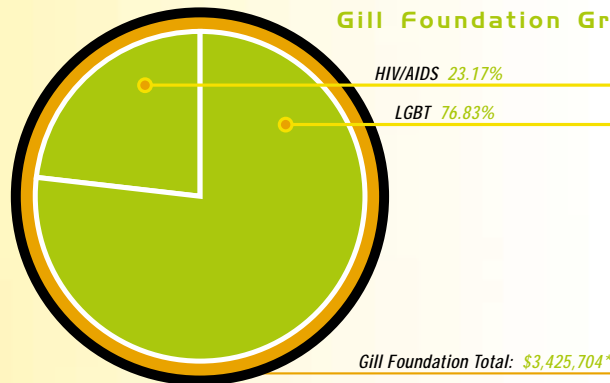
Chuck Supple

Jane Ragle

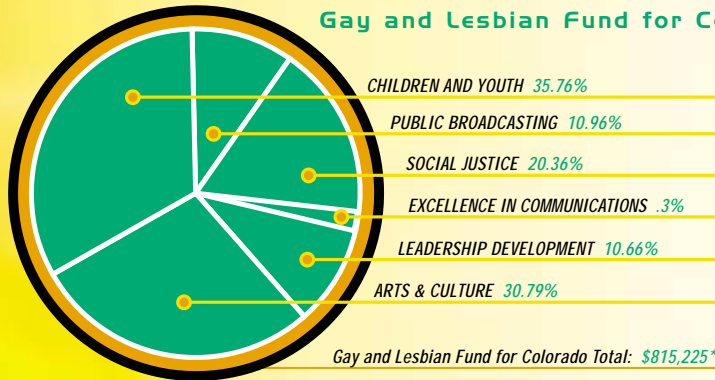
1999

GRANTS AND FINANCIALS

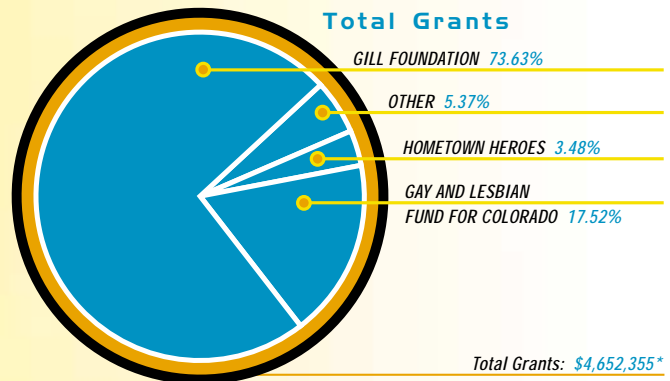
Gill Foundation Grants



Gay and Lesbian Fund for Colorado Grants



Total Grants



* Represents total cash grants paid and pledged in 1999, including conditional pledges.

GILL FOUNDATION GRANTS

TOTAL: \$3,425,704*

PERCENTAGE OF TOTAL GIVING: 73.63%

Lesbian, Gay, Bisexual and Transgender (Organization and amount awarded)

A Territory Resource \$15,000 Seattle WA, program support for re-granting outside King County - year one of three	Boulder Valley Women's Health Center, Inc \$2,500 Boulder CO, program support/event underwriting for 8th Annual Champagne Tasting	Empire State Pride Agenda Foundation \$35,000 New York NY, program support for the Lesbian and Gay Health and Human Services Network/event underwriting
Ackerman Institute for the Family \$5,000 New York NY, program support for distribution of video, "Different Kinds of Love"	Bromfield Street Educational Foundation \$7,500 Boston MA, program support for Prisoner Project/sponsorship of OutWrite Conference - year two of two	Equality Colorado \$142,972 Denver CO, general operating support/program support for Colorado Safe Schools Coalition/technology support
Adoption Resource Exchange for Single Parents \$15,000 Silver Spring MD, general operating support	Center for Lesbian and Gay Civil Rights \$10,000 Philadelphia PA, program support for statewide/rural workshops on same-sex couples' rights	Equality Colorado \$6,000 Durango CO, program support for Four Corners Gay and Lesbian Alliance for Diversity
Advocates for Youth \$7,500 Washington DC, program support for evaluation of web page	Center for Lesbian and Gay Studies \$15,000 New York NY, program support for "Futures of the Field: Gay and Lesbian Students and Studies in the 21st Century" Conference	Equality Florida \$15,000 Tampa FL, program support for annual membership drive
AIDS Community Services of Western New York \$500 Buffalo NY, program support for the Chautauqua County Gay, Lesbian and Bisexual Information Hotline - year one of two	Center for Third World Organizing \$10,000 Oakland CA, program support for Grassroots Institute for Fundraising Training	Equity Foundation \$10,000 Portland OR, re-granting support for Rural Outreach Project
Alexander Foundation \$15,000 Denver CO, program support for scholarship program	Children of Lesbians and Gays Everywhere \$10,000 San Francisco CA, general operating support	Esperanza Peace and Justice Center \$25,000 San Antonio TX, program support for "Puentes de Poder" (Bridges of Power) Project
Alliance for Full Acceptance \$6,000 Charleston SC, program support for media campaign	Chinook Fund \$1,000 Denver CO, event underwriting for scholarship funds for 6th Annual Skills Conference	Fair Share Research and Education Fund \$26,524 Portland OR, program support for Basic Rights Oregon's Fair Workplace Project and technical assistance for Out and Equal Leadership Summit Conference 1999
ALSO for Gay Youth \$7,000 Sarasota FL, program support for expansion of youth drop-in center	Church of the Open Door \$15,000 Chicago IL, program support for Black Church Organizing Initiative	Fairness Education Fund \$10,000 Louisville KY, general operating support
American Civil Liberties Union \$40,000 New York NY, program support for national Lesbian and Gay Rights and AIDS Projects - year two of two	Cimarron Alliance Foundation \$1,500 Oklahoma City OK, program support for educational television commercials	Family Diversity Projects \$12,000 Amherst MA, capacity building support/program support for "Love Makes A Family: Living in Lesbian and Gay Families"
American Civil Liberties Union of Colorado \$15,000 Denver CO, program support for lesbian, gay, bisexual and transgender litigation/advocacy and education/outreach	Coalition of Colorado PFLAG Chapters \$5,000 Denver CO, program support for Colorado PFLAG chapter challenge campaign	Family Pride Coalition \$15,000 San Diego CA, general operating support/technical assistance
American Friends Service Committee - Pacific Southwest Region \$25,000 Pasadena CA, seed grant for Hawaii Gay Liberation Program - year one of two	Colorado Legal Initiatives Project \$30,000 Denver CO, general operating support/program support for participation in Legal Roundtable	Film Arts Foundation \$10,000 Boulder CO, program support for "And Justice For All"
An Uncommon Legacy Foundation \$40,000 New York NY, general operating support - year one of two	Colorado Outward Bound School \$13,500 Denver CO, program support for Gay, Lesbian, Bisexual and Transgender Youth Leadership Program	Funding Exchange \$5,000 New York NY, program support for Funding Exchange Grants Staff Collaboration
Asian and Pacific Islander Wellness Center \$15,000 San Francisco CA, program support for providing technical assistance to Asian and Pacific Islander lesbian, gay, bisexual and transgendered organizations nationwide	Colorado State University Foundation \$15,000 Ft. Collins CO, seed grant for Gay, Lesbian, Bisexual, Transgender Resource Center - year two of three	GALA Chorus, Inc. \$10,000 Washington DC, program support for minority and non-urban conference scholarships
Aspen Gay and Lesbian Community Fund \$3,300 Aspen CO, capacity building support for technology purchase	Community Council for Adolescent Development \$20,000 Colorado Springs CO, general operating support	Gay and Lesbian Advocates and Defenders \$25,000 Boston MA, general operating support - year two of two
Astraea Foundation \$50,000 New York NY, program support for domestic and international re-granting projects, and evaluation project	Community Foundation Serving Boulder County \$15,150 Boulder CO, program support for Open Door Fund - year one of three/event underwriting for Fourth Annual Monsoon Dinner	Gay and Lesbian Community Center of Southern Nevada \$5,000 Las Vegas NV, general operating support
Astraea Foundation \$70,000 New York NY, program support for Working Group on Funding Lesbian and Gay Issues - operating support - year one of two/communications project	Denver Foundation \$12,500 Denver CO, program support for Susan E. Anderson Fund: Equality For All	Gay and Lesbian Community Center of the Ozarks \$5,500 Springfield MO, general operating support
Boulder Pride \$10,000 Boulder CO, general operating support	Duke University \$10,000 Durham NC, program support for "GLQ: A Journal of Lesbian and Gay Studies" - year two of three	Gay and Lesbian Switchboard of Charlotte \$3,000 Charlotte NC, general operating support and re-granting for Board development and volunteer resources
		Gay Lesbian Unity Education New Mexico \$15,000 Albuquerque NM, general operating support

