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ANNUAL REPORT
2015

SINCE ITS
INCEPTION,
THE ABELL
FOUNDATION
HAS BEEN
DEDICATED
TO THE
ENHANCEMENT
OF THE
QUALITY
OF LIFE IN
BALTIMORE
AND MARYLAND.

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Foreword

The Abell Foundation is committed to improving the lives of underserved populations in Baltimore City by supporting innovative, results-oriented efforts to solve systemic social, economic, and environmental problems; providing research to better inform civic conversation about relevant issues; and investing in new businesses and technologies that have the potential to benefit society. Through our grantmaking, research, and investments, the Foundation aims to help break the cycle of poverty that wreaks havoc on the lives of so many of our fellow citizens.

By many measures, 2015 was a tough year for Baltimore. With record-setting levels of violence and images of unrest and poverty plastered across national and international media, Baltimoreans endured a collective blow. With new wounds — and very old scars — exposed to the world, we asked ourselves if we were indeed making progress in improving the quality of life of our poorest, most vulnerable citizens.

We are, of course, not where we want to be. But the citizens of Baltimore have demonstrated the creativity, collaboration, and grit that have sustained our city — and its people — for generations.

The work profiled in these pages illustrates those qualities: after-school academic leagues to inspire intellectual achievement; cross-sector partnerships to expand access to effective birth control and reduce unintended pregnancy; advocacy and direct service campaigns that support vulnerable homeowners and restore community stability; public-private ventures that expand access to clean energy and grow green jobs, and investments in entrepreneurs and small businesses that grow our neighborhoods and our city. These programs and partnerships offer vital reminders of our capacity to affect change.

We are proud to share this report of our activities in 2015.

A History of the Abell Foundation

The Abell Foundation, formerly known as The A.S. Abell Company Foundation, was established on December 31, 1953, on the initiative of the late Harry C. Black, philanthropist and then chairman of the board of the A.S. Abell Company, the former publisher of *The Baltimore Sun*.

Since its inception as a private foundation incorporated in Maryland, the Abell Foundation has been dedicated to the enhancement of the quality of life in Maryland, particularly Baltimore City.

From its beginnings, the Foundation has supported a wide range of community needs. Early records show gifts to hospitals, educational institutions, culture and the arts, and human services, including the Associated Jewish Charities and the United Negro College Fund of Baltimore, Inc.

The Foundation's mission, though shaped early on by Harry C. Black, was given firmer definition over the years by his nephew and successor, Gary Black, Sr. With the passing of Mr. Gary Black, Sr. in October 1987, the mantle of leadership was passed to his son, Gary Black, Jr., who had trained a lifetime for the position.

The Foundation's leadership over the years has been supported by persons of remarkable dedication and community involvement: William S. Abell; W. Shepherdson Abell, Jr.; George L. Bunting, Jr.; Thomas B. Butler; Robert C. Embry, Jr.; Harrison Garrett; Robert Garrett; Benjamin Griswold III; Jacqueline C. Hrabowski; Stephon Jackson; William L. Jews; William E. McGuirk, Jr.; Mary Page Michel; Sally J. Michel; Edwin F. Morgan; Donald H. Patterson; William F. Schmick, Jr.; John E. Semmes; Walter Sondheim, Jr.; and Christy Wyskiel.

A new generation of leadership has made its impression on the Foundation's mission to act as an agent of change. The mission includes special emphases on public school reform; community development; workforce development; health-related human services; criminal justice and addiction; the environment; and the arts.

The Foundation's current assets reflect the financial success of *The Baltimore Sun* and the generosity of Mr. Harry C. Black, who left a portion of his estate to the Foundation. On October 17, 1986, the resources of the Foundation were increased substantially by the sale of the A.S. Abell Company, and more recently, by private direct investments.

Education

Redesigning Teacher Preparation and Retaining Talent: Urban Teachers

The Urban Teachers preparation program addresses two of the most pressing problems facing city school districts today: the need for a pipeline of highly qualified, effective teachers; and the need to retain them to create workforce stability. At the core of its work in teacher preparation is a new clinical residency and accountability model that ensures teachers who complete this program will have demonstrated they are able to improve student performance.

With a startup grant from the Abell Foundation and the New Schools Venture Fund, Urban Teachers was founded in September 2009, thus creating a new model to train and certify highly effective teachers in Baltimore, Washington D.C., and, most recently, Dallas/Fort Worth. Its work is premised on the theory that selective admissions; rigorous, clinically based coursework; extensive experience in classrooms; ongoing support and coaching; and continual evaluation will result in more effective teachers who stay in urban schools.

Urban Teachers requires applicants to make a four-year commitment: an intensive residency year, followed by a three-year teaching commitment in a high-needs urban public school. In order to receive full certification, residents must pass through several gates, all tied to their ability to make a positive impact on student performance. This alternative teacher preparation program represents a marked departure from traditional schools of education teacher preparation programs, as well as alternative certification programs like Teach For America. It has received Maryland State Department of Education approval for its master's degree program (in collaboration with the Johns Hopkins University School of Education).

Urban Teachers now licenses teachers in pre-K to grade five in general and special education, as well as grades six to 12 in English and mathematics, and is adding early childhood education to its licensing program. Participants receive a master's degree from the Johns Hopkins University in special education, as well as their individual area certification. Urban Teachers has developed an accountability system with its Teacher Effectiveness Evaluation, which monitors the performance and licensing eligibility of its teachers, and informs the coaching and training they receive.

In its sixth year, Urban Teachers has trained more than 250 teachers and is serving 6,000 students in 40 Baltimore City Public Schools with an incoming cohort of more than 50 teachers. In the most recent cohort, 64 percent of participants are people of color.

The strong outcomes of Urban Teachers speak to the program's overall effectiveness. Eighty percent of Urban Teachers participants return for a third year of teaching, and 71 percent complete it. Of those who remain after the third

year, 94 percent meet the standards set forth in the Teacher Effectiveness Evaluation. To date, the program boasts the highest retention rate for all teacher pipelines in Baltimore City: More than 96 percent of those who complete the four-year program remain teaching in City Schools. Because Urban Teachers produces high-quality teachers who stay, the demand for the program's residents and teachers by the school district has outpaced the supply of incoming teachers.

By 2018, Urban Teachers aims to expand in order to provide one-third of the new teachers' pipeline market in Baltimore. Teachers trained by Urban Teachers are expected to be among the most expert and results-oriented in the nation, leading the public case for better teacher preparation and educator accountability.

Supporting Academic After-School Leagues

Today research has established the value of after-school programming on a number of student outcomes. When the Abell Foundation began sponsoring extracurricular academic activities and clubs in 1993, however, the after-school landscape was sparse with the exception of high school sports. Prompted by the work of renowned sociologist Dr. James Coleman, the Foundation asked the question: What if elementary through high school students had the opportunity to participate and excel in academic programming and competitions, and received the same acclaim and acknowledgement as athletes?

While Baltimore's after-school ecosystem has expanded significantly in the last two decades, the Abell Foundation has continued to focus on supporting academic leagues — those after-school programs that provide the same learning, mentoring, competition, and mental exercise as traditional sports teams but are more directly aligned with increasing academic achievement.

1. Robotics Programming in Baltimore City Public Schools

The newest academic sport in City Schools is the Baltimore Robotics League. In 2014, the Abell Foundation partnered with Baltimore City Public Schools and the Baltimore Robotics Center to launch the Baltimore Robotics League with the goal of developing a robotics pipeline from elementary schools through high school/college transition.

Although specific Baltimore City Public Schools had offered extracurricular robotics programming over the last decade, it has been sporadic and unsustainable at the school system level. Since 2013, the Abell Foundation has provided a facility on West Pratt Street for a robotics center. This facility offers a space for robotics competitions, summer programs, and training — and aspires to be the symbolic hub of Baltimore's commitment to youth robotics. At the same time, the Foundation provided funding for the creation of the City Schools' Robotics League: In after-school clubs, elementary students are introduced to robotics through First Lego League or VEX IQ, while middle and high school students participate in VEX Robotics. Students are coached by teachers and volunteers to design and program a robot, take part in competitions, and refine their robots in between competitions. The Robotics League identified, trained,

resourced, and provided compensation for robotics coaches in 50 middle and high schools, hosting novice robotics competitions to build the capacity of each coach and team to compete on a regional level.

With a dedicated STEM coordinator and new robotics infrastructure, there was an 87 percent increase in the number of new competitive school-based robotics programs and more than 500 students competing. In addition, the quality of programming increased significantly with 83 percent of teams actively participating in training and competitions versus 32 percent before the League's inception. A record number of teams competed in the Johns Hopkins citywide Robotics Cup this year, with 17 programs qualifying for the State Robotics Tournament. For the first time in Baltimore's history, two teams qualified for the World VEX Tournament.

2. Baltimore Kids Chess League

In 2003, the Abell Foundation, in concert with the Baltimore City Public School System, launched an after-school K-12 chess project that now engages nearly 800 students in 50 elementary, middle, and high schools.

The Baltimore Kids Chess League enables Baltimore City students in K-12 to learn chess and practice once or twice a week, after school or during lunch, under the guidance of individual coaches — typically teachers, staff, or community members. Participants have the opportunity to compete in novice chess tournaments, and the Maryland Chess Association now sponsors most of its tournaments in Baltimore City. A culminating citywide chess tournament is held in May at the Johns Hopkins Center for Talented Youth.

With the growth of the chess project over the last decade, students in Baltimore City Public Schools have taken top honors in the rigorous competitions of the U.S. Chess Association. Chess teams from Baltimore City dominated the recent Maryland Scholastic Chess Championships: Teams took first place in three of five divisions and individuals won the primary and high school divisions. In 2016, all three Baltimore City chess teams that attended the National K-9 Chess Championships won team trophies and six individual players won trophies, putting Baltimore on the map with some of the best chess cities in the country.

3. National Academic League

The National Academic League (NAL) is a competitive scholastic extracurricular program designed to increase middle school achievement; it has been sponsored by the Abell Foundation since 1993. Middle school students from 30 Baltimore City Public Schools compete bi-weekly in an October through March season, answering a battery of questions in a variety of subjects. The after-school games also require team members to research and present findings on designated topics. The two Baltimore City champions advance to a final NAL competition at the national level.

More than 9,500 middle school students have participated in NAL in its more than

20-year history. This program aims to increase the number of students attending Baltimore high schools with academic criteria. With more than 600 middle school students participating as team members, and 80 City Schools' teachers and staff members acting as coaches, mentors, and officials each year, the National Academic League is one of the most significant academic extracurricular programs in Baltimore City Public Schools.

4. Baltimore City College Speech and Debate

Originally known as the Bancroft and Carrollton-Wight Literary Societies, Speech and Debate has been an active extracurricular activity at Baltimore City College high school for 150 years.

With a history of support from the Abell Foundation, City's Speech and Debate team prepares students to compete in multiple events regionally and across the country: Student Congress, Mock Trial, Lincoln-Douglas Debate, and Policy Debate. The team of 50 students currently participates in the Baltimore Urban Debate League, the "Baltimore Catholic Forensic League," and the National Forensic League.

In recent years, City's Speech and Debate club has climbed to the final rounds in the Invitational Tournament and the National Forensic League National Tournament. The debate club also regularly competes in the Tournament of Champions, and in 2013 and 2015, it won the national policy debate championship at the National Association of Urban Debate Leagues (NAUDL). Debaters from City win acceptance and scholarships at some of the nation's most selective colleges.

Health and Human Services

Promoting Access to Long-Acting Reversible Contraception (LARC)

According to the Guttmacher Institute, an international reproductive health research and policy organization, nearly half (45 percent) of the 6.1 million pregnancies in the United States each year are unintended, and rates of unintended pregnancy are more than five times higher among poor women (those with incomes below the federal poverty level) than among more affluent women (those with incomes above 200 percent of the federal poverty level). An estimated 42 percent of unintended pregnancies end in abortions, while 58 percent result in births that can have adverse effects on the lives of both the mothers and their children. Mothers who have unintended births face decreased educational and employment opportunities throughout their lives, while their children face higher rates of poverty, and poor educational, behavioral, and health outcomes.

One way to reduce unintended pregnancies is to increase access to long-acting reversible contraception, or LARC methods. As discussed in a 2015 Abell Report, "Long-Acting Reversible Contraception: A Proven Strategy for Reducing Unintended Pregnancy and Abortion in Baltimore," LARC methods are safe and nearly 100 percent

effective in preventing pregnancy — far more effective than any other method of contraception — and they are effective for between three and 10 years, depending on the specific method chosen. They have been endorsed by the American College of Obstetrics and Gynecology, the American Academy of Pediatrics, and the Centers for Disease Control and Prevention.

