

Form 990-PF

Return of Private Foundation

OMB No. 1545-0052

or Section 4947(a)(1) Trust Treated as a Private Foundation

1984

Department of the Treasury
Internal Revenue Service

Note: You may be able to use a copy of this return to satisfy State reporting requirements.

For the calendar year 1984, or tax year beginning October 1, 1984, and ending September 30, 1985

Please type, print, or affix label. See specific instructions.	Name of organization THE FORD FOUNDATION	Employer identification number 13 1684331
	Address (number and street) 320 EAST 43RD STREET	State registration number (see instructions)
	City or town, State, and ZIP code NEW YORK, NEW YORK 10017	Fair market value of assets at end of year 3,897,257,990

If application pending, check here If address changed, check here Foreign organizations, check here

Check type of organization
 Exempt private foundation 4947(a)(1) trust Other taxable private foundation

Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here and see General Instructions

The books are in care of **The Comptroller, The Ford Foundation**
 Located at **320 East 43rd St., N.Y., N.Y.** Telephone no. **(212) 573-5000**

Check this box if your private foundation status terminated under section 507(b)(1)(B)

Part I Analysis of Revenue and Expenses (See instructions for Part I)

	(A) Revenue and expenses per books	(B) Net investment income	(C) Adjusted net income	(D) Disbursements for charitable purposes
1 Contributions, gifts, grants, etc. received (attach schedule)	35			
2 Contributions from split-interest trusts		-0-		
3 Interest on savings and temporary cash investments	30,301,742	30,301,742	30,301,742	
4 Dividends and interest from securities	213,425,172	213,362,451	213,362,451	
5 Gross rents		-0-	-0-	
6 Net gain or (loss) from sale of assets not on line 30	178,400,555			
7 Capital gain net income		178,738,049		
8 Net short-term capital gain			41,054,600	
9 Income modifications			9,840,152	
10 Gross profit from any business activities (Gross receipts ▶ \$ Director's, Oakhaven, 10000 Rozzville, NY 11790)	-0-		-0-	
11 Other income (attach schedule) Sch. 1	1,596,753	1,596,753	1,596,753	
12 Total (add lines 1 through 11)	423,784,257	423,998,995	296,155,698	
13 Compensation of officers, directors, trustees, etc.	1,334,554	465,943	465,943	868,611
14 Other employee salaries and wages	12,935,578	2,296,542	2,296,542	10,639,036
15 Pension plans, employee benefits	6,163,024	758,211	758,211	5,404,813
16 (a) Legal fees Sch. 2	389,898	240,793	240,793	149,105
(b) Accounting fees Sch. 3	244,843	79,824	79,824	165,019
(c) Other professional fees Sch. 4	6,431,296	4,944,384	4,944,384	1,486,912
17 Interest	-0-	-0-	-0-	-0-
18 Taxes (attach schedule) Sch. 5	8,285,000	-0-	-0-	-0-
19 Depreciation and depletion Sch. 6	474,697	63,695	63,695	
20 Occupancy	4,479,226	576,758	576,758	3,902,468
21 Travel, conferences, and meetings	2,359,262	204,214	204,214	2,155,048
22 Printing and publications	496,705	59,471	59,471	437,234
23 Other expenses (attach schedule) Sch. 7	4,364,809	2,620,757	2,620,757	1,208,592
24 Total operating and administrative expenses (add lines 13 through 23) Sch.	47,958,892	12,310,592	12,310,592	26,416,838
25 Contributions, gifts, grants paid (from Part XIII) Sch. 8	146,231,058			146,231,058
26 Total expenses and disbursements (add lines 24 and 25)	194,189,950	12,310,592	12,310,592	172,647,896
27 (a) Excess of revenue over expenses and disbursements (line 12 minus line 26)	229,594,307			
(b) Net investment income (if negative enter -0-)		411,688,403		
(c) Adjusted net income (if negative enter -0-)			283,845,106	

ADL 9-3-86

Operating and Administrative Expenses

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MAY 15 1986
Director's, Oakhaven, 10000
Rozzville, NY 11790

Part II Excise Tax On Investment Income (Section 4940(a), 4940(b), or 4948 -see instructions)