(LGBT continued)

Gay, Lesbian Alliance Against Defamation	\$100,000	Lavender Youth Recreation and Information Center	\$20,000	National Latina/o Lesbian and Gay Organization	\$50,000
New York NY, program support for media research and analysis program - year one of three		San Francisco CA, program support for expansion of toll-free Youth Talkline/Infoline for non-urban California communities		Washington DC, general operating support/program support/event underwriting	
Gay, Lesbian and Straight Education Network	\$75,000	Lesbian and Gay Community Association of Jacksonville	\$3,500	National Lesbian and Gay Journalists Association	\$20,000
New York NY, program support for Grassroots Organizing Project - year one of three		Jacksonville FL, program support/technology upgrade for Jacksonville Gay Pride Committee		Washington DC, general operating support - year one of two	
Gay, Lesbian Bisexual Community Services Center of Colorado	\$70,000	Lesbian and Gay Community Network of Western Michigan	\$7,000	National Native American AIDS Prevention Center	\$3,500
Denver CO, general operating support		Grand Rapids MI, general operating support		Oakland CA, event underwriting for Annual Two-Spirit Gatherings 1999-2000	
Gay, Lesbian Bisexual Community Services Center of Colorado	\$1,098	Lesbian and Gay Community Services Center	\$20,000	National Network for Youth	\$5,000
Denver CO, program support for Lesbian Cancer Support Services/ event underwriting for Bark at the Park 1999		New York NY, program support for the National Association of Community Centers		Washington DC, program support for collaborating with the Gay, Lesbian, Bisexual and Transgender Caucus	
Gender Identity Center of Colorado, Inc.	\$5,400	Louisiana Electorate of Gays and Lesbians	\$18,000	National Organization for Women Foundation	\$5,000
Lakewood CO, general operating support		New Orleans LA, general operating support		Washington DC, program support for Lesbian Rights Summit scholarship fund	
Global Fund for Women	\$25,000	Lundy Foundation	\$85,000	National Organizer's Alliance	\$2,500
Palo Alto CA, re-granting for international lesbian projects and organizations		Denver CO, program support for Leadership and Community Building Initiative - year two of two/program support for re-granting project		Washington DC, event underwriting for "NOA Gathering IV"	
Heartland Alliance for Human Needs and Human Rights	\$5,000	Lutheran Social Services of Minnesota	\$4,000	National Youth Advocacy Coalition	\$35,000
Chicago IL, program support of Midwest Human Rights Partnership for Sexual Orientation		Duluth MN, program support for Together For Youth		Washington DC, general operating support/ program support for rural and youth of color scholarships to Creating Change	
Human Rights Campaign Foundation	\$100,000	Maine Civil Liberties Union Foundation	\$10,000	North Carolina Lambda Youth Network	\$18,000
Washington DC, general operating support		Portland OR, program support for Workplace Equity Project		Durham NC, general operating support	
In the Life Media, Inc	\$35,000	Maine SpeakOut Project	\$5,000	Northcoast Lesbian Gay Bisexual and Transgendered Alliance	\$2,500
New York NY, general operating support - year one of two		Portland ME, program support for Maine SpeakOut Project		Arcata CA, general operating support	
Indiana Civil Liberties Union	\$20,000	Media Alliance	\$5,000	Northwest Coalition Against Malicious Harassment	\$7,500
Indianapolis IN, program support for Gay and Lesbian Rights Task Force - year two of three		San Francisco CA, program support for Bay Area Bisexual Network's "Anything That Moves" publication		Seattle WA, program support for Safe Schools Project	
Indiana Youth Group	\$12,000	Mesa State College Foundation	\$2,386	Out in Akron	\$4,000
Indianapolis IN, program support of "Youth in the Heartland" rural outreach project		Grand Junction CO, program support for People Recognizing the Importance of Diversity and Equality (PRIDE) student organization		Peninsula OH, event underwriting for 3rd Annual Out in Akron Cultural Festival	
Institute for Community Research	\$5,000	Milwaukee Lesbian Gay Bisexual Community Center	\$18,000	OutCharlotte	\$10,000
Hartford CT, program support of Sexual Minority Youth Project		Milwaukee WI, general operating support		Charlotte NC, general operating support/technical assistance	
Institute for Gay and Lesbian Strategic Studies	\$10,000	Mountain Meadow Country Experience	\$4,000	OutFront Minnesota	\$25,000
Amherst MA, general operating support - year one of three		Philadelphia PA, program support for camp tuition for kids from non-urban communities		Minneapolis MN, program support for community organizing in Greater Minnesota	
International Foundation for Gender Education	\$10,000	Mountain Pride Media	\$4,000	OutReach, Inc	\$5,000
Waltham MA, general operating support		Richmond VT, capacity building support for web site project		Madison WI, capacity building support for Information and Referral Line	
International Gay and Lesbian Human Rights Commission	\$51,000	Movimiento Ecumenico Nacional de Puerto Rico	\$10,000	Outright	\$10,000
San Francisco CA, general operating support - year two of two/event underwriting		Bayamon PR, program support for Project Persiste		Portland ME, general operating support	
Kalamazoo Gay Lesbian Resource Center	\$15,000	National Association of Lesbian and Gay Addictions Professionals	\$13,000	Overnight Productions, Inc.	\$5,000
Kalamazoo MI, general operating support		Arlington VA, general operating support/capacity building support for technology upgrade		Los Angeles CA, program support for "This Way Out" - year three of three	
Kentucky Fairness Alliance	\$20,000	National Center for Lesbian Rights	\$60,000	Pacific Pride Foundation	\$5,000
Louisville KY, general operating and technology support		San Francisco CA, program support for national public relations and visibility campaign, and expansion of family law work - year one of three		Santa Barbara CA, capacity building and technology support	
KUSP	\$5,000	National Gay and Lesbian Task Force Policy Institute	\$30,000	Parents, Families and Friends of Lesbians and Gays	\$25,000
Santa Cruz CA, program support for Outright Radio		Washington DC, program support for Training Initiative of the Policy Institute		Washington DC, program support for field services department	
Lambda Community Center	\$12,000			Parents Family and Friends of Lesbians and Gays/Denver	\$10,000
Ft. Collins CO, general operating support				Denver CO, general operating support/ program support for membership campaign	
Lambda Legal Defense and Education Fund	\$75,000			Parents, Families and Friends of Lesbians and Gays/Nashville	\$2,500
New York NY, general operating support - year two of two				Antioch TN, program support for education campaign	
Lambda Literary Foundation	\$26,000				
Washington DC, general operating support/capacity building/ event underwriting					