While use of LARC methods has increased slowly but steadily over the past decade, these highly effective contraceptive methods remain underutilized, with only 11.6 percent of women aged 15 to 44 who use contraception (and only 4.3 percent of adolescents) reporting use of LARC methods. In alignment with the citywide B'More for Healthy Babies initiative, the Abell Foundation has supported several projects aimed at increasing knowledge of, and access to, LARC methods.

1. Baltimore City Health Department - LARC Access Project

Through its Teen Pregnancy Prevention Initiative, which operates under the umbrella of the City's B'More for Healthy Babies initiative, the Baltimore City Health Department (BCHD) has undertaken a number of efforts to improve access to LARC methods, including:

- Surveying doctors to assess barriers to prescribing LARCs, and providing targeted education resources based on the results of the surveys;
- Conducting an annual LARC provider roundtable that highlights best practices in promoting LARCs, and allows health care providers an opportunity to discuss challenges to increasing LARC access;
- Providing LARC trainings to health clinic staff, focusing on both contraceptive counseling and hands-on training on how to insert LARCs; and
- Overseeing a youth-led social media marketing campaign to promote LARCs to teens and young adults.

Building on this work, and drawing on the recommendations in the 2015 Abell Report on LARC methods, BCHD recently launched a LARC Access project. With the support of a \$288,200 grant from the Abell Foundation, BCHD will implement the project over a two-year period, with the goal of ensuring that women and girls in Baltimore have equitable access to comprehensive family planning counseling and the most effective contraception. The project will have two components:

- A newly hired Family Planning Coordinator will oversee efforts to increase the capacity of Baltimore City clinics and hospitals, and provide broad access to LARC methods. The Family Planning Coordinator will conduct outreach to clinics and hospitals, offering training and technical assistance to address barriers to providing LARC methods. At the same time, the project will expand on BCHD's existing social marketing campaign to inform consumers about LARC methods and address misconceptions about their use. The coordinator will also track and report data on LARC utilization to assess the effectiveness of the LARC promotion efforts.

- BCHD will provide “detailing” support to health clinics to identify and address barriers to LARC availability. Modeled on a practice in the pharmaceutical industry in which sales representatives meet with doctors to discuss their products, the detailers will schedule in-person meetings with clinic staff to talk about the benefits of LARC methods and identify any problems the clinics are having in providing LARC methods to patients. This information will be used to develop strategies to address challenges and barriers identified by the clinics.

BCHD expects that the outreach, training, and technical assistance provided to clinics and hospitals during the two-year project will lead to increased staff proficiency regarding LARC methods and adoption of policies and procedures that support access to LARC methods, and that BCHD will be able to integrate this project into its ongoing family planning work at the end of the grant period.

2. Baltimore Medical System – LARC Access for Uninsured Patients

Baltimore Medical System, Inc. (BMS) is one of the largest Federally Qualified Health Centers in the state of Maryland, and has been serving low-income residents of Baltimore City and the surrounding area for more than 30 years. BMS operates five community-based clinics in Baltimore City and County, and seven school-based health centers in Baltimore City. They provide primary care, obstetrics and gynecology, pediatric care, and behavioral health services. In 2014, BMS served 43,157 unduplicated patients, 6,550 of whom were uninsured.

In 2014, with funding provided by the Baltimore City Health Department, BMS began offering LARC methods to its family planning patients. While insured patients can get LARC methods free of charge through their insurance plans, the average cost of a LARC is more than \$300, placing them out of reach for most uninsured patients. With a \$30,000 grant from the Abell Foundation, coupled with family planning funds from the Baltimore City Health Department, BMS is able to provide free LARC methods for uninsured patients as part of a broader effort to educate its patients and staff about the importance of using effective family planning methods.

With the support of Abell and Health Department funding, BMS is providing information about contraceptive methods, including information about the effectiveness of various methods, to patients at its community-based and school-based health centers, and to support groups for young women and new mothers. In addition, BMS will ensure that all of its school-based health center staff members, and all clinic staff who interact with family planning patients, are fully trained in reproductive health and contraceptive counseling. Patients who are interested in using contraception will be counseled about the full range of contraceptive methods, with an emphasis on LARC methods as the most effective type of contraception. Grant funds are used to provide free LARC devices to uninsured patients who choose a LARC method.

Criminal Justice/Addiction

Piloting LARCs at Substance Abuse Treatment Centers: Behavioral Health System Baltimore

A study published in the *Journal of Substance Abuse* in March 2011 found that of nearly 1,000 pregnant opioid-abusing women, almost nine of every 10 pregnancies were unintended. In light of these findings and understanding the importance of reducing barriers to reproductive health services for all who want them, Behavioral Health System Baltimore (BHSB) and the Baltimore City Health Department (BCHD) undertook a qualitative research project in 2015 to evaluate the reproductive health needs of substance abuse treatment clients. The research found: 1) substance abuse treatment centers on the whole do not ask clients about family planning services; 2) clients who are interested in receiving these services face multiple barriers to receiving them; and 3) clients would prefer that contraceptive services be offered onsite at the treatment facility.

In response to these findings, BHSB is conducting a pilot program to integrate reproductive health services into several substance abuse treatment centers in Baltimore City. In addition to screening and education on contraceptive choices and reproductive health, the pilot sites are the first treatment facilities in the city and state to offer the following onsite: oral contraception, injectable contraception, LARCs such as IUDs and implants, and referrals for sterilization. Staff counsels clients on family planning methods, emphasizing LARCs as the most effective option. The three substance abuse treatment centers selected for the pilot are the Institute for Behavior Resources (IBR), Gaudenzia, and Recovery Network.

Training has been provided to all treatment staff on family planning options, and how to engage and talk to clients about family planning and reproductive health. This training is modeled on the Contraceptive Choice Project, an evidence-based approach that helps patients choose a family planning method with an emphasis on more effective methods such as LARCs. BHSB has also engaged the Johns Hopkins School of Nursing, which will provide nursing students to assist with family planning counseling and help with procedures.

This pilot is one of the first in the nation to attempt to fully integrate reproductive health into behavioral health. The total budget for the pilot is \$117,362 with Abell Foundation funds supporting startup costs at all three sites, including a part-time project coordinator, cost of services at each facility, training, and implementation of billing procedures. Once the billing protocols are in place, the cost of services will be reimbursable and the pilot sites should be fully sustainable through federal funding. If this pilot is successful, BHSB intends to expand these services to treatment programs throughout the City.

Community Development

Analyzing Evictions at “Rent Court”: Public Justice Center

Tenant evictions are endemic in Baltimore. Each year more than 150,000 cases of nonpayment of rent are filed against tenants by landlords in Baltimore City. Of those, more than 50,000 families receive judgments in favor of the landlord and 7,000 families are evicted from their homes. With two years of funding provided by the Abell Foundation, the Public Justice Center (PJC) provided lawyers to represent tenants in the Baltimore District Court docket known as “Rent Court,” analyzed the eviction process as experienced by tenants and landlords, and studied reforms to the process.

Working with the Right to Housing Alliance, a tenant advocacy organization, the Public Justice Center concluded that there are a number of ways in which the Rent Court process favors landlords and disadvantages tenants. By law, landlords are allowed to have non-attorney agents stand in as their representatives before the court. In pre-trial announcements and interactions with court staff, renters are directed to talk with landlords and their agents for hallway negotiations around payment plans or reduction of arrearages outside the court process. During this process, there is no independent confirmation of missing licensing information or verification of lead paint compliance. Judges allow landlords unwarranted leeway and are inconsistent in asking landlords for basic evidence of a lease or an accounting statement to support their claims. Landlords are not required to bring ledgers or statements of rent, or to document utility charges, repair bills, security deposits, and late fees that are added as “rent.” Renters are not given an opportunity to present defenses of poor housing conditions — such as rodent infestations or plumbing leaks — that could provide justification for withholding of rent. To arrive at these findings, the PJC conducted a tenant survey with 300 tenant families, interviewed a subset of those families, reviewed court records, and observed Rent Court.

The Public Justice Center’s legal representation of tenants and research into the court process resulted in the report entitled, “Justice Diverted: How Renters are Processed in the Baltimore City Rent Court.” The report proposes recommendations in five areas: reducing the number of filings through a new, pre-filing notice; increasing renters’ access to legal information before and during hearings; mandating landlord documentation of rent claims; expanding landlord licensing requirements; and funding eviction prevention programs. Joining with the Right to Housing Alliance and Jews United for Justice, the Public Justice Center is seeking implementation of the report recommendations to balance the scales of justice for tenants.

Developing Station East: Historic East Baltimore Community Action Coalition

The Baltimore City Department of Housing and Community Development launched the Vacants to Value program in 2012 to stimulate redevelopment in key neighborhoods through selective demolition and transfer of ownership of vacant buildings by pre-qualified development teams for renovation. Station East is located in a Vacants to Value cluster area bounded by Patterson Park Avenue, Rose Street, Ashland Avenue,

and the Amtrak railroad corridor in East Baltimore. The project area is adjacent to the new Henderson Hopkins kindergarten through eighth-grade school, which opened in February 2014, and the East Baltimore Development, Inc. (EBDI) project north of The Johns Hopkins Hospital. It contains approximately 165 houses.

Two years ago, the Abell Foundation approved a guarantee of a \$400,000 PNC line of credit with Historic East Baltimore Community Action Coalition (HEBCAC) for vacant housing renovation of a model unit and up to three additional houses on the condition that each has a contract of sale from a qualified buyer prior to renovations. HEBCAC — working in conjunction with a development partner it helped establish, Eager Street 28, LLC — has been purchasing, renovating, and reselling houses in the Station East area. To date, it has sold nine renovated units and pre-sold five units out of a total inventory of 42 long-vacant units. The houses have all appraised at or slightly above the sales price, including the most recently completed unit, which has appraised for a sales price of \$240,000. Maryland Historic Tax Credits are used to write down the cost of the renovations, and a Baltimore City CHAP property tax credit saves new owners approximately \$3,200 a year in property taxes during the 10-year life of the credit. The homes have a major emphasis on energy efficiency. From the design of the building envelope itself to the choice of fixtures and appliances that are installed, focus is on making the finished product as energy efficient, and therefore as low in cost to own and operate, as possible.

But Station East is about much more than rehabbing vacant row houses: Its ultimate goal is to create a neighborhood and sense of community so that people really want to move there — and then stay and invest. There is also a major emphasis on investing in other elements of the project area that are essential to having a quality urban neighborhood — one that is clean, safe, and well-maintained. Using grant funds through Maryland State’s Community Legacy and Baltimore Regional Neighborhood Initiative programs, HEBCAC has been able to coordinate exterior and interior repairs and improvements to existing occupied housing units. It has repaved alleys and sidewalks and landscaped new open spaces that were created as a result of the strategic demolition that occurred at the very start of the Station East project. HEBCAC is also helping to coordinate the introduction of the area’s new residents to the existing neighborhood association as a way of successfully bringing the old and the new together to create a strong, lasting neighborhood fabric — and one that creates economic opportunity for all residents.

Reforming Baltimore City’s Tax Sale

Tax sale foreclosure can lead to the loss of property to a tax sale purchaser, and with it, the equity built up in the home. Each May, the City posts thousands of properties for tax sale, either for repeat nonpayment of property taxes, water bills, or other liens. The owners of these properties are often senior citizens on fixed incomes who can then face steep hurdles in reclaiming their property and clearing the title. Efforts by Abell Foundation grantee organizations, including Pro Bono

Resource Center (PBRC), Neighborhood Housing Services of Baltimore (NHSB), and Civic Works, have led to significant improvements to the municipal tax sale system in Baltimore City. In the spring of 2016, Baltimore City saw a 40 percent decrease in the number of owner-occupied properties listed for tax sale (5,617 in 2016 vs. 9,411 in 2015).

Following up on the October 2014 Abell Report entitled, “The Steep Price of Paying to Stay,” the 2015 Maryland General Assembly passed legislation that went into effect for the 2016 tax sale. The changes included:

- Creating a separate status for owner-occupied properties that limits application of legislative changes to owner-occupied properties only;
- Raising the minimum amount for an owner-occupied property to be included in the tax sale from \$500 to \$750;
- Extending the timeframe for a tax sale purchaser to move toward foreclosure from four months to seven months;
- Enabling legislation allowing the City to require certificate purchasers to provide payment plan options to delinquent homeowners;
- Requiring notice with final foreclosure order informing residents who lose their homes about possible excess bids that may be available; and
- Requiring tax sale purchasers to provide a payoff statement to homeowners, with further action limited until it is provided.