1	Domestic organizations enter 2% of line 27(b). Exempt foreign organizations enter 4% of line 27(b)	8,233,768
2	Tax under section 511 (exempt foundations and exempt foreign organizations enter -0-)	-0-
3	Add lines 1 and 2	8,233,768
4	Tax under subtitle A (exempt foundations and exempt foreign organizations enter -0-)	-0-
5	Tax on investment income (line 3 minus line 4 (but not less than -0-))	8,233,768
6	Credits: (a) Exempt foreign organizations - tax withheld at source	-0-
	(b) Tax paid with application for extension of time to file (Form 2758)	8,285,000
7	Tax due (line 5 minus line 6)	8,265,000
8	Overpayment (line 6 minus line 5) <small>Pay in full with return. Make check or money order payable to Internal Revenue Service (Write employer identification number on check or money order)</small>	51,232

Part III Balance Sheets

Attached schedules should be for end of year amounts only (See instructions for col. (C))

		Beginning of year			End of year		
		(A) Book Value	(B) Book Value	(C) Fair Market Value	(A) Book Value	(B) Book Value	(C) Fair Market Value
Assets	1	Cash—non-interest bearing	2,076,455	977,523	977,523		
	2	Savings and temporary cash investments	499,913,497	319,627,346	319,627,346		
	3	Accounts receivable ▶ 66,056,169					
		minus allowance for doubtful accounts ▶ -0-	80,436,573	66,056,169	66,056,169		
	4	Pledges receivable ▶					
		minus allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees and other disqualified persons (see instructions)					
	7	Other notes and loans receivable ▶					
		minus allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10	Investments—securities (attach schedule) Sch. 9	2,868,113,445	3,461,339,987	3,461,339,987		
	11	Investments—land, buildings, and equipment less ▶					
		minus accumulated depreciation (attach schedule) ▶					
	12	Investments—mortgage loans					
13	Investments—other (attach schedule) (Sch.)						
14	Land, buildings, and equipment, basis ▶ 26,229,598 (6...)						
	minus accumulated depreciation (attach schedule) ▶ 8,181,531	18,522,765	18,048,067	18,048,067			
15	Other assets (Describe ▶ Prog. Related Inv. Sch. 10)	28,737,010	31,208,898	31,208,898			
16	Total assets (add lines 1 through 15)	3,497,799,745	3,897,257,990	3,897,257,990			
Liabilities	17	Accounts payable and accrued expenses	39,657,714	29,883,154			
	18	Grants payable	122,129,994	98,628,489			
	19	Support and revenue designated for future periods (attach schedule)					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable (attach schedule)					
	22	Other liabilities (Describe ▶ Current & Deferred Federal Excise Tax)	14,275,161	20,339,075			
23	Total liabilities (add lines 17 through 22)	176,062,869	148,850,718				
Fund Balances or Net Worth		Organizations that use fund accounting, check here ▶ <input checked="" type="checkbox"/>					
	24	(a) Current unrestricted fund	3,321,736,876	3,748,407,274			
		(b) Current restricted fund					
	25	Land, buildings, and equipment fund					
	26	Endowment fund					
	27	Other funds (Describe ▶)					
		Organizations not using fund accounting, check here ▶ <input type="checkbox"/>					
	28	Capital stock or trust principal					
	29	Paid-in or capital surplus					
	30	Retained earnings or accumulated income					
31	Total fund balances or net worth (see instructions)	3,321,736,876	3,748,407,274				
32	Total liabilities and fund balances/net worth (see instructions)	3,497,799,745	3,897,257,992				

Part IV Analysis of Changes in Net Worth or Fund Balances

1	Total net worth or fund balances at beginning of year—Part III, Column (A), line 31	3,321,736,876
2	Enter amount from Part I, line 27(a)	229,594,307
3	Other increases not included in line 2 (itemize) ▶ Sch. 18	197,076,091
4	Add lines 1, 2, and 3	3,748,407,274
5	Decreases not included in line 2 (itemize) ▶	
6	Total net worth or fund balances at end of year (line 4 minus line 5)—Part III, Column (B), line 31	3,748,407,274

Part V Statements Regarding Activities