Parents, Families and Friends of Lesbians and Gays/Northwest Arkansas \$4,500 Fayetteville AR, program support for statewide organizing and leadership training	Trustees of Columbia University \$5,000 New York NY, program support for Working Group on Migrating Sexualities	Women's Law Project \$4,000 Philadelphia PA, program support for educational programs on second-parent adoptions/technical assistance to advocates and lawyers
People for the American Way Foundation \$20,000 Washington DC, program support for Hostile Climate Project - year one of two	Tulsa Oklahomans for Human Rights \$5,000 Tulsa OK, general operating support	Women's Project \$5,000 Little Rock AR, general operating support
Pikes Peak Gay and Lesbian Community Center \$21,399 Colorado Springs CO, general operating support/program support for Pride Day/program support for NetCoRe	Unitarian Universalist Association of Congregations \$10,000 Washington DC, program support for Equal Partners in Faith	Women's Project \$5,000 Little Rock AR, seed grant for Arkansas Equality Network
Planned Parenthood of the Mid-Hudson Valley \$7,500 Poughkeepsie NY, program support for Circles Project/gay, lesbian, bisexual and transgender education training	United States Urban-Rural Mission \$25,000 Durham NC, general operating support	Young Women's Christian Association of La Crosse, WI, \$7,000 La Crosse WI, program support for GALAXY and Future Search Conference
Pride Foundation \$15,000 Seattle WA, program support for Pride Statewide! Project	United Way of the Bay Area \$5,000 San Francisco CA, conference underwriting for Pride Collaborative's Out and Equal conference	Your Family, Friends, and Neighbors, Inc \$5,000 Boise ID, program support for public education outreach
PRIDE! \$15,000 Helena MT, general operating support - year one of two	Universal Fellowship of Metropolitan Community Churches \$30,000 West Hollywood CA, program support for development director	Youth Pride \$7,500 Providence RI, general operating support
Public Allies \$15,000 Washington DC, program support for gay, lesbian, bisexual and transgendered Allies	University of Arizona - Committee on Lesbian/Gay/Bisexual Studies \$3,000 Tucson AZ, program support for 5th Annual Sex and Scholarship Symposium and Colloquium on "The Future of Lesbian and Gay Studies"	TOTAL (LGBT): \$2,631,829
Pueblo After 2 \$2,000 Pueblo CO, general operating support	University of California, Santa Barbara \$5,000 Santa Barbara CA, general operating support	
Quad Citizens Affirming Diversity \$7,000 Rock Island IL, program support for the Lesbian, Gay, Bisexual and Transgender Youth/HIV Prevention Project - year two of two	University of Colorado Gay, Lesbian, Bisexual, Transgender Resource Center \$12,000 Boulder CO, general operating support	
Queer Arts Resource \$4,800 San Francisco CA, general operating support	University of Colorado Health Sciences Center \$4,700 Denver CO, program support for Campus Climate Survey for faculty and staff/ Lesbian, Gay Bisexual and Transgender Issues on Campus Project	
Rainbow Chorus \$3,000 Ft. Collins CO, general operating support	University of Denver \$6,000 Denver CO, program support for Gill Scholars - year two of five	
Re-Visioning New Mexico \$10,000 Albuquerque NM, program support for Operation OutReach Media Project	University of North Dakota \$10,000 Grand Forks ND, event underwriting for "Out on the Prairie" Conference	
Roger Baldwin Foundation of ACLU \$15,000 Chicago IL, program support for Statewide Outreach Initiative - year one of two	University of Oregon Foundation \$100 Eugene OR, conference underwriting	
Santa Fe Rape Crisis Center \$8,000 Santa Fe NM, program support for Project GLYPH (Gay Lesbian Youth Preventing Homophobia)	University of Southern Colorado \$2,500 Pueblo CO, event sponsorship for Fine Art Gallery exhibition of Nahum B. Zaniil	
Servicemembers Legal Defense Network \$35,000 Washington DC, general operating support - year one of two	Urban Peak \$25,000 Denver CO, program support for gay, lesbian, bisexual and transgender services	
Southerners on New Ground \$17,000 Louisville KY, general operating support/technical assistance	Vallecitos Mountain Refuge \$10,000 Taos NM, program support for fellowships for lesbian, gay, bisexual and transgender activities	
Stonewall Columbus \$12,500 Columbus OH, general operating support/ capacity building support for technology	Washtenaw Rainbow Action Project \$6,000 Ann Arbor MI, general operating support	
Theatre Group \$5,000 Denver CO, event underwriting for "Execution of Justice"	Wingspan \$8,000 Tucson AZ, general operating support/ technical assistance for Wingspan/program support for the Domestic Violence Project	
Time Out Youth \$10,000 Charlotte NC, general operating support	Woman Vision \$20,000 San Francisco CA, general operating support - year two of two	
Triangle Foundation \$7,500 Detroit MI, program support for rural counties outside the Detroit metropolitan area	Woman Vision \$10,000 San Francisco CA, program support for National Longitudinal Lesbian Family Study	
Triangle Speakers \$5,000 Santa Cruz CA, general operating support		