In an effort to continue to reform Baltimore’s tax sale system, Baltimore City applied for and was awarded one of three 2016 Center for Community Progress Technical Assistance Scholarship Program (TASP) awards. TASP provides up to 200 hours of technical assistance valued at \$75,000 to study issues related to vacant properties including tax sale systems. The Abell Foundation and the state of Maryland funded the local match required for TASP, and Neighborhood Housing Services of Baltimore (NHSB) led efforts with the City to prepare and submit the TASP application. The TASP review will result in a set of specific, actionable recommendations. If implemented, those recommendations will lead to a more effective and efficient tax sale process for Baltimore residents, and return vacant properties to productive use.

In addition to system-level funding, the Abell Foundation supported on-the-ground efforts to assist struggling homeowners. NHSB assisted 75 clients directly with the preparation of the homeowners’ property tax credit application, resulting in savings of \$1,000 to \$2,000 per client. PBRC’s tax sale clinics connected homeowners with legal advice, education about the tax sale process, and other resources. Civic Works targeted homeowners on the tax sale list in specific zip codes, through door-to-door outreach. The Maryland Consumer Rights Coalition, St. Ambrose Housing Aid Center, and Southeast Community Development Corporation led a social media, radio, and video Public Service Announcement (PSA) campaign to promote the homeowner’s tax credit application process.

Stimulating Entrepreneurship and Startup Development

Cities such as New York, Boston, San Francisco, Los Angeles, and Chicago are traditionally considered attractive to and supportive of entrepreneurs, particularly in the technology sector. The Abell Foundation is advancing Baltimore's reputation as a supportive environment for creative new ideas and the entrepreneurial economy. With an emphasis on job creation and company growth, the Abell Foundation's funding reflects a continuum of support for companies that includes accelerators, incubators, and human capital developers. This support has not only increased employers' ability to recruit, attract, and retain talented employees, it has also assisted entrepreneurs in launching products and developing companies swiftly. Further, Abell's support has provided the City with a way to compete for entrepreneurs, grow the entrepreneurial infrastructure, and create jobs.

1. Venture for America

Venture for America encourages entrepreneurship and the growth of the innovative economy by deploying recent grads in startup companies in cities that are not traditionally considered ones with a strong startup environment. After completion of the Fellowship process, many Fellows remain in Baltimore and continue to work at startup companies in support of the rapid expansion of Baltimore-based growth companies.

2. Fast Forward

Local higher education institutions are also expanding opportunities to connect entrepreneurs with resources and support in order to foster their growth and expansion. Modeled after the innovation center at the University of California, San Francisco, the Johns Hopkins University's Fast Forward program offers entrepreneur-to-entrepreneur events; hosts guest speakers; and manages a "virtual hub" of resources and information, videos and educational materials, and opportunities to connect with entrepreneurs. This business incubator for faculty and students is converting innovation research into technology and intellectual property licensing, and increasing the economic development impact of their research.

3. AccelerateBaltimore

The Emerging Technology Centers (ETC) launched the AccelerateBaltimore program to attract technology companies with the potential to grow and hire additional staff after the completion of a three-month program. It is modeled after successful accelerator programs from across the country. Of the 22 technology entrepreneurs and early stage companies completing AccelerateBaltimore since 2012, 18 continue to operate within the City of Baltimore. The companies have cumulatively attracted \$4.7 million in follow-on funding, and have created 60 full-time and 20 part-time jobs. Similarly, the Propel Baltimore Fund also invests in companies with new technology ideas. Companies must be based in or willing to move to Baltimore.

Initial investments of \$100,000 to \$200,000 are expected to provide returns to investors in five to seven years.

Workforce Development

Fighting Wage Theft: Public Justice Center

Wage theft is the illegal practice of not paying workers for all of their work, including not paying overtime, violating minimum wage laws, forcing workers to continue working after their shift has ended, and misclassifying employees as contractual workers. Wage theft is widespread: A June 2012 report from the Progressive States Network showed that more than 60 percent of low-wage workers suffer wage violations each week. As a result, they lose, on average, 15 percent of their earnings each year.

According to the Public Justice Center (PJC), the Maryland Department of Labor, Licensing and Regulation (DLLR) receives nearly 1,000 complaints every year for unpaid wages, but does not have the resources to force employers to pay the wages owed. In fact, the PJC found that 90 percent of employers ignored DLLR orders to pay wages in 2013.

1. Unpaid Wage Lien Law

The Unpaid Wage Lien Law, which went into effect in Maryland in October 2013, allows a worker who has not been paid his or her earned wages to put a lien on the employer's property until the unpaid wages are paid. Like other liens, a lien for unpaid wages would keep the employer from selling, hiding, or disposing of the property until the wages are paid or the lien is paid. With this law, Maryland became one of only three states to allow workers to impose a lien like this prior to a judgment in wages owed.

In 2014 and 2015, with support from the Abell Foundation, the PJC worked to enforce the Unpaid Wage Lien Law, and has perfected wage liens on motor vehicles through the Motor Vehicles Administration, and to date, has put liens on \$204,000 of property. Through these and other efforts, the PJC has recovered approximately \$15,000 in unpaid wages, with another \$10,000 to be collected under a payment plan. The organization has developed training materials and trained other advocates, including labor organizers, private and legal services attorneys, and advocacy groups.

2. Home Care Worker Initiative

According to the PJC, home care workers are particularly vulnerable to wage theft. Currently, there are more than 30,000 home care workers in Maryland. Their median hourly wage is \$11, and many are forced to work long hours in multiple jobs to earn a living. These workers are often paid through the Medicaid program, which is both federally and state funded. However, the home care workers' employers are often for-profit agencies that do not pay overtime or for time spent traveling between clients during the day. Although these organizations claim that they do not have enough

money to pay these workers more, the revenues for these for-profit home care agencies have grown steadily each year, with 11.6 percent growth in corporate revenues from 2007 to 2009.

In 2015, with \$75,000 in funding from the Abell Foundation, the PJC hired an attorney to launch the Home Care Workers Initiative, which focuses on wage theft that affects Baltimore home care workers. A new regulation took effect in January 2015, and guarantees the federal minimum wage, overtime pay, and other protections to home care workers. To ensure that home health care workers are properly paid for the work they perform, the PJC has also been working to educate home care workers and partner organizations about workers' rights and about the career pathways that are available for advancement in the health care field.

The PJC has produced dual language versions of a general know-your-rights pamphlet for home care workers and a know-your-rights pamphlet that focuses on being misclassified as a contractual worker. To date, more than 700 of each pamphlet have been distributed. The PJC has also established partnerships with workforce development organizations that train home care workers, as well as paralegals, lawyers, and labor organizers.

Environment

Advancing Energy Equity Through Solar Power: GRID Alternatives

In 2010, an average low-income household in Maryland spent 9.2 percent of its annual income on electricity, whereas the average-income household spent only 2.5 percent of its annual income on electricity. This "energy divide" can be reduced or even eliminated through direct bill assistance, improved energy efficiency, and/or a lower cost of electricity.

Bill assistance and low-income weatherization programs — including those supported by the Abell Foundation — have helped to reduce the energy divide in Baltimore in recent years. At the same time, changes in the electricity market have created new opportunities to reduce the cost of electricity. In response to the increasing threat of global climate change, demand for renewable energy has significantly increased in Maryland in recent years, and the average price of solar electricity is now \$.08 per kilowatt/hour (residential), compared to an average \$.12 per kilowatt/hour (residential) for fossil fuel-generated electricity. This decline has made solar electricity affordable for those who can pay the up-front installation costs, but unaffordable to those who cannot, thereby exacerbating the energy divide rather than closing it.

In 2014, the Abell Foundation commissioned a report entitled, "Clean Energy for Resilient Communities: Expanding Solar Generation in Baltimore's Low-Income Neighborhoods." In that report, the authors identified GRID Alternatives (GRID) as a nonprofit organization working in other states to pioneer the expansion of

solar access to low-income communities. The Abell Foundation reached out to GRID, invited the organization to visit Baltimore, and ultimately provided GRID with support to launch a pilot project in Baltimore.

GRID Alternatives worked in partnership with the Baltimore City Office of Sustainability and Civic Works' Center for Green Careers to: (1) install solar panels on the rooftops of 10 single-family low-income homes in the Caring Active Restoring Efforts (CARE) neighborhood in East Baltimore; (2) install a solar-powered system with battery backup at a critical community facility in the same neighborhood; and (3) train low-skilled workers in hands-on solar installation. Over the course of the next 20 years, the installations on the 10 homes are expected to deliver nearly \$78,000 in savings to the homeowners, and to eliminate 489 tons of greenhouse gas emissions (equivalent to taking 93 cars off the road for an entire year). The CARE community will soon have a critical facility with backup power for use during the increasingly frequent and severe weather events caused by climate change, and 13 of 14 trained workers have been placed in jobs with solar companies earning an average wage of \$14.55 per hour.

It is this “triple bottom line” benefit — energy-burden reduction for low-income residents, job training and placement, and greenhouse gas reduction — that has led the Foundation to support GRID Alternatives and other efforts to expand and scale low-income access to clean energy.

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A B E L L
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F O U N D A T I O N
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2015 GRANTS

COMMUNITY DEVELOPMENT

Adopt A Block, Inc.....	\$22,000
Baltimore, MD	
For support of the A Can Can Make a Difference program and supplies needed for summer block parties.	
Adopt A Block, Inc.....	\$10,000
Baltimore, MD	
Toward continued support of Compassion Commission, a one-week youth volunteer program in East Baltimore.	
Baltimore Arts Realty Corporation.....	\$400,000
Towson, MD	
Two-year funding for the redevelopment of 1400 Greenmount Avenue into a center for advanced manufacturing technologies serving Baltimore City's creative economy.	
Baltimore Brew.....	\$124,000
Baltimore, MD	
For continued support of staffing costs, and for web redesign and equipment, in an effort to strengthen community journalism on the website.	
Baltimore Community ToolBank.....	\$25,000
Baltimore, MD	
For continued support of outreach, fundraising, program staffing, and environmental asset maintenance expenses.	
Baltimore Festival of the Arts, Inc.....	\$250,000
Baltimore, MD	
Toward support of Light City Baltimore, a seven-day festival of light, art, and ideas.	
Baltimore Green Space.....	\$21,000
Baltimore, MD	
Toward support of the Stewardship and Preservation project of community green spaces and forests in Baltimore City.	
Baltimore Jewelry Center.....	\$45,000
Baltimore, MD	
To support the construction, equipment, and furnishings of a new space for the Baltimore Jewelry Center at The Centre building in the Station North Arts District.	
Banner Neighborhoods Community Corporation.....	\$35,000
Baltimore, MD	
For continued support of the Senior Home Maintenance Apprenticeship Program.	

Belair-Edison Neighborhoods, Inc.....	\$35,000
Baltimore, MD	
For continued support of the Healthy Neighborhoods and Foreclosure Prevention initiatives.	
Center for Urban Families, Inc.....	\$90,000
Baltimore, MD	
For support of the Clifton Home Ownership Initiative, providing closing-cost assistance for four STRIVE graduates.	
Civic Works, Inc.....	\$24,550
Baltimore, MD	
To provide funding for the 2015-16 Food Desert Orchard Fellow.	
Civic Works, Inc.....	\$84,000
Baltimore, MD	
To provide emergency assistance to Baltimore City older adults who are at risk of losing their homes to tax sales.	
Civic Works, Inc.....	\$200,000
Baltimore, MD	
For continued support of the Retrofit Program for low-income Baltimore City homeowners.	
Community Law Center, Inc.....	\$95,000
Baltimore, MD	
For continued support of the Liquor Board Reform Project.	
Druid Heights Community Development Corporation.....	\$50,000
Baltimore, MD	
Two-year funding for operating costs to provide economic, educational, employment, and affordable housing opportunities for disadvantaged residents of Northwest Baltimore.	
Emerging Technology Centers, Inc.....	\$270,000
Baltimore, MD	
For support of the 2016 AccelerateBaltimore competition of venture investment awards to six entrepreneurs and early-stage companies, and a follow-on investment of \$100,000 to one company.	
Harbor Bank Community Development Corporation.....	\$53,000
Baltimore, MD	
To support a Program Manager position for the Emerging Developers Program.	
Healthy Neighborhoods, Inc.....	\$100,000
Baltimore, MD	
For general support and activities of participating neighborhoods targeted for revitalization.	