HIV/AIDS

ABC Quilts \$7,500	Howard Dental Center \$10,000	River Fund \$5,000
Northwood NH, general operating support	Denver CO, capacity building support for technology upgrade	Sebastian FL, program support for Community Outreach HIV/AIDS Education Program
Adoption Exchange \$5,000	Idaho AIDS Foundation \$4,000	Servicios de la Raza \$15,000
Aurora CO, program support for Families Connecting for Kids	Boise ID, program support for AIDS prevention	Denver CO, program support for La Gente HIV/AIDS service program
AIDS Action \$30,000	Identity, Inc. \$12,500	Shanti \$20,000
Washington DC, program support for AIDS Message Research Project	Washington DC, program support for HIV prevention and education training in rural communities	San Francisco CA, general operating support/program support for National Training Institute
AIDS Coalition of Lewiston-Auburn \$8,000	Legal Center for People with Disabilities and Older People \$15,000	Sojourners Alliance \$10,000
Lewiston ME, program support for Phoenix Project	Denver CO, program support for statewide HIV/AIDS Legal Program	Moscow ID, program support for the Stonewall Health Project
AIDS Council of Northeastern New York \$5,000	Mi Casa \$25,000	Southern Arizona AIDS Foundation \$2,000
Albany NY, program support for HIV Prevention Project	Denver CO, program support for FENIX Project	Tucson AZ, program support for people of color outreach and education
AIDS Medicine and Miracles \$7,500	Minnesota AIDS Project \$10,000	Southern Colorado AIDS Project \$35,375
Boulder CO, general operating support - year two of two	Minneapolis MN, program support for Pride Alive in Greater Minnesota	Colorado Springs CO, general operating support/event underwriting
AIDS National Interfaith Network \$10,000	Mississippi Phoenix Coalition \$10,000	Southern Colorado AIDS Project \$15,000
Washington DC, general operating support	Jackson MS, program support for HIV prevention and education	Colorado Springs CO, program support for HIV Dental Program
AIDS Nutrition Services Alliance \$10,000	Mothers' Voices United to End AIDS \$5,000	Tapestry Health Systems \$10,000
Washington DC, seed grant - year one of two	New York NY, program support for Parents Educating Parents Project	Northhampton MA, program support for Needle Exchange Advocacy Project
AIDS Project Quad Cities \$15,000	NAMES Project Foundation \$25,000	Treatment Action Group \$10,000
Davenport IA, program support for HIV prevention programs for schools and local corporations	San Francisco CA, program support for National School Quilt Program	New York NY, program support for Office of AIDS Research Project
AIDS Project Rhode Island \$15,000	National Minority AIDS Council \$25,000	Visiting Nurse Corporation of Colorado \$12,000
Providence RI, program support for The Messengers Project	Washington DC, general operating support - year two of two	Denver CO, program support for home/health care services for people living with AIDS
AIDS Resource Center of Wisconsin \$15,000	Nebraska Urban Indian Medical Center \$10,000	Western Colorado AIDS Project \$25,000
Milwaukee WI, general operating support	Lincoln NE, program support for HIV prevention programming	Grand Junction CO, program support for Prevention, Education and Community Mobilization Project
AIDS Service Agency \$12,000	Northern Colorado AIDS Project \$25,000	Western Colorado AIDS Project \$18,000
Raleigh NC, program support for prevention education programs	Fort Collins CO, general operating support	Grand Junction CO, program support for rural scholarship fund for U.S. Conference on AIDS in Denver
AIDS Vaccine Advocacy Coalition \$10,000	Out for Life \$10,000	Western Colorado AIDS Project \$10,000
Washington DC, general operating support	Denver CO, seed grant for prevention program - year two of two	Telluride CO, program support for Telluride AIDS Benefit
Austin Latino/a Lesbian and Gay Organization \$10,000	People of Color AIDS Foundation \$10,000	TOTAL (HIV/AIDS): \$793,875
Austin TX, general operating support	Santa Fe NM, general operating support	
Bethany House \$5,000	People with AIDS Coalition Colorado \$5,000	
Denver CO, event underwriting for 4th Annual Soiree	Denver CO, general operating support	
Big Bend Cares \$12,000	Phoenix Concept \$7,500	
Tallahassee FL, program support for rural prevention and educational outreach program	Denver CO, general operating support	
Boulder County AIDS Project \$26,000	Pierce County AIDS Foundation \$5,000	
Boulder CO, general operating support/event underwriting for Thirteenth Annual Dinner	Tacoma WA, program support for Friend to Friend Project	
Colorado AIDS Project \$80,000	Positive Response \$10,000	
Denver CO, program support for Cornerstone	Villa Rica GA, program support for rural HIV/AIDS prevention	
Colorado AIDS Project \$40,000	Project Angel Heart \$10,000	
Denver CO, capacity building support for Denver Resource Planning Council	Denver CO, program support for Bread and Butter Club	
Douglas County AIDS Project \$10,000	Project Inform \$25,000	
Lawrence KS, program support for Teen Prevention Program	San Francisco CA, general operating support - year two of two	
Greater Cedar Rapids Foundation \$8,000	Red Ribbon Project \$4,000	
Cedar Rapids IA, program support for Iowa Community AIDS Partnership's AIDS prevention re-granting program	Avon CO, general operating support/program support for participation in U.S. Conference on AIDS	
	Regional AIDS Interfaith Network of Arkansas \$2,500	
	Little Rock AR, program support for prevention education	

Hometown Heroes

Hometown Heroes **\$161,758**

The Hometown Heroes project successfully encouraged participants of the National Gay and Lesbian Task Force's annual Creating Change conference to donate money to LGBT organizations in their hometowns. Hometown Heroes funded 75 organizations throughout the country, with the Gill Foundation awarding \$161,758 in matching grants. The Gill Foundation matched at a rate of 2:1.