Historic East Baltimore Community Action Coalition, Inc.....	\$300,000
Baltimore, MD	
Toward construction costs of City Seeds, a kitchen incubator/social enterprise project for the development of food-based businesses in East Baltimore.	
Inner Harbor Project.....	\$20,000
Baltimore, MD	
To support youth leaders' stipends for police training and Peace Ambassadors in an effort to keep the Inner Harbor safe.	
International Rescue Committee, Inc.....	\$112,204
Baltimore, MD	
For continued support of the Individual Development Account Program to assist refugees to purchase homes in Baltimore City.	
Johns Hopkins University School of Education.....	\$100,000
Baltimore, MD	
To provide two awards for the Johns Hopkins Alliance for Science and Technology Development Program.	
Jubilee Baltimore, Inc.....	\$20,000
Baltimore, MD	
Toward support of the Greenmount West Legacy Homeowner Program.	
Latino Economic Development Center.....	\$50,000
Washington, DC	
For continued support of the Baltimore Small Business Services Program.	
Maryland Capital Enterprises, Inc.....	\$95,000
Salisbury, MD	
For support of the Baltimore Entrepreneurial Development Project, including loan funds and creation of a loan loss reserve.	
Maryland Consumer Rights Coalition, Inc.....	\$27,300
Baltimore, MD	
For support of a marketing and outreach campaign for the Baltimore Homeowner's Tax Credit initiative.	
Maryland Film Festival.....	\$100,000
Baltimore, MD	
Toward construction costs of the Parkway Film Center.	
Neighborhood Housing Services of Baltimore, Inc.....	\$30,000
Baltimore, MD	
For continued support of the Tax Sale Prevention Loan Program.	

The No Boundaries Coalition	\$22,000
Baltimore, MD	
For support of a program to improve the food environment in Central West Baltimore.	
Pro Bono Resource Center of Maryland, Inc.	\$55,000
Baltimore, MD	
For continued support of the Tax Sale Prevention Project, in an effort to provide legal assistance, information, and education to Baltimore city homeowners at risk of foreclosure.	
Public Justice Center, Inc.	\$140,000
Baltimore, MD	
Toward continued support of the Rent Court Reform Initiative of the Right to Housing Project.	
St. Ambrose Housing Aid Center	\$100,000
Baltimore, MD	
Toward support of Phase II of the Renovation of St. Ambrose Scattered Site Rental Portfolio.	
Strong City Baltimore	\$60,000
Baltimore, MD	
Toward support of community development investments in neighborhoods along the Greenmount Avenue corridor.	
Venture for America	\$150,000
New York, NY	
Toward support of the 2015 Venture for America Baltimore Program.	
Waterfront Partnership of Baltimore, Inc.	\$22,000
Baltimore, MD	
For research and a technical report comparing five U.S. cities with the cleanup in Baltimore in its effort to make the Harbor fishable and swimmable by 2020.	

EDUCATION

ACLU Foundation of Maryland, Inc.	\$200,000
Baltimore, MD	
Two-year funding for continued support of the Baltimore City Education Reform Project.	
Baltimore City Public Schools	\$111,478
Baltimore, MD	
For support of SummerREADs, an Abell-initiative summer reading and book distribution program, in concert with the Weinberg Library summer	

program, for 2,150 kindergarten through third-grade students in nine, high-poverty, low-performing Baltimore City Public Schools

Baltimore City Public Schools.....\$170,460

Baltimore, MD

For support of the 2015-16 National Academic League extracurricular academic program in 30 Baltimore City public middle schools.

Baltimore Kids Chess League, Inc.....\$85,500

Baltimore, MD

For support of the 2015-16 BCPS Chess Education program and competitions with teams in Baltimore City elementary, middle, and high schools.

Baltimore Safe and Sound Campaign.....\$43,557

Baltimore, MD

For support of the Baltimore City Public Schools VEX Robotics program.

Baltimore's Promise.....\$75,000

Baltimore, MD

For continued support of Baltimore's Promise, a citywide cradle to career initiative.

BELL Foundation.....\$23,000

Baltimore, MD

Toward support of the 2015 BELL five-week summer program for 660 at-risk students in Baltimore City Public Schools.

Building STEPS, Inc.....\$25,000

Brooklandville, MD

For continued support of science- and technology-based academic and professional development programming to high-achieving, underserved, at-risk students in Baltimore City public high schools.

Carnegie Institution for Science.....\$30,000

Baltimore, MD

Toward continued support of the BioEYES science outreach education program for students in Baltimore City Public Schools.

CollegeBound Foundation, Inc.....\$37,000

Baltimore, MD

To launch the CollegeBound Student Database Project using CollegePath software program.

The Community School, Inc.....\$12,500

Baltimore, MD

For the launch of the diploma program at the newly certified, nonpublic Community School, an academic and mentoring high school for students who have failed in Baltimore City Public Schools.

The Community School, Inc.....\$20,000

Baltimore, MD

For second-year funding of The Community School, an academic and mentoring high school and college support program.

Coppin State University.....\$100,000

Baltimore, MD

For continued support of Our House Community Mentoring Program, a pilot project addressing the retention and graduation rates at Coppin State University.

Digit All Systems, Inc.....\$25,000

Baltimore, MD

For support of the Summer Technology Internship program for 30 high school career and technology education students in Baltimore City Public Schools.

Fund for Educational Excellence.....\$50,000

Baltimore, MD

For continued support of the Analysis and Advocacy campaign designed to proactively identify and advance interventions that significantly improve outcomes for all students in Baltimore City Public Schools.

Fund for Educational Excellence.....\$25,000

Baltimore, MD

For support of Year Two of the Chicago Parent Program, a parenting-skills training program, in Baltimore City pre-K programs.

The Ingenuity Project.....\$450,000

Baltimore, MD

For support of the 2015-16 Ingenuity Project, an advanced math, science, and research program for Baltimore City public middle and high school students.

Johns Hopkins University/Center for Social Organization of Schools.....\$55,000

Baltimore, MD

For continued support of the Baltimore Education Research Consortium (BERC) core research program; and for continued research on the College Access and Readiness program for Baltimore City students.

Johns Hopkins University School of Education.....\$14,047

Baltimore, MD

For an evaluation of the 2015 Raising a Reader summer pilot program.

Johns Hopkins University School of Education.....\$52,000

Baltimore, MD

To launch a STEM-focused lab and curriculum at Barclay Elementary/Middle School in partnership with JHU's Whiting School of Engineering.

LET'S GO Boys and Girls, Inc.....	\$35,000
Annapolis, MD	
To develop and validate an evaluation tool to gauge effectiveness of the LET'S GO STEM pipeline.	
Maryland Chapter of the American Academy of Pediatrics.....	\$25,000
Baltimore, MD	
For expansion of the Reach Out and Read literacy initiative for 42,000 Baltimore City children.	
Medical Education Resources Initiative for Teens, Inc.....	\$25,000
Baltimore, MD	
Toward staffing costs for expansion of a health care education initiative for Baltimore City high school students.	
National Council on Teacher Quality.....	\$15,000
Washington, DC	
For support of a follow-up analysis and Abell Newsletter report on 2015-16 teacher attendance patterns in Baltimore and comparable U.S. cities.	
New Leaders - Baltimore.....	\$30,000
Baltimore, MD	
For support of the New Leaders-Baltimore program to recruit and develop outstanding school principals for Baltimore City Public Schools for the 2015-16 school year.	
Raising A Reader.....	\$72,520
Redwood City, CA	
For support of the Summer Enrichment Program, including books, print materials, and parent trainings, for underserved students at Baltimore City Public Schools.	
Reading Partners.....	\$80,000
Baltimore, MD	
Toward expansion of the Reading Partners one-to-one literacy tutoring for underperforming kindergarten to fifth-grade students in 16 Baltimore City public elementary schools.	
Saint Frances Academy.....	\$392,223
Baltimore, MD	
For tuition for the third year of the Father Joubert high school boarding program, and to expand year-round housing for 16 homeless Baltimore City boys who will also attend Saint Frances Academy.	
Strong City Baltimore.....	\$48,600
Baltimore, MD	
For support of Improving Education, a reading intervention initiative for kindergarten and first-grade students at Cecil Elementary School.	

Teach For America-Baltimore.....\$150,000

Baltimore, MD

For expenses related to the cost of recruiting, selecting, training, and ongoing support for Teach For America (TFA) corps members, as well as the development of TFA alumni for leadership positions in Baltimore City Public Schools for the 2015-16 school year.

Thread, Inc.....\$150,000

Baltimore, MD

For continued support of the Thread mentoring program for students at Dunbar High School, the Academy for College and Career Exploration, and Frederick Douglass High School.

WORKFORCE DEVELOPMENT

Art with a Heart.....\$20,000

Baltimore, MD

Toward support of the 2015 Summer Job Program, a visual arts program for 60 at-risk Baltimore City youth.

Associated Black Charities.....\$24,975

Baltimore, MD

For support of a study on Sub-Bachelor STEM Career Pathways for Baltimore City residents.

Baltimore Alliance for Careers in Healthcare, Inc.....\$90,000

Baltimore, MD

For continued support of the Career Coaching and BACH fellows programs.

Banner Neighborhoods Community Corporation.....\$11,000

Baltimore, MD

Toward the costs of supervision, equipment, and supplies to support 20 YouthWorks participants in completing beautification and cleanup projects in the CARE, McElderry, and Ellwood Park communities.

BioTechnical Institute of Maryland, Inc.....\$80,000

Baltimore, MD

For continued support of the BioSTART and Laboratory Associates Programs.

Blue Water Baltimore, Inc.....\$45,000

Baltimore, MD

Toward the costs of supervision, equipment, and supplies to support 12 YouthWorks participants who inspect, plant, water, and prune trees, as well as inspect and maintain stormwater projects throughout Baltimore City.

CASA de Maryland, Inc.....	\$125,000
Hyattsville, MD	
For continued support of the Baltimore Welcome Center, an employment placement service for day laborers and low-income workers.	
Center for Urban Families, Inc.....	\$250,000
Baltimore, MD	
For continued support of STRIVE Baltimore, a job-training and placement service for men and women.	
Central Scholarship Bureau, Inc.....	\$150,000
Owings Mills, MD	
For continued support and expansion of tuition assistance for Baltimore City residents seeking vocational training through community colleges and nonprofit training providers.	
City Life Community Builders.....	\$24,000
Baltimore, MD	
For support of the Advanced Construction Training Program for workers currently employed in the construction field.	
Civic Works, Inc.....	\$60,000
Baltimore, MD	
Toward the costs of supervision, equipment, and supplies to support 20 YouthWorks participants completing urban farming, storm management, and vacant lot transformation projects.	
Civic Works, Inc.....	\$245,000
Baltimore, MD	
For continued support of the Baltimore Center for Green Careers job-training programs.	
The Downtown Sailing Center.....	\$30,000
Baltimore, MD	
Toward continued support of the Sail Instructor Trainee program for at-risk Baltimore City high school students.	
Historic East Baltimore Community Action Coalition, Inc.....	\$42,000
Baltimore, MD	
Toward the costs of supervision, equipment, and supplies to support a youth work crew, which provided trash removal, the boarding of vacant houses' doors and windows, and the installation and maintenance of planters in East Baltimore.	
Intersection of Change.....	\$59,000
Baltimore, MD	
For support of Art@Work, a five-week summer mural artist apprenticeship program for 80 youth in the Sandtown-Winchester community.	

Jane Addams Resource Corporation.....\$100,000
Chicago, IL

For continued support of the Careers in Manufacturing Programs in Baltimore City.

Job Opportunities Task Force.....\$100,000
Baltimore, MD

For continued support of the Baltimore CASH Campaign, an initiative to offer free tax preparation and increase receipt of the Earned Income Tax Credit.

Maryland Center for Adult Training, Inc.....\$40,000
Baltimore, MD

For continued support of the Certified Nursing Assistant/Geriatric Nursing Assistant (CNA/GNA), Patient Care Technician (PCT), and GED prep training programs for unemployed and underemployed youth and adults in Baltimore City.

Maryland New Directions.....\$120,000
Baltimore, MD

Toward continued support of the Career Focus job-training program for unemployed, disadvantaged Baltimore City residents.

Moveable Feast, Inc.....\$20,000
Baltimore, MD

For continued support of the Culinary Arts and Life Skills Training Program for unemployed and underemployed Baltimore City residents.

Parks & People Foundation.....\$85,000
Baltimore, MD

For support of the Branches program, an employment and enrichment program for at-risk Baltimore City youth.

Public Justice Center, Inc.....\$75,000
Baltimore, MD

Toward support of the Workplace Justice Project's campaign to enforce new federal regulations for home care workers.

Public Justice Center, Inc.....\$50,000
Baltimore, MD

Toward continued support of the Workplace Justice Project's campaign to implement Maryland's new Unpaid Wage Lien Law.

Rose Street Community Center.....\$300,000
Baltimore, MD

For support of transitional housing, emergency shelter, daily community cleanups, and gang mediation.

Seedco.....	\$50,000
New York, NY	
For continued support of EarnBenefits Baltimore, a technical assistance initiative to help low-wage workers and individuals access benefits and income supports.	
Southeast Community Development Corporation.....	\$11,000
Baltimore, MD	
Toward the costs of supervision, equipment, and supplies to support summer neighborhood-based employment and skills training for YouthWorks participants.	
St. Vincent de Paul of Baltimore, Inc.....	\$40,000
Baltimore, MD	
For continued support of the Next Course food service occupational skills training for low-income Baltimore City residents.	
Strong City Baltimore.....	\$15,000
Baltimore, MD	
Toward the costs of supervision, equipment, and supplies to support summer neighborhood-based employment and skills training for YouthWorks participants.	
The Urban Alliance Foundation, Inc.....	\$25,000
Washington, DC	
Toward continued support of the Young Adult Internship Program for low-income youth in Baltimore City.	
The Work First Foundation.....	\$200,000
New York, NY	
For continued support of the Baltimore Ex-Offender Reentry Employment Program for Baltimore City residents.	
World Relief.....	\$80,000
Baltimore, MD	
For support of the World Relief Baltimore Immigration Legal Services Employment Program.	

HEALTH AND HUMAN SERVICES

ACLU Foundation of Maryland, Inc.....	\$150,000
Baltimore, MD	
For continued support of the Regional Housing Equity Project.	
Advocates for Children and Youth.....	\$50,000
Baltimore, MD	
Toward continued support of staffing and activities to improve the outcomes of Baltimore City children in the child welfare system.	

Baltimore City Health Department.....	\$288,200
Baltimore, MD	
For support of the LARC Project (Long-Acting Reversible Contraception) for Baltimore City women.	
Baltimore Corps.....	\$100,000
Baltimore, MD	
Funding to increase its Fellowship Program from 10 to 30 Fellows; and for staffing costs of a Director of Strategic Growth.	
Baltimore Medical System, Inc.....	\$30,000
Baltimore, MD	
To increase access to Long-Acting Reversible Contraception for women not eligible for insurance coverage.	
Baltimore Regional Housing Partnership.....	\$416,274
Baltimore, MD	
To provide security deposit assistance for participants in the Baltimore Housing Mobility Program.	
Baltimore Rowing Club.....	\$20,000
Baltimore, MD	
Toward continued support of Reach High Baltimore, an after-school rowing program designed to serve at-risk Baltimore City middle and high school students.	
Baltimore Safe and Sound Campaign.....	\$150,000
Baltimore, MD	
Toward support of Youth Work for Independence, an initiative to prepare youth aging out of foster care for successful adulthood.	
Benefits Data Trust.....	\$75,000
Philadelphia, PA	
Toward continued support of the Maryland Benefits Center’s initiative to provide comprehensive benefits access for low-income seniors in Baltimore City.	
Big Brothers Big Sisters of the Greater Chesapeake.....	\$75,000
Baltimore, MD	
For support of the Southeast Baltimore Comprehensive Youth Mentoring Program.	
Catholic Charities.....	\$46,140
Baltimore, MD	
For continued support of the Traveler’s Aid Voucher Program at The Samaritan Center.	

Catholic Charities	\$82,000
Baltimore, MD	
For continued support of eviction prevention and utility assistance programs administered by the Samaritan Center.	
Charm City Youth Lacrosse League	\$10,000
Baltimore, MD	
Toward support of the 2015 Charm City Youth Lacrosse League.	
Good Shepherd Services	\$50,000
Baltimore, MD	
Toward renovation costs for the residential unit serving troubled adolescent males.	
Homeless Persons Representation Project, Inc.	\$50,000
Baltimore, MD	
For support of efforts to prevent evictions and termination of subsidies for low-income Baltimore City households.	
Intercultural Counseling Connection	\$10,000
Baltimore, MD	
Toward continued support of mental health services for refugees who have settled in Baltimore City.	
KIPP Baltimore, Inc.	\$50,000
Baltimore, MD	
For renovation costs to convert a health suite to a full-service school-based health clinic for more than 1,500 low-income students in Baltimore City Public Schools.	
Koinonia Baptist Church	\$35,000
Baltimore, MD	
For the purchase of a mini-bus for the Project Safe Haven after-school program.	
Loving Arms, Inc.	\$60,000
Baltimore, MD	
For operating costs of the Basic Center Emergency Shelter for runaway and homeless youth.	
Maryland Citizens' Health Initiative Education Fund, Inc.	\$144,000
Baltimore, MD	
Toward support of the Maryland Faith Community Health Network in partnership with LifeBridge Health in an effort to strengthen the state and local health care system.	

Maryland Dental Action Coalition, Inc.....\$45,367

Glen Burnie, MD

For an analysis on expanding Maryland Medicaid coverage for adult dental services and increasing adult coverage under qualified health plans.

Maryland Food Bank.....\$75,000

Baltimore, MD

For continued support of the Baltimore City School Pantry Program.

Mission Possible Ministries, Inc.....\$46,000

Baltimore, MD

For additional expenses related to the purchase and installation of a fire alarm and sprinkler system to bring three houses providing shelter and services to homeless men in West Baltimore up to code.

Parks & People Foundation.....\$80,000

Baltimore, MD

For support of the 2015-16 Hooked on Sports program providing after-school sports programs for more than 1,100 students at Baltimore City Public Schools.

Paul's Place, Inc.....\$35,000

Baltimore, MD

For continued support of the Hot Lunch and Emergency Food Assistance Program.

The Samaritan Community.....\$25,000

Baltimore, MD

Toward support of the Crisis Intervention Assistance Program, which includes a food pantry, clothing and household goods, and financial assistance for families in need.

Share Our Strength.....\$30,000

Washington, DC

For support of the 2015 Summer Meals Program in Baltimore City.

Shepherd's Clinic.....\$35,000

Baltimore, MD

For continued support for operating costs to provide primary and specialty health care to uninsured persons in Baltimore City.

Tahirih Justice Center.....\$30,000

Baltimore, MD

Toward continuing support of pro bono legal and social services for immigrant women and girls in Baltimore City who are fleeing gender-based violence.

University of Maryland School of Medicine.....\$100,000
Baltimore, MD

For an Endowed Distinguished Professorship in Entrepreneurial Surgical Science.

Youth Empowered Society.....\$30,000
Baltimore, MD

Toward continued support of operating costs of the YES Drop-in Center for homeless youth in Baltimore City.

CRIMINAL JUSTICE AND ADDICTION

A Step Forward, Inc.....\$50,000
Baltimore, MD

Toward renovation costs for the 744-746 North Fulton Avenue Expansion Project, a transitional housing facility for women with mental illness and substance abuse.

ACLU Foundation of Maryland, Inc.....\$100,000
Baltimore, MD

Toward continued support of the Maryland Criminal Justice Project.

Alternative Directions, Inc.....\$34,000
Baltimore, MD

For support to expand the Civil Legal Workshop and Child Support Modification Workshop programs for Baltimore City residents enrolled in re-entry and substance abuse programs.

Baltimore City Health Department.....\$180,000
Baltimore, MD

Toward the establishment of the Sandtown-Winchester Safe Streets site.

Behavioral Health Leadership Institute, Inc.....\$40,000
Baltimore, MD

Toward support of an initiative to develop a mobile clinic/team to expand high-quality buprenorphine treatment to underserved populations and neighborhoods.

Behavioral Health System Baltimore.....\$73,733
Baltimore, MD

For support of a contraception and reproductive health access program for Baltimore City women with substance abuse disorder.

Gaudenzia Foundation, Inc.....\$100,000
Baltimore, MD

To complete renovations of 4615 Park Heights Avenue.

Johns Hopkins Bloomberg School of Public Health.....\$250,000
Baltimore, MD

For support of the Johns Hopkins/Baltimore Police Department Collaborative for Violence Reduction.

Light of Truth Center, Inc.....\$25,000
Baltimore, MD

For support of the Light of Truth Center Intensive Outpatient Program.

Maryland Community Health Initiatives, Inc.....\$50,000
Baltimore, MD

Toward general operating expenses of the Penn North Recovery Community Center.

Recovery In Community.....\$75,000
Baltimore, MD

Toward support of the Recovery in Community Sustainability Project.

TurnAround, Inc.....\$180,250
Towson, MD

Continued support of operating expenses to provide outreach, support services, emergency shelter, and transitional housing for Baltimore City victims of sex trafficking and their children.

TuTTie’s Place.....\$40,000
Baltimore, MD

To construct a second-floor fire egress at TuTTie’s Place Will of Wisdom Community Center for Well-Being.

United Ministries, Inc.....\$24,000
Baltimore, MD

For continued support of Earl’s Place Transitional Housing Project.

University of Baltimore.....\$73,100
Baltimore, MD

Toward the establishment of a Pretrial Clinic at the University of Baltimore School of Law.

ENVIRONMENT

Blue Water Baltimore, Inc.....\$59,000
Baltimore, MD

Toward support of the Advocacy and Public Policy Program.

Chesapeake Bay Foundation.....\$30,000
Annapolis, MD

For an assessment of toxic pollution at Sparrows Point.

Chesapeake Climate Action Network	\$35,000
Takoma Park, MD	
For continued staffing support and expansion of the Maryland Healthy Communities campaign.	
Chesapeake Climate Action Network	\$130,000
Takoma Park, MD	
Two-year funding to stop the expansion of dangerous oil trains, fight pollution, and increase access to solar power in Baltimore City.	
Civic Works, Inc.	\$200,000
Baltimore, MD	
To develop low-income solar programming in Baltimore City by implementing a pilot solar installation job-training class and managing the installation of solar panels on homes owned by low- and moderate-income families.	
Earthjustice	\$30,000
San Francisco, CA	
Toward support of the Clean Air and Water for Baltimore project.	
Earthjustice	\$75,000
San Francisco, CA	
For continued support of the Advancing Clean Energy for All in Maryland initiative.	
Environmental Defense Fund	\$25,000
New York, NY	
For continued support of the Clean Air for Baltimore initiative.	
Environmental Integrity Project	\$25,000
Washington, DC	
For an investigative report about sewage discharges into Baltimore's Inner Harbor and urban streams.	
Environmental Integrity Project	\$60,000
Washington, DC	
For continued support of the Baltimore Environmental Justice Campaign.	
Institute For Local Self-Reliance, Inc.	\$35,000
Washington, DC	
For support of Waste to Wealth: Creating Jobs in Baltimore, an initiative designed to convert wastes from environmental and economic liabilities into valuable resources.	
National Wildlife Federation	\$20,000
Annapolis, MD	
For support of the Green Alley Sanctuary: Benefitting Wildlife, Water, and Communities in Baltimore initiative.	

Trash Free Maryland.....\$25,000
Accokeek, MD

For support of an initiative to reduce trash pollution in Baltimore City and its waterways.

University of Maryland Center for Environmental Science.....\$12,980
Cambridge, MD

For the design of an independent verification system for the Chesapeake Bay Restoration Program.

WYPR-Your Public Radio Corporation.....\$12,000
Baltimore, MD

Support for The Environment in Focus, a weekly program on environmental issues that airs on WYPR and four other stations in Maryland.

ARTS

Baltimore Office of Promotion and the Arts.....\$25,000
Baltimore, MD

Toward support of Free Fall Baltimore 2015, an initiative designed to provide low-budget arts and cultural organizations with the opportunity to offer free events.

Baltimore Symphony Orchestra.....\$50,000
Baltimore, MD

For the purchase of instruments for the Baltimore OrchKids music program.

Hippodrome Foundation, Inc.....\$42,000
Baltimore, MD

For support of the M&T Bank Pavilion Use and Feasibility Study.

Museum of Ceramic Art.....\$38,000
Baltimore, MD

For support of the 2015-16 in-school and after-school ceramic art programs in Baltimore City public middle schools.

OTHER

Association of Baltimore Area Grantmakers.....\$15,000
Baltimore, MD

For 2015 membership dues.