TOTAL (Hometown Heroes) **\$161,758**

Other

TOTAL (Other) **\$249,668**

GAY AND LESBIAN FUND FOR COLORADO GRANTS

TOTAL: \$815,225* PERCENTAGE OF TOTAL GIVING: 17.52%

Children and Youth

Adoption Exchange	\$5,000
Denver CO, underwriting for Colorado Springs Adoption Networking Party and placement of two El Paso County children with families	
Association for Children for Enforcement of Support	\$7,500
Colorado Springs CO, challenge and capacity building grant to assist children whose parents fail to meet child support obligations	
Cheshire Children's Fund	\$100,000
Denver CO, for re-granting to Colorado children and youth agencies	
Children's Literacy Center	\$10,000
Colorado Springs CO, challenge grant to build a life of success for young children through a foundation of literacy	
Chins Up Youth and Family Services	\$30,000
Colorado Springs CO, challenge grant to support the Safe Alternative Family Environment (SAFE) nursery shelter program	
First Visitor	\$4,500
Colorado Springs CO, underwriting for the Plant a Flower campaign raising funds to promote healthy infants through home visitation, education and support	
Gay, Lesbian, Bisexual Community Services Center	\$40,000
Denver CO, underwriting of the Cheshire Ball to benefit Rainbow Alley Youth Center	
Parent Education and Assistance for Kids	\$5,000
Colorado Springs CO, sponsorship to increase statewide disability education and advocacy through Creating Possibilities for All Families	
Pikes Peak Community Action Agency	\$6,500
Colorado Springs CO, challenge grant helping low-income families and individuals to be self-sufficient	
Special Kids - Special Families	\$5,000
Colorado Springs CO, challenge grant to help Zach's Place serve developmentally disabled children	
Women's Resource Agency	\$6,000
Colorado Springs CO, for the Gay and Lesbian Fund for Colorado Scholarship Fund	
TOTAL (Children and Youth):	\$219,500

Arts and Culture

Aspen Ballet	\$10,000
Aspen CO, underwriting for Durango and touring performances of the Nutcracker Ballet	
Black American West Museum and Heritage Center	\$5,000
Denver CO, challenge grant to preserve and exhibit memorabilia celebrating the American West	
Boulder Asian Pacific Alliance	\$5,000
Boulder CO, sponsorship of the 6th Annual Boulder Asian Cultural Festival	
Business of Arts Center	\$15,000
Manitou Springs CO, sponsorship of the Main Gallery and of the Spring 2000 fundraising event	
Carbondale Council on the Arts and Humanities	\$5,000
Carbondale CO, lead sponsorship of the 18th Annual Summer Performances in the Park series	
Central City Opera	\$5,000
Central City CO, sponsorship of the 2000 season	
Children's Hospital	\$16,200
Denver CO, sponsorship of the Star Wars fundraising event	
Cleo Parker Robinson Dance	\$10,000
Denver CO, sponsorship of Granny Dances to a Holiday Drum	
Colorado Ballet Company	\$5,000
Denver CO, underwriting for the 1999/2000 season opener featuring Rodeo, Facade and Of Blessed Memory	
Colorado Black Women for Political Action	\$2,500
Denver CO, sponsorship of the 20th Annual Tribute Luncheon	
Colorado Chautauqua Association	\$5,000
Boulder CO, sponsorship to promote discussion of important contemporary issues through the Summer 1999 Speakers Series	
Colorado College	\$2,000
Colorado Springs CO, sponsorship of the Annual Women's Art Festival	
Colorado Dance Festival	\$5,000
Boulder CO, sponsorship of the 1999 Season "Let's Dance Together: The Americas"	
Colorado Music Festival	\$3,000
Boulder CO, concert sponsorship	
Colorado Springs Community Ventures	\$5,000
Colorado Springs CO, underwriting for First Night Pikes Peak	
Colorado Springs Fine Arts Center	\$300
Colorado Springs CO, tickets to attend the 1999 Season Opening Gala Viva Caribe	
Colorado Springs Symphony	\$11,250
Colorado Springs CO, sponsorship of the Family Classics Series and underwriting of the Rhapsody in Red: Ruby Ball	
Colorado Vocal Arts Ensemble	\$1,500
Colorado Springs CO, sponsorship of the Spring 2000 concert Give Us Peace	

DaVinci Quartet	\$15,000
Colorado Springs CO, lead sponsorship of the 1999/2000 season performances and underwriting fundraising performances for local non-profits	
Denver Film Society	\$5,000
Denver CO, sponsorship of the 22nd Denver International Film Festival	
Denver Jazz on Film Festival	\$4,000
Denver CO, challenge grant and underwriting for the 4th Annual Denver Jazz on Film Festival	
Holocaust Awareness Institute	\$5,000
Denver CO, event underwriting of the Remembrance and Hope Dinner	
Metro Volunteers	\$500
Denver CO, sponsorship of the National Philanthropy Day in Colorado Luncheon	
Mizel Family Cultural Arts Center	\$10,000
Denver CO, sponsorship of the Jewish Descent/Jewish Dissent project	
Mizel Museum of Judaica	\$5,000
Denver CO, sponsorship of the sculpture exhibition Surplus of Memory	
National Repertory Orchestra	\$7,500
Breckenridge CO, event sponsorship of the premiere dance and symphony program An American in Paris	
Opera Colorado	\$10,000
Denver CO, sponsorship of Gershwin's Porgy and Bess	
Opera Theater of the Rockies	\$7,500
Colorado Springs CO, sponsorship of The Ballad of Baby Doe	
Pan African Arts Society	\$15,000
Denver CO, sponsorship of the Reel/Real Black Film Festival	
Performing Arts for Youth Organization	\$5,000
Colorado Springs CO, underwriting to bring the Performing Arts Link Project to underserved youth in non-traditional schools	
Physically Handicapped Amateur Musical Actors League	\$10,000
Denver CO, sponsorship of Celebrate Our Strength and fundraising challenge grant	
Pikes Peak Hospice	\$5,000
Colorado Springs CO, Angel sponsorship of the 1999 Trees of Life, raising funds for patient care	
Rocky Mountain Women's Film Festival	\$5,000
Colorado Springs CO, sponsorship of the festivals' Filmmakers in the Community Project and Filmmaker's Forum	
Rocky Mountain Women's Institute	\$3,000
Denver CO, underwriting for the 1999/2000 2nd Thursday Speaker Series promoting the artistic and intellectual accomplishments of women	
Santa Fe Redevelopment Corporation	\$5,000
Denver CO, sponsorship celebrating Cinco de Mayo and providing college scholarships for Latino students	
Speaking of Dance	\$3,000
Denver CO, sponsorship of the 7th Annual Season bringing dance to the community	
Su Teatro	\$6,000
Denver CO, sponsorship increasing Latino positive self-identity and cultural pride through the St. Cajetan's Reunification Project	

(Arts and Culture continued)

Telluride Council for the Arts and Humanities	\$1,000
Telluride CO, sponsorship of the Beaux Arts Ball	
Urban League of Metropolitan Denver	\$1,750
Denver CO, sponsorship of the Martin Luther King celebration	
Young Audiences of Colorado	\$10,000
Denver CO, underwriting for workshops to promote the use of the arts for social change	

TOTAL (Arts and Culture): \$251,000

Leadership Development

Cheyenne Mountain Heritage Center	\$3,000
Colorado Springs CO, lead sponsorship to develop and advance community service and leadership skills of high school students through the 1999 Stratton Youth Leadership Seminar	
Cheyenne Village	\$7,500
Colorado Springs CO, challenge grant to promote full community participation for adults with developmental disabilities	
Chicano Unity Council	\$2,500
Colorado Springs CO, sponsorship of the 1999 Latino Youth Leadership Conference	
Chinook Fund	\$21,000
Denver CO, to provide scholarship funds for participation of grassroots community organizations in the 6th Annual Skills Conference and capacity building	
Colorado Capital Initiatives	\$5,000
Denver CO, premiere sponsorship of the Manitou Springs Small Business Program micro enterprise program	
Colorado Women's Agenda	\$5,000
Denver CO, sponsorship of the Colorado Springs Women's Activist Conference promoting social justice, political power and economic security for women	
Community Resource Center	\$7,500
Denver CO, challenge grant for El Paso County non-profit organizations to attend the Grassroots Leadership and Management program and receive technical assistance	
El Cinco de Mayo	\$400
Colorado Springs CO, sponsorship of the 16th Annual Cinco de Mayo Celebration	
Mi Casa Resource Center for Women	\$10,000
Colorado Springs CO, challenge grant to support the Women's Business Center in their efforts to promote self-sufficiency	
Sierra Club	\$25,000
San Francisco CA, program support for activist training through the Walt Whitman Gay and Lesbian Environmentalist Fund	

TOTAL (Leadership Development): \$86,900

Excellence in Communications

Colorado Association of Black Journalists	\$2,500
Denver CO, sponsorship of the 1999 Media Awards and Scholarship Banquet	

TOTAL (Excellence in Communications) \$2,500

Social Justice

9 to 5, National Association of Working Women	\$3,000
Denver CO, underwriting for Colorado Springs workplace anti-discrimination forums	
American Civil Liberties Union of Colorado	\$10,000
Denver CO, challenge grant to support the Colorado Springs Initiative including opening a Colorado Springs chapter	
Citizens' Chamber	\$6,000
Colorado Springs CO, challenge grant to promote economic and social justice through collaboration, education and public action	
Citizens' Project	\$15,100
Colorado Springs CO, challenge grant to uphold traditional American values and sponsorship of 7th Anniversary celebration	
Concerned Citizens' at the Colorado College	\$750
Colorado Springs CO, sponsorship of lecture by Omali Yeshitela	
High Plains Church, Unitarian Universalist	\$5,000
Colorado Springs CO, challenge grant encouraging a supportive, inclusive religious community	
Housing Advocacy Coalition	\$10,000
Colorado Springs CO, challenge grant to promote affordable housing to low-income people	
Legal Center for People with Disabilities and Older People	\$3,500
Denver CO, underwriting for outreach events and a challenge grant to promote the rights of people with disabilities and older people in El Paso County	
National Organization for Men Against Sexism	\$10,000
Colorado Springs CO, sponsorship of the 25th National Men and Masculinity Conference in Colorado Springs and scholarships for El Paso County participants	
Pikes Peak Arkansas River Legal Aid	\$5,150
Colorado Springs CO, sponsorship of the 10th Annual Night at the Ballpark fundraiser and challenge grant through the Legal Aid Foundation of Colorado to serve over 5,000 low-income individuals this year	
Planned Parenthood	\$32,500
Colorado Springs CO, challenge grant to open a Public Affairs office and sponsorship of Annual Luncheon benefiting Teens for Tomorrow	
Urban League of the Pikes Peak Region	\$44,000
Colorado Springs CO, sponsorship of the Urban League's Western Regional Conference in Colorado Springs and challenge grant to promote programs securing equal opportunities for African-Americans and other minorities	
U.S. Holocaust Memorial Museum	\$20,000
Washington D.C., to the V. Duane Ruth Endowment Fund	
Women's Foundation	\$1,000
Colorado Springs CO, sponsorship of the 1999 Luncheon	

TOTAL (Social Justice) \$166,000

Public Broadcasting

Colorado Public Radio	\$25,000
Denver, Grand Junction, Montrose, Pueblo, Vail, CO, to provide public radio to listeners through the annual member challenge drive and on-air underwriting	
KBDI Channel 12	\$14,250
Denver CO, for public television program underwriting	
KBUT	\$1,680
Crested Butte CO, to provide public radio to listeners through program underwriting	
KGNU	\$4,120
Boulder CO, for the annual membership challenge drive and program underwriting to support community public radio	
KRCC	\$19,175
Colorado Springs CO, to provide public radio to Southern Colorado listeners through program underwriting and a fundraising challenge	
KRZA	\$9,000
Alamosa CO, to support public radio in the San Luis Valley through program underwriting and a fundraising challenge	
KSUT	\$3,600
Ignacio CO, challenge grant to provide public radio to listeners with on-air underwriting	
KUNC	\$7,500
Greeley CO, challenge grant to provide public radio to listeners through the new member drive and on-air underwriting	
Telluride Community Television	\$5,000
Telluride CO, to provide public television to viewers through underwriting of the 1999/2000 television season	

TOTAL (Public Broadcasting) \$89,325

* Represents total cash grants paid and pledged in 1999, including conditional pledges.

FINANCIAL STATEMENTS

Independent Accountants' Report

Board of Directors
Gill Foundation and Gill Operating Foundation
Denver, Colorado

We have audited the accompanying consolidated statements of financial position of GILL FOUNDATION and GILL OPERATING FOUNDATION as of December 31, 1999 and 1998, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundations' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of GILL FOUNDATION and GILL OPERATING FOUNDATION as of December 31, 1999 and 1998, and the changes in net assets and cash flows for the years then ended in conformity with generally accepted accounting principles.



March 23, 2000
Colorado Springs, Colorado

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 1999 AND 1998

ASSETS

	1999	1998
CURRENT ASSETS		
Cash	\$ 82,720,603	\$ 39,981
Investments	40,867,047	26,116,572
Contribution receivable – related party	12,631,399	792,572
Accounts receivable	–	10,254
Prepaid expenses and other assets	12,237	15,794
Total Current Assets	<u>136,231,286</u>	<u>26,975,173</u>
INVESTMENTS & LONG-TERM CONTRIBUTION RECEIVABLE		
Related party receivable, Net of Current Portion	24,401,465	32,348,444
Investments	1,754,463	–
	<u>26,155,928</u>	<u>32,248,444</u>
PROPERTY AND EQUIPMENT, At Cost		
Office equipment	248,008	112,171
Furniture and fixtures	169,965	30,865
	<u>417,973</u>	<u>143,036</u>
Less accumulated depreciation	137,217	57,995
	<u>280,756</u>	<u>85,041</u>
	<u>\$ 162,667,970</u>	<u>\$ 59,408,658</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Unpaid appropriations	\$ 636,500	\$ 792,572
Accounts payable and accrued expenses	101,066	82,051
Excise tax payable	61,420	23,879
Deferred excise tax payable	61,389	21,950
Total Current Liabilities	<u>860,375</u>	<u>920,452</u>
LONG-TERM UNPAID APPROPRIATIONS, Net of Current Portion	<u>221,004</u>	<u>15,000</u>
NET ASSETS		
Unrestricted	124,553,727	26,139,762
Temporarily restricted	37,032,864	32,333,444
	<u>161,586,591</u>	<u>58,473,206</u>
	<u>\$ 162,667,970</u>	<u>\$ 59,408,658</u>

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF ACTIVITIES

DECEMBER 31, 1999

	Unrestricted	Temporarily Restricted	Total
REVENUES AND GAINS			
Contribution revenue – related party	\$ 90,875,263	\$ 4,699,420	\$ 95,574,683
Contribution revenue	9,441,550	—	9,441,550
OutGiving Project revenue	77,433	—	77,433
Interest and dividend revenue	789,222	—	789,222
Net realized and unrealized gains on investments	5,357,431	—	5,357,431
Total Revenues and Gains	<u>106,540,899</u>	<u>4,699,420</u>	<u>111,240,319</u>
PROGRAMS AND EXPENSES			
OutGiving Project	1,247,286	—	1,247,286
Management – general	164,641	—	164,641
Total Programs and Expenses	<u>1,411,927</u>	<u>0</u>	<u>1,411,927</u>
APPROPRIATIONS AND EXPENSES			
Appropriations for grants	5,104,120	—	5,104,120
Communications expenses	512,815	—	512,815
Administrative expenses:			
Grants administration	578,842	—	578,842
Taxes and investments fees	519,230	—	519,230
Total Appropriations and Expenses	<u>6,715,007</u>	<u>0</u>	<u>6,715,007</u>
CHANGE IN NET ASSETS	98,413,965	4,699,420	103,113,385
NET ASSETS, BEGINNING OF YEAR	<u>26,139,762</u>	<u>32,333,444</u>	<u>58,473,206</u>
NET ASSETS, END OF YEAR	<u>\$ 124,553,727</u>	<u>\$ 37,032,864</u>	<u>\$ 161,586,591</u>

CONSOLIDATED STATEMENT OF ACTIVITIES

DECEMBER 31, 1998

	Unrestricted	Temporarily Restricted	Total
REVENUES AND GAINS			
Contribution revenue – related party	\$ 16,385,984	\$ 23,388,597	\$ 39,774,581
OutGiving Project revenue	958	–	958
Interest and dividend revenue	673,857	–	673,857
Net realized and unrealized gains on investments	1,942,559	–	1,942,559
Total Revenues and Gains	19,003,358	23,388,597	42,391,955
PROGRAMS AND EXPENSES			
OutGiving Project	727,209	–	727,209
Cheshire Ball	19,958	–	19,958
Management – general	251,862	–	251,862
Total Programs and Expenses	999,029	0	999,029
APPROPRIATIONS AND EXPENSES			
Appropriations for grants	4,030,912	–	4,030,912
Administrative expenses			
Grants administration	356,786	–	356,786
Taxes and investments fees	111,391	–	111,391
Total Appropriations and Expenses	4,499,089	0	4,499,089
CHANGE IN NET ASSETS	13,505,240	23,388,597	36,893,837
NET ASSETS, BEGINNING OF YEAR	12,634,522	8,944,847	21,579,369
NET ASSETS, END OF YEAR	\$ 26,139,762	\$ 32,333,444	\$ 58,473,206

CONSOLIDATED STATEMENTS OF CASH FLOWS
DECEMBER 31, 1999 AND 1998

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 103,113,385	\$ 36,893,837
Items not requiring (providing) cash:		
Depreciation	79,222	35,665
Net realized and unrealized gains on investments	5,357,431	(1,942,559)
Deferred excise taxes	39,439	21,950
Changes in:		
Contributions receivable	(3,891,848)	(23,638,484)
Accounts receivable	10,254	(5,634)
Prepaid expenses and other assets	3,557	(11,195)
Accounts payable and accrued expenses	19,015	(19,632)
Income tax payable	37,541	23,879
Unpaid appropriations	49,932	249,887
Net cash provided by operating activities	<u>104,817,928</u>	<u>11,607,714</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(21,862,369)	(11,617,759)
Purchase of property and equipment	(274,937)	(56,896)
Net cash used in investing activities	<u>(22,137,306)</u>	<u>(11,674,655)</u>
NET INCREASE (DECREASE) IN CASH	82,680,622	(66,941)
CASH, BEGINNING OF YEAR	<u>39,981</u>	<u>106,922</u>
CASH, END OF YEAR	<u>\$ 82,720,603</u>	<u>\$ 39,981</u>

NOTE 1: NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Foundations Operations The Gill Foundation (the Foundation) was founded in 1994 by Timothy E. Gill as a not-for-profit charitable foundation to serve as a catalyst and provide resources for communities in pursuit of justice and equality, while building awareness of the contributions gay men and lesbians make to American society. Through grantmaking activities, technical assistance and other special programs, the Foundation invests in organizations serving the needs of gay, lesbian and bisexual people, and in community programs designed to improve the quality of life for everyone. The primary source of the Foundations' revenue is through contributions from Mr. Gill.

The Gill Operating Foundation (the Operating Foundation), who has a common governing board with the Foundation, is a not-for-profit charitable foundation, created in 1999, designed to promote philanthropy through training, technical assistance and other special programs. Working with qualified not-for-profit organizations, the Operating Foundation trains organizations in fund raising and provides technical assistance in volunteer and Board development. In addition, the Operating Foundation works with a network of donors around the country to help them become more effective in their giving and in their work with the not-for-profits they fund. The primary source of the Operating Foundation's revenue is through contributions from Tim Gill.

Principles of Consolidation The consolidated financial statements include the accounts of the Foundation and the Operating Foundation. All significant inter-entity accounts and transactions have been eliminated in consolidation.

Use of Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Income Taxes The Foundations are organized under Section 501(c)(3) as exempt private foundations. As such, excise taxes are paid on net investment income.

Investments Investments in equity and debt securities having a readily determinable fair value are carried at fair value. Other investments in limited partnerships and venture capital entities are reported based on the fair value of the underlying assets as reported by the entities in their audited financial statements. Investment income and gains that are initially restricted by donor stipulation and for which the restriction will be satisfied in the same year are included in unrestricted net assets. Other investment income, gains and losses are reflected in the statements of activities as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

Property and Equipment Property and equipment are depreciated on a straight-line basis over the estimated useful life of the assets (three years for office furnishings and equipment).

Contributions Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor-stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and is reported as contribution revenue.

Appropriations Appropriations are recorded as an expense when grants are approved for specific grantees and payment of the appropriation is probable. Appropriations that are expected to be paid more than one year subsequent to year end and are measured at the present value of the future cash outflow using a discount rate commensurate with the risks involved.

NOTE 2: CONTRIBUTIONS RECEIVABLE - RELATED PARTY

Contributions receivable from the related party who is a member of the Foundations' Board of Directors consist of the following unconditional promises to give:

	1999	1998
Due in less than one year	\$ 12,631,399	\$ 792,572
Due in one to five years	27,417,486	36,344,858
	<hr/>	<hr/>
	40,048,885	37,137,430
Less: Unamortized discount on long-term contribution receivable	3,016,021	3,996,414
	<hr/>	<hr/>
	\$ 37,032,864	\$ 33,141,016

Contributions receivable – related party are shown on the statement of financial position as follows:

	1999	1998
Contribution receivable	\$ 12,631,399	\$ 792,572
Contribution receivable, long-term	24,401,465	32,348,444
	<hr/>	<hr/>
	\$ 37,032,864	\$ 33,141,016

Contribution revenue from the related party represents 91% and 100% of the total contribution revenue of the Foundations during 1999 and 1998, respectively, and consists of the following:

	1999	1998
Cash and investments received from the related party	\$ 79,051,436	\$ 16,140,135
Noncash contribution received from related party	—	11,271
Promise receivable – charitable gift trust	4,699,420	23,388,597
Change in promises receivable for direct and matching grants	11,823,827	234,578
	<hr/>	<hr/>
	\$ 95,574,683	\$ 39,774,581

The promise receivable – charitable gift trust consists of a promise to donate assets held in a charitable gift trust, which will be transferred to the Foundation during the years ending December 31, 2000 and 2001. The fair value of the assets held in the trust as of the end of the year was used to calculate the present value of the promise receivable. The fair value of these assets could change significantly prior to the transfer to the Foundation.

NOTE 3: INVESTMENTS

Investments consisted of the following:

	Carrying Amount	
	1999	1998
Investment in partnerships and venture capital	\$ 22,811,351	\$ —
Common stocks	11,914,715	13,985,784
Corporate debt funds	—	10,187,580
International funds	7,719,873	—
Money market funds	175,571	1,943,208
	\$ 42,621,510	\$ 26,116,572

Investments are shown on the Statement of Financial Position as follows:

	1999	1998
Investments – current	\$ 40,867,047	\$ 26,116,572
Investments – long-term	1,754,463	—
	\$ 42,621,510	\$ 26,116,572

Investment return consisted of the following:

	1999	1998
Net realized and unrealized gains on investments	\$ 5,357,431	\$ 1,942,559
Interest and dividend income	789,222	673,858
	\$ 6,146,653	\$ 2,616,417

NOTE 4: UNPAID APPROPRIATIONS

Unpaid appropriations are as follows:

	1999	1998
Due in less than one year	\$ 636,500	\$ 792,572
Due in one to five years	249,000	15,000
	885,500	807,572
Less present value of long-term appropriations	27,996	—
	\$ 857,504	\$ 807,572

Unpaid appropriations are shown on the statements of financial position as follows:

	1999	1998
Unpaid appropriations, current	\$ 636,500	\$ 792,572
Unpaid appropriations, long-term	221,004	15,000
	\$ 857,504	\$ 807,572

NOTE 5: CONDITIONAL UNPAID APPROPRIATIONS

Conditional unpaid appropriations depend on the occurrence of a specified future and uncertain event to bind the Foundation. Conditional unpaid appropriations are incurred as expenses when the conditions are substantially met. Conditional unpaid appropriations were \$295,714 and \$332,181 as of December 31, 1999 and 1998, respectively.

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purpose:

	1999	1998
Contributions receivable to support any activities of the Foundation	\$ 37,032,864	\$ 32,333,444

NOTE 7: OPERATING LEASES

The Foundation has noncancellable operating leases for office space in Denver, Colorado; Colorado Springs, Colorado and in Washington, D.C. The leases expire in August 2002, March 2002 and November 2000, respectively.

Future minimum lease payments are:

2000	\$ 131,528
2001	97,682
2002	59,932
Future minimum lease payments	\$ 289,142

Rent expense was \$90,148 and \$58,593 for the years ended December 31, 1999 and 1998, respectively.

NOTE 8: RETIREMENT PLAN

On November 1, 1997, the Foundation adopted a qualified defined contribution retirement plan, which covers substantially all employees satisfying the length of service and age requirements. The retirement plan is funded on a current basis. Contributions are matched by the Foundations, dollar for dollar, up to the first 10% of employee compensation. Contributions to the plan were \$25,546 and \$21,037 for the years ended December 31, 1999 and 1998, respectively.

NOTE 9: EXCISE AND INCOME TAXES

The Foundations qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and are a private foundation and private operating foundation. Accordingly, in lieu of federal income taxes, the Foundations are subject to an annual excise tax (2% for 1999 and 1998) on net investment income including capital gains.

Deferred taxes are recognized in the financial statements for the excise tax on the unrealized gain on investments reported by the Foundation.

The provision for excise taxes and the excise tax payable include these components:

	1999	1998
Excise taxes currently payable	\$ 61,420	\$ 23,879
Deferred excise taxes payable	61,389	21,950
Total excise tax liability	<u>\$ 122,809</u>	<u>\$ 45,829</u>
Provision for excise tax - current	\$ 75,285	\$ 30,670
Provision for excise tax - deferred	39,439	21,950
Total provision for excise tax	<u>\$ 114,724</u>	<u>\$ 52,620</u>

NOTE 10: SIGNIFICANT ESTIMATES AND CONCENTRATIONS

Generally accepted accounting principles require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Investments As of December 31, 1999, 72% of the Foundations' investment portfolio is invested in limited partnerships and venture capital organizations, some of which are offshore entities. There is no ready market for these investments. The values reported in the Foundations' financial statements are the market value reported by the entities in audited financial statements. These values could be volatile and could be significantly different on a subsequent valuation date.

NOTE II: ADDITIONAL CASH FLOW INFORMATION

	1999	1998
Additional Cash Payment Information		
Excise taxes paid	<u>\$ 37,744</u>	<u>\$ 6,791</u>

Endnotes

- i "From Wrongs to Rights, 1973-1999." NGLTF Policy Institute, 1999.
- ii "Capital Gains and Losses." NGLTF Policy Institute, 1998.
- iii "From Wrongs to Rights, 1973-1999." NGLTF Policy Institute, 1999.
- iv Survey, Gay and Lesbian Fund for Colorado, 1999.
- v Survey, Gay and Lesbian Fund for Colorado, 1999.



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PLEASE VISIT OUR WEBSITE AT WWW.GILLFOUNDATION.ORG