ADDITIONAL GRANTS OF \$5,000 OR LESS HAVE BEEN AWARDED TO THE FOLLOWING ORGANIZATIONS:

COMMUNITY DEVELOPMENT

Associated Black Charities
Emerging Technology Centers, Inc.
Enoch Pratt Free Library
Friends of Patterson Park, Inc.
Gather Baltimore
Fusion Partnerships, Inc.
In For Of, Inc.
University of Baltimore Foundation
Johns Hopkins Institute for Health and Social Policy
Johns Hopkins Bloomberg School of Public Health
Johns Hopkins University Whiting School of Engineering
Outward Bound
Public Justice Center, Inc.
The Walters Art Museum
Your Baltimore Community Development Corporation

EDUCATION

Baltimore Safe and Sound Campaign
BCPS/Baltimore City College High School
City Neighbors Foundation
Code in the Schools
CollegeBound Foundation, Inc.
Higher Achievement Baltimore
Maryland Humanities Council
Mentoring Male Teens in the Hood
Robert W. Deutsch Foundation
Saint Frances Academy
Strong City Baltimore
Teach For America Baltimore
Thread, Inc.

WORKFORCE DEVELOPMENT

Baltimore Fashion Alliance
Baltimore Green Works, Inc.
Church of Dynamic Deliverance
COR Health Institute
East Side Works
Job Opportunities Task Force
Vehicles for Change, Inc.

HEALTH AND HUMAN SERVICES

African Diaspora Maritime
AIDS Interfaith Residential Services, Inc.
Baltimore Browns Football and Cheer Program
Baltimore City Health Department
Baltimore Orioles Foundation, Inc.
Baltimore Terrapins Youth Football
Bea Gaddy's Family Center, Inc.
Camp Umoja, Inc.
Associated Catholic Charities, Inc. (known as Catholic Charities)
Challengers Independent Living, Inc.
Charm City Youth Sports Development
Covenant Community Association
Hope Forward, Inc.
Leaders of a Beautiful Struggle
Leveling the Playing Field, Inc.
Loving Arms, Inc.
Maryland Food Bank
The Northeast Youth Association, Inc.
Northwest Bulldogs Youth Football
Parkside Warriors
The Salvation Army
Santa Claus Anonymous
Santa's Helpers Anonymous, Inc.
St. Mary's Outreach Center
St. Vincent de Paul Catholic Church
United Way of Central Maryland
University of Maryland School of Medicine
Women Empowering Women Ministries, Inc.

CRIMINAL JUSTICE AND ADDICTION

Beginning Effective Recovery Together
Behavioral Health System Baltimore
Blessings Bestowed Restoration Support Program, Inc.
Deborah's Place, Inc.
Destiny's Place, Inc.
Druid Heights Community Development Corporation
Episcopal Community Services of Maryland
Grant House, Inc.
House of Change, Inc.
Intersection of Change
Johns Hopkins Institute for Health and Social Policy
Johns Hopkins Bloomberg School of Public Health
The Justice Policy Institute
Light of Truth Center, Inc.

Maryland Addictions Directors Council
Mi Casa Es Su Casa Inc.
New Vision House of Hope, Inc.
Next of Kin Supportive Housing, Inc.
No Turning Back, Inc.
Nu Direction
The Philemon Ministry
Pleasant Housing, Inc.
Praising Through Recovery, Inc.
The Ragpicker, Inc.
Recovery In Community
TAEI Enterprise, Inc.
Theodore House, Inc.
Wells House, Inc.

ENVIRONMENT

Association of Baltimore Area Grantmakers
Baltimore City Forest Conservancy District Board
Baltimore Office of Sustainability
Chesapeake Bay Foundation
Chesapeake Media Service, Inc.
Maryland Environmental Health Network
Maryland Environmental Trust
Maryland League of Conservation Voters Education Fund

ARTS

Baltimore Clayworks, Inc.
Baltimore Office of Promotion and the Arts
Center Stage
Flower Mart at Mount Vernon, Ltd.
Maryland Citizens for the Arts Foundation
Parks & People Foundation
Young Victorian Theatre Company

OTHER

Chesapeake Bay Funders Network/New Venture Fund
Greater Baltimore Committee

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2015 PUBLICATIONS

ABELL REPORTS

Reports are available online at www.abell.org.

January

“Chartering” Maryland’s Future: Is there an expanded role for national Charter Management Organizations in Baltimore Schools?

At a moment of heightened interest in charter schools, this report asks whether national, high-performing Charter Management Organizations should be part of Maryland’s public charter landscape, and if so, what would it take for them to come here?

<http://abell.org/publications/chartering-marylands-future>

March

The Path to Baltimore’s “Best Prospect” Jobs Without a College Degree

Baltimore high school graduates and job-seekers need postsecondary training that works. In this Abell Report, Barbara Hopkins considers the career pathways most likely to lead to living wage jobs that do not require a four-year degree, and explores the credential, certificate, and associate’s degree programs available at local community colleges that meet those needs.

<http://abell.org/publications/path-baltimore%E2%80%99s-%E2%80%9Cbest-prospect%E2%80%9D-jobs-without-college-degree>

April

Youth Apprenticeship: A hopeful approach for improving outcomes for Baltimore youth

How can more youth in Baltimore gain meaningful training and work experience? This report, authored by labor economists Dr. Robert Lehrman and Dr. Arnold Packer, explains the promising strategy of youth apprenticeships and charts what a pilot program in Baltimore could include.

<http://abell.org/publications/youth-apprenticeship>

June

Is *The Texas Tribune*’s Non-Profit Digital Newsroom the Future of Journalism? An Abell inquiry into one of the most prominent prototypes of the “new” newsroom

In this Abell Report, former newspaper owner Ted Venetoulis examines one of the most formidable organizational alternatives to the retrenchment and declining presence of the daily print newspaper.

<http://abell.org/publications/texas-tribunes-nonprofit-digital-newsroom-future-journalism>

July

Food Access and Waste Reduction: Proposal for a vendors' market in Baltimore City (Winner of the 2015 Abell Award in Urban Policy)

How can you supply fresh produce at a cheap price and reduce the amount of waste sent to landfills? In this prize-winning report, two Johns Hopkins University graduate students propose a creative and innovative solution to the twin challenges of food insecurity and food waste.

<http://abell.org/publications/winner-2015-abell-award-urban-policy-0>

August

Long-Acting Reversible Contraception: A proven strategy for reducing unintended pregnancy and abortion in Baltimore

As recent studies have shown, increasing access to long-acting reversible contraception can prevent unintended pregnancies and reduce abortions. In this report, public health writer Christine Grillo explores the current landscape of LARC use in Baltimore, barriers that currently exist, and strategies deployed by states to promote LARC access.

<http://abell.org/publications/long-acting-reversible-contraception>

October

The Opacity Problem: An examination of Baltimore City infrastructure contracts

Infrastructure projects sometimes run over their allotted time frames and budget amount. What happens when they do? Who pays the bills? Are there any repercussions for the contractors? As Cristie Cole explains in this Abell Report, the lack of accessible public data make answering those questions difficult.

<http://abell.org/publications/opacity-problem-examination-baltimore-city-infrastructure-contracts>

November

Vacants to Value

In this report, veteran journalist Joan Jacobson digs into four years' worth of data to evaluate the progress of the mayor's signature blight-reduction effort. The report finds that the program is generating positive results in select Baltimore neighborhoods. However, its results have been exaggerated, and the program has not generated significant changes in the City's lowest-income neighborhoods.

<http://abell.org/publications/vacants-value>

December

The Chesapeake Bay and Agricultural Pollution: The problem, possible solutions, and the need for verification

In this report, four experts explore the effects of agricultural pollution on the health of the Chesapeake Bay, and offer fresh insight into what can be done. Short, highly readable pieces, offering a road map of how to move forward, are authored by

the following: former Maryland Department of Environment Secretary Robert Summers; former longtime *Baltimore Sun* columnist and *Bay Journal* writer Tom Horton; noted agriculture expert Tom Simpson; and *Bay Journal* writer Rona Kobell. <http://abell.org/publications/chesapeake-bay-and-agricultural-pollution>

ABELL BRIEFS

In February 2015, Abell launched a new electronic quarterly newsletter, The Abell Brief. The new format allows us to share our Abell Salutes, recirculate Abell Reports, and disseminate research undertaken by Abell grantees.

Winter 2015

Abell Salutes Thread for supporting young people in Baltimore City and for “stitching a new social fabric” that will connect us all

<http://abell.org/publications/abell-salutes-thread>

Abell-Supported Research by the ACLU: “Still Blocking the Exit”

<http://abell.org/publications/still-blocking-exit>

Spring 2015

Abell Salutes Mr. Trash Wheel, the world’s first solar- and hydro-powered water wheel trash interceptor in Baltimore’s Inner Harbor

<http://abell.org/publications/abell-salutes-mr-trash-wheel>

Abell-Supported Research by Justice Policy Institute: “Parole Perspectives in Maryland”

<http://abell.org/publications/justice-diverted-how-renters-are-processed-baltimore-city-rent-court>

Summer 2015

Abell Salutes Maryland New Directions for preparing Baltimore residents for port-related jobs

<http://abell.org/publications/abell-salutes-maryland-new-directions>

Abell Salutes David Oros and Gamma3 for investing in technology and in Baltimore

<http://abell.org/publications/abell-salutes-david-oros-and-gamma3>

Fall 2015

Abell Salutes the Public Safety Compact for justice reinvestment that provides opportunity and saves money

<http://abell.org/publications/abell-salutes-public-safety-compact>

Abell-Supported Research by the Fund for Educational Excellence: “Building a Bright Future”

<http://abell.org/publications/building-bright-future>

Abell-Supported Research by the Baltimore Education Research Consortium (BERC): “College Opportunities and Success”

<http://abell.org/publications/college-opportunities-and-success>

Abell-Supported Research by the Maryland Consumer Rights Coalition: “Making the Grade: An analysis of for-profit and career schools in Maryland”

<http://abell.org/publications/making-grade-analysis-profit-and-career-schools-maryland>

PRESS COVERAGE (SELECTED)

March 19, 2015, “Abell Foundation says community colleges must focus training on Baltimore’s emerging jobs” (*The Baltimore Sun*)

<http://www.baltimoresun.com/news/maryland/education/blog/bs-md-abell-foundation-colleges-baltimore-jobs-20150318-story.html>

June 26, 2015, “Baltimore foundations raising second fund to ‘Propel’ local startups” (*Baltimore Sun*)

<http://www.baltimoresun.com/business/bs-bz-propel-baltimore-20150626-story.html>

September 22, 2015, “Families that fled strife a world away are now Baltimore’s newest homeowners” (*The Baltimore Sun*)

<http://www.baltimoresun.com/news/maryland/bs-md-refugee-homeownership-20150922-story.html>

October 27, 2015, “Public should know more about city cost overruns, Abell report says” (*The Baltimore Sun*)

<http://www.baltimoresun.com/news/maryland/baltimore-city/bs-md-ci-abell-report-20151027-story.html>

November 12, 2015, “Five years in, city Vacants to Value program showing mixed results” (*The Baltimore Sun*)

<http://www.baltimoresun.com/news/maryland/baltimore-city/bs-md-vacants-to-value-20151112-story.html>

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2015 FINANCIAL STATEMENTS

The Abell Foundation, Inc. and Subsidiaries

Consolidated Financial Report
December 31, 2015

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Independent Auditor's Report

To the Board of Trustees
The Abell Foundation, Inc. and Subsidiaries
Baltimore, Maryland

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Abell Foundation, Inc. and Subsidiaries (collectively, the Foundation), which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Abell Foundation, Inc. and Subsidiaries as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

Baltimore, Maryland
May 9, 2016

The Abell Foundation, Inc. and Subsidiaries

Consolidated Statements of Financial Position
December 31, 2015 and 2014

	2015	2014
Assets		
Investments (Notes 2 and 3)	\$ 296,922,025	\$ 320,435,670
Accrued dividends and interest receivable	370,461	225,532
Program-related investments and other loans, net	9,918,944	8,907,130
Cash value of life insurance and other assets, net (Note 5)	5,351,145	4,839,710
	<hr/>	<hr/>
Total assets	\$ 312,562,575	\$ 334,408,042
	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Net Assets		
Liabilities:		
Grants scheduled for future payment (Note 4)	\$ 5,489,500	\$ 6,507,588
Guarantee liabilities (Notes 2 and 7)	28,320,395	28,205,112
Payables and other liabilities (Note 5)	3,334,527	2,379,592
Total liabilities	37,144,422	37,092,292
	<hr/>	<hr/>
Commitments and contingencies (Notes 6 and 7)		
	<hr/>	<hr/>
Net assets, unrestricted	275,418,153	297,315,750
	<hr/>	<hr/>
Total liabilities and net assets	\$ 312,562,575	\$ 334,408,042
	<hr/> <hr/>	<hr/> <hr/>

See notes to consolidated financial statements.

The Abell Foundation, Inc. and Subsidiaries

Consolidated Statements of Activities
Years Ended December 31, 2015 and 2014

	2015	2014
Operating revenue:		
Dividends	\$ 3,055,548	\$ 3,255,478
Interest	1,517,166	1,806,876
Partnership loss, net	(4,192,819)	(4,751,233)
Incentive tax credit refund	500,000	500,000
Other	386,330	242,448
Total operating revenue	1,266,225	1,053,569
Operating expenses:		
Grants approved	13,251,467	13,433,899
Matching gifts program	268,888	271,855
Direct charitable activities	289,184	268,701
Administrative expenses	3,362,838	3,220,885
Investment expenses	1,040,506	1,599,119
Federal excise tax provision	110,254	521,703
Total operating expenses	18,323,137	19,316,162
Decrease in net assets before investment gains (losses)	(17,056,912)	(18,262,593)
Investment gains (losses):		
Realized gain on sales of investments (Note 2)	9,656,427	23,374,905
Unrealized loss on program-related investments and other loans (Note 2)	(4,408,088)	(3,775,697)
Unrealized loss on investments (Note 3)	(9,989,024)	(18,531,633)
Unrealized loss on guarantees (Note 7)	(100,000)	-
Net investment gains (losses)	(4,840,685)	1,067,575
Change in unrestricted net assets	(21,897,597)	(17,195,018)
Unrestricted net assets:		
Beginning	297,315,750	314,510,768
Ending	\$ 275,418,153	\$ 297,315,750

See notes to consolidated financial statements.

The Abell Foundation, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Change in unrestricted net assets	\$ (21,897,597)	\$ (17,195,018)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized loss on investments	9,989,024	18,531,633
Realized gain on sales of investments	(9,656,427)	(23,374,905)
Realized loss on partnerships	4,192,819	4,751,233
Unrealized losses on program-related investments and other loans	4,408,088	3,775,697
Unrealized loss on guarantees	100,000	-
Grants approved	13,251,467	13,433,899
Grants paid	(14,269,555)	(11,857,472)
Depreciation and amortization	27,418	31,889
Changes in assets and liabilities:		
Increase in:		
Accrued dividends and interest receivable, net	(144,929)	(14,968)
Program-related investments and other loans, net	(5,419,902)	(2,457,733)
Increase (decrease) in:		
Guarantee liabilities	15,283	(66,614)
Payables and other liabilities	954,935	(340,291)
Net cash used in operating activities	(18,449,376)	(14,782,650)
Cash flows from investing activities:		
Proceeds from disposition of investments	36,969,660	66,044,497
Purchase of investments	(17,981,431)	(51,065,948)
Cash value of life insurance and other assets	(520,888)	(192,336)
Capital expenditures	(17,965)	(3,563)
Net cash provided by investing activities	18,449,376	14,782,650
Net change in cash and cash equivalents	-	-
Cash and cash equivalents:		
Beginning of year	-	-
End of year	\$ -	\$ -
Supplemental disclosure of cash flow information:		
Cash paid during the year for excise taxes	\$ 260,254	\$ 405,000

See notes to consolidated financial statements.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: The Abell Foundation, Inc. is a Section 501(c)(3) exempt organization which is classified as a "Private Foundation" under Section 509(a) of the Internal Revenue Code (IRC). The Foundation's mission is to effect positive change on societal problems of Maryland with a special focus on Baltimore City. Priority is given to programs that promote educational reform, job creation and economic development, strengthening families, reducing drug addiction and alleviating hunger and homelessness.

In November 2011, The Abell Foundation, Inc. formed West Pratt Holdings, LLC (West Pratt), of which it is the sole member, to purchase two buildings and a parking lot previously owned by a substance abuse center. The Foundation believes that by purchasing these properties, they are ensuring that the facility can remain open to serve an underserved population in Baltimore City.

In March 2013, The Abell Foundation, Inc. formed South Charles Holdings, LLC (South Charles), of which it is the sole member, to purchase two buildings located in Baltimore and a parcel of land in Anne Arundel County, Maryland, previously owned by a hospital. In August 2015, The Abell Foundation, Inc. sold the two buildings for approximately \$10.8 million, recognizing a gain of approximately \$1.2 million. The Foundation still owns the land that is held for sale as of December 31, 2015.

The Abell Foundation, Inc., West Pratt and South Charles are collectively referred to as "the Foundation."

The net assets of West Pratt are reflected within program related investments and the net assets of South Charles are reflected within investments on the consolidated statements of financial position.

The following are the condensed statements of financial position for West Pratt on a separate company basis as of December 31, 2015 and 2014:

	2015	2014
Assets		
Cash	\$ 36,965	\$ 27,257
Other assets	157,482	96,044
Property and equipment	4,278,904	3,979,910
Total assets	<u>\$ 4,473,351</u>	<u>\$ 4,103,211</u>
Liabilities and Member's Equity		
Liabilities:		
Accrued expenses	\$ 46,240	\$ 85,238
Total liabilities	<u>46,240</u>	<u>85,238</u>
Member's equity	4,427,111	4,017,973
Total liabilities and member's equity	<u>\$ 4,473,351</u>	<u>\$ 4,103,211</u>

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The following are the condensed statements of financial position for South Charles on a separate company basis as of December 31, 2015 and 2014:

	2015	2014
Assets		
Cash	\$ 24,551	\$ 22,720
Other assets	-	157,345
Property and equipment	676,284	7,105,367
Total assets	<u>\$ 700,835</u>	<u>\$ 7,285,432</u>
Member's equity	<u>\$ 700,835</u>	<u>\$ 7,285,432</u>
Total member's equity	<u>\$ 700,835</u>	<u>\$ 7,285,432</u>

A summary of the Foundation's significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the accounts of The Abell Foundation, Inc., West Pratt and South Charles. All intercompany accounts and transactions were eliminated for purposes of consolidation.

Basis of accounting: The accompanying consolidated financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Cash and cash equivalents: For purposes of reporting cash flows, the Foundation considers money market funds and investments with original maturities of less than three months to be cash equivalents. The carrying amount approximates fair value due to the short maturity of these instruments.

Investments: The Foundation's assets include the following:

- Investments, excluding direct investments and partnerships that invest in real estate, timber and private equity, are stated on the basis of current quoted market prices.
- Direct investments include equity and convertible securities with privately held companies that are not readily marketable. Certain of these investments are stated at fair value as determined by management and approved, at least annually, by the Finance Committee of the Board of Trustees of the Foundation. In determining fair value, management considers relevant qualitative and quantitative information available. This information includes such factors as the financial condition and operating results of each company, the economic and market conditions affecting its operations and any financing transactions or subsequent events that may be indicative of a change in value. The values assigned to these investments are based on currently available information and do not necessarily represent amounts that might ultimately be realized, since such amounts will depend on future circumstances. Changes in market value are reflected in unrealized gains and losses on investments.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

- Partnership investments include certain investments that are not readily marketable. The market value of such partnerships is determined by the general managers or managers of the partnerships and changes in value are reported in unrealized gains and losses on investments. The unrealized gains and losses are adjusted for allocation to partnership income, expenses and realized gains and losses, which are reported separately, as such information becomes available.

Investments in equity securities carried at cost: The investments in nonmarketable equity securities represents the Foundation's investment in companies in which the Foundation used the cost method to account for the securities because the fair value of cost-method investments is not readily determinable. The investments have a cost basis of \$13,830,112 and \$15,986,256 at December 31, 2015 and 2014, respectively. The Foundation recorded an impairment reserve of \$852,000 and \$652,000 for the years ended December 31, 2015 and 2014, respectively, which is included in unrealized loss on investments in the consolidated statements of activities.

Program-related investments and other loans: Program-related investments represent loans to and equity investments in for-profit and nonprofit entities that facilitate activities supported by the Foundation. Program-related investments are reported at cost of \$7,271,299 and \$6,698,410, respectively, net of an allowance for uncollectible amounts of \$504,680 and \$486,170, at December 31, 2015 and 2014, respectively.

Other loans represent loans to unrelated entities, principally for investment in for-profit companies. The loans are reported at cost of \$26,523,748 and \$21,708,223, respectively, with a recorded allowance for uncollectible amounts of \$23,371,423 and \$19,013,333 at December 31, 2015 and 2014, respectively.

Program-related investments and other loans are stated at fair value as determined by management and approved, at least annually, by the Finance Committee of the Board of Trustees of the Foundation. Unrealized losses are recorded as reserves against the asset.

Financial risk: Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the risk associated with the Foundation's investments, it is reasonably possible that changes in the values of the Foundation's investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Property and equipment: Property and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives, either five or seven years. Property and equipment are included in the cash value of life insurance and other assets, net, on the consolidated statements of financial position.

Grants: Grants are recorded as grants payable when approved by the Board of Trustees. If the needs of the grant programs are less than the amount approved, or if the grantee fails to meet routine requirements specified at the time of approval, the grants, in part or in whole, may be cancelled or refunded. These cancellations or refunds are recognized in the year in which they occur.

Guarantees: Assets and liabilities have been recorded for the fair value of obligations for guarantees issued in 2015 and 2014 (see Note 7). Income or losses relating to guarantees are recognized upon the expiration of the guaranteed obligation.

Financial instruments: The carrying amount of accrued dividend and interest receivables, payables and other liabilities approximates fair value due to the short maturity of these instruments. Other liabilities also include an obligation under a split-dollar life insurance policy which is carried net of a present value discount (see Note 5).

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Revenue recognition: Dividends and interest are recognized in accordance with the accrual basis of accounting. Dividend income arising from securities transactions are recorded based upon ex-dividend date.

Use of estimates: The preparation of financial statements 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income tax status: The Foundation is generally exempt from federal income taxes under Section 501(c)(3) of the IRC. In addition, the Foundation has been classified as a Private Foundation under Section 509(a). The Foundation is subject to excise tax on net investment income, which includes realized gains. Accordingly, a federal excise tax provision of \$110,254 and \$521,703 has been provided at an effective rate of 1 percent and 2 percent for 2015 and 2014, respectively. As of December 31, 2015 and 2014, the Foundation was in compliance with the income tax regulation which requires minimum distributions of approximately 5 percent of the market value of the Foundation's assets on an annual basis. Federal excise taxes paid totaled \$260,254 and \$405,000 for the years ended December 31, 2015 and 2014, respectively.

West Pratt and South Charles are both single member limited liability companies (LLC) wholly owned by the Foundation. Accordingly, all activity is reported under the Foundation's name, and the LLCs assume the same tax status as the Foundation.

The Foundation adopted the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes and accounting in interim periods.

Management evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain income tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Generally, the Foundation is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2012.

As a result of its investments in qualified biotechnology companies in the state of Maryland, the Foundation was eligible to receive incentive tax credit refunds of \$500,000 in both 2015 and 2014. These amounts were recorded as receivables and included in cash value of life insurance and other assets on the consolidated statements of financial position at December 31, 2015 and 2014.

Subsequent events: The Foundation evaluated subsequent events through May 9, 2016, which is the date the consolidated financial statements were available to be issued. There are no subsequent events that are required to be recorded or disclosed in the consolidated financial statements.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Accounting pronouncements pending: In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. The ASU is effective for the Foundation for the year ended December 31, 2017. The adoption of this standard is expected to result in changes to the Foundation's fair value measurement disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lessees recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. The ASU is effective for the Foundation for the year ending December 31, 2019. The adoption of this standard is expected to result in the Foundation recognizing right-of-use asset and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Foundation's consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The amendments in this ASU create Topic 606, *Revenue from Contracts with Customers*, and supersede the revenue requirements in Topic 605, *Revenue Recognition*, including most industry-specific revenue recognition guidance throughout the Industry Topics of the Codification. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2018. The impact of adopting ASU 2014-09 on the Foundation's consolidated financial statements for subsequent periods has not yet been determined.

Note 2. Fair Value Measurements

The Foundation defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions that market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of investments included in Level 1 include listed equities and holdings in certain corporate bond funds.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate loans, less liquid, restricted equity securities and certain corporate bonds and over-the-counter derivatives. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Fair Value Measurements (Continued)

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation as described below.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. The following section describes the valuation techniques used by the Foundation:

Level 1: Investments in securities and mutual funds traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation. Fair value of exchange-traded contracts is based upon exchange settlement prices. Fair value of non-exchange-traded contracts is based on third-party quoted dealer values on the Interbank market. These financial instruments are classified as Level 1 in the fair value hierarchy.

Level 2: Investments in government obligations are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 2 in the fair value hierarchy. The fair value of the guarantees is estimated based on the interest rate differential charged on the indebtedness as applied to the outstanding obligation.

Level 3: Level 3 investments are not readily marketable and include direct investments in private equity and investments in partnerships. The direct investments in private equity are stated at fair value as determined by management and approved, at least annually, by the Finance Committee of the Board of Trustees of the Foundation. In determining fair value, management considers relevant qualitative and quantitative information available. This information includes such factors as the financial condition and operating results of each company, the economic and market conditions affecting its operations, and any financing transactions or subsequent events that may be indicative of a change in value. The values assigned to these investments are based on currently available information and do not necessarily represent amounts that might ultimately be realized, since such amounts will depend on future circumstances. Partnership investments include certain investments that are not readily marketable. The market value of such partnerships is determined by the general partners or managers of the partnerships.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Fair Value Measurements (Continued)

The following table presents the Foundation's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2015:

Description	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	
Mutual funds:				
Corporate and other bond funds	\$ 15,594,486	\$ -	\$ -	\$ 15,594,486
Government obligation funds	13,033,742	-	-	13,033,742
Large cap growth funds	31,107,083	-	-	31,107,083
Large cap value funds	23,518,813	-	-	23,518,813
Mid cap growth funds	9,762,239	-	-	9,762,239
Mid cap value fund	9,109,445	-	-	9,109,445
Small cap growth funds	11,841,369	-	-	11,841,369
Small cap value funds	7,098,985	-	-	7,098,985
Stock index fund	67,492,558	-	-	67,492,558
International funds	55,275,505	-	-	55,275,505
Real estate and forestry funds	-	-	10,224,767	10,224,767
Direct investments	-	-	17,508,106	17,508,106
Private equity funds	-	-	2,560,739	2,560,739
Investments at fair value	<u>\$ 243,834,225</u>	<u>\$ -</u>	<u>\$ 30,293,612</u>	274,127,837
Cash and cash equivalents				9,816,076
Investments, at cost, net				12,978,112
Total investments				<u>\$ 296,922,025</u>

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Fair Value Measurements (Continued)

The following table presents the Foundation's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2014:

Description	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	
Mutual funds:				
Corporate and other bond funds	\$ 20,429,898	\$ -	\$ -	\$ 20,429,898
Government obligation funds	17,545,295	-	-	17,545,295
Large cap growth funds	30,589,083	-	-	30,589,083
Large cap value funds	24,272,647	-	-	24,272,647
Mid cap growth funds	12,465,314	-	-	12,465,314
Mid cap value fund	9,779,011	-	-	9,779,011
Small cap growth funds	11,244,143	-	-	11,244,143
Small cap value funds	7,462,797	-	-	7,462,797
Stock index fund	68,555,433	-	-	68,555,433
International funds	63,163,860	-	-	63,163,860
Real estate and forestry funds	-	-	9,914,426	9,914,426
Direct investments	-	-	15,032,254	15,032,254
Private equity funds	-	-	2,273,244	2,273,244
Investments at fair value	<u>\$ 265,507,481</u>	<u>\$ -</u>	<u>\$ 27,219,924</u>	<u>292,727,405</u>
Cash and cash equivalents				12,374,009
Investments, at cost, net				15,334,256
Total investments				<u>\$ 320,435,670</u>

Financial instruments classified as Level 3 in the fair value hierarchy represent the Foundation's investments in financial instruments in which management has used at least one significant unobservable input in the valuation model.

The Foundation's guarantee assets and liabilities are measured at fair value on a recurring basis and are classified as Level 2. The guarantee assets were \$300,395 and \$285,112 and the guarantee liabilities were \$300,395 and \$285,112 at December 31, 2015 and 2014, respectively.

The following table presents a reconciliation of activity for the Level 3 financial instruments for the year ended December 31, 2015:

	Balance, January 1, 2015	Return of Capital	Purchases of Investments	Net Realized Gains (Losses) on Investments	Net Unrealized Gains (Losses) on Investments	Balance, December 31, 2015
Real estate and forestry funds	\$ 9,914,426	\$ (1,014,455)	\$ 1,510,926	\$ (23,656)	\$ (162,474)	\$ 10,224,767
Direct investments	15,032,254	-	5,694,143	(2,724,123)	(494,168)	17,508,106
Private equity funds	2,273,244	(241,276)	200,000	176,310	152,461	2,560,739
Total	<u>\$ 27,219,924</u>	<u>\$ (1,255,731)</u>	<u>\$ 7,405,069</u>	<u>\$ (2,571,469)</u>	<u>\$ (504,181)</u>	<u>\$ 30,293,612</u>

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Fair Value Measurements (Continued)

For assets held at December 31, 2015, the change in net unrealized gains (losses) on investments for the period included in changes in net assets is as follows:

Real estate and forestry funds	\$ (162,474)
Direct investments	2,659,917
Private equity investments	152,461
	<u>\$ 2,649,904</u>

The following table presents a reconciliation of activity for the Level 3 financial instruments for the year ended December 31, 2014:

	Balance, January 1, 2014	Return of Capital	Purchases of Investments	Net Realized Gains (Losses) on Investments	Net Unrealized Gains (Losses) on Investments	Balance, December 31, 2014
Real estate and forestry funds	\$ 8,952,986	\$ (673,089)	\$ 1,277,063	\$ 219,870	\$ 137,596	\$ 9,914,426
Direct investments	20,387,049	-	5,437,192	(1,553,956)	(9,238,031)	15,032,254
Private equity funds	1,627,810	(93,757)	400,000	237,562	101,629	2,273,244
Total	<u>\$ 30,967,845</u>	<u>\$ (766,846)</u>	<u>\$ 7,114,255</u>	<u>\$ (1,096,524)</u>	<u>\$ (8,998,806)</u>	<u>\$ 27,219,924</u>

For assets held at December 31, 2014, the change in net unrealized gains (losses) on investments for the period included in changes in net assets is as follows:

Real estate and forestry funds	\$ 137,596
Direct investments	(7,234,209)
Private equity investments	101,629
	<u>\$ (6,994,984)</u>

The Foundation invests in certain entities for which the fair value measurement is assessed using net asset value per share, or its equivalents. Information pertaining to these investments is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real estate and forestry funds (a)	\$ 10,224,767	\$ -	Liquidation of partnership	N/A
Private equity funds (b)	2,560,739	1,520,000	None	N/A
Direct investments (c)	17,508,106	1,920,000	None	N/A
	<u>\$ 30,293,612</u>	<u>\$ 3,440,000</u>		

(a) This category includes investments in several partnerships that invest in commercial and residential real estate and timber assets. The fair value of the investments in this category has been estimated using the net asset value per share of the investments.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Fair Value Measurements (Continued)

- (b) This category includes partnerships which invest in private equity funds. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the funds. As of December 31, 2015, it was probable that the investments in this category would be liquidated at an amount different from the net asset value of the Foundation's ownership interest in partners' capital. Therefore, the fair value of the investments in this category has been estimated by the fund managers using recent observable transaction information from potential buyers of similar investments. It is estimated that the underlying assets of the funds would be liquidated over five to eight years.
- (c) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. Management has determined that market participants would take these inputs into account when valuing the investments.

Note 3. Investments

A summary of investments is as follows at December 31, 2015 and 2014:

	2015			2014		
	Market	Cost	Unrealized Gain (Loss) on Investments	Market	Cost	Unrealized Gain (Loss) on Investments
Short-term investments	\$ 9,816,076	\$ 9,816,076	\$ -	\$ 12,374,009	\$ 12,374,009	\$ -
Government obligations	13,033,742	13,356,602	(322,860)	17,545,295	17,702,488	(157,193)
Corporate and other bonds	15,594,486	16,823,412	(1,228,926)	20,429,898	21,323,802	(893,904)
Marketable equity security funds	215,205,997	171,091,127	44,114,870	227,532,288	171,279,179	56,253,109
Direct investments	30,486,218	52,240,200	(21,753,982)	30,366,510	54,780,409	(24,413,899)
Partnerships	12,785,506	12,841,743	(56,237)	12,187,670	12,233,894	(46,224)
Total	<u>\$ 296,922,025</u>	<u>\$ 276,169,160</u>	<u>20,752,865</u>	<u>\$320,435,670</u>	<u>\$289,693,781</u>	<u>30,741,889</u>
Less unrealized gain on investments, beginning of year			<u>30,741,889</u>			<u>49,273,522</u>
Unrealized loss for the year			<u>\$ (9,989,024)</u>			<u>\$ (18,531,633)</u>

As described in Note 1, direct investments include \$12,978,112 and \$15,334,256 in 2015 and 2014, respectively, which are recorded at cost, net of reserve.

Note 4. Grants

Unpaid grants at December 31, 2015, are scheduled for payment as follows:

Years ending December 31:

2016	\$ 5,147,450
2017	342,050
	<u>\$ 5,489,500</u>

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 5. Employees' Retirement Plans and Benefits

The Foundation's defined contribution pension plan covers substantially all employees who have completed three months of service. Contributions are equal to 10 percent of each covered employee's salary. The plan includes a vesting schedule which requires two years of service for partial vesting and six years of service for full vesting. Contributions to the plan totaled \$207,733 and \$207,619 in 2015 and 2014, respectively.

In 1989, the Foundation purchased a split-dollar insurance policy on the life of a key employee, naming itself and a key employee as beneficiaries. Upon the death of the key employee, the policy will pay \$1,500,000 to the key employee's designated beneficiary with the remaining accumulated death benefits being paid to the Foundation. At December 31, 2015 and 2014, the policy had death benefits of approximately \$4,871,367 and \$4,693,682, respectively. The cash value of the policy is \$3,768,283 and \$3,577,210 at December 31, 2015 and 2014, respectively. The present value of the liability payable to the key employee upon death of \$1,057,072 and \$985,615 at December 31, 2015 and 2014, respectively, is included in payables and other liabilities and has been discounted over the life expectancy of the key employee using the interest rate of 7.25 percent for 2015 and 2014.

Note 6. Lease Agreement

During the year ended December 31, 2015, the Foundation's office operating lease was extended through August 31, 2018. Future minimum lease payments relating to the agreement at December 31, 2015, are as follows:

Years ending December 31:	
2016	\$ 219,519
2017	228,320
2018	157,273
	<u>\$ 605,112</u>

Rent expense was \$204,120 and \$204,097 for the years ended December 31, 2015 and 2014, respectively.

Note 7. Guarantees/Contingent Liabilities

The Foundation has guaranteed specific bank loan obligations of certain Baltimore for-profit and nonprofit entities totaling \$41,401,032 and \$39,544,975 as of December 31, 2015 and 2014, respectively, which expire over a period of 1 to 30 years. The Foundation has recorded liabilities related to these guarantees in the amounts of \$28,020,000 and \$27,920,000 for December 31, 2015 and 2014, respectively. In addition, the Foundation had approved future guarantees up to \$2,082,998 and \$1,925,739 subject to review of the bank loans by the Foundation and certain other conditions as of December 31, 2015 and 2014, respectively. In connection with certain of the above guarantees, the Foundation has pledged, as collateral, marketable equity mutual funds with a market value of \$35,680,208 and \$37,712,177 as of December 31, 2015 and 2014, respectively.

The Abell Foundation, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 7. Guarantees/Contingent Liabilities (Continued)

Should an entity default on a loan obligation, the Foundation would be responsible for payment of the obligation but would also have full recourse against the entity for all rights outlined in the original loan obligation. Collateral rights are negotiated with the issuing bank on a per-guarantee basis. The Foundation provides for losses on guarantees when management determines a loss, after collateral recovery, is probable. Reserves for guarantee losses are included in guarantee liabilities. Unrealized losses on guarantees of \$100,000 and \$0 are included in the consolidated statements of activities for the years ended December 31, 2015 and 2014, respectively. In consideration for the guarantees, for-profit entities are required to pay certain fees in cash or stock to the Foundation.

The Foundation recorded a liability for the fair value of the obligation undertaken in issuing the guarantee. The Foundation has recorded liabilities totaling \$300,395 and \$285,112 related to guarantees extended at December 31, 2015 and 2014, respectively. The Foundation has recorded assets associated with these liabilities of \$300,395 and \$285,112 in other assets at December 31, 2015 and 2014, respectively.

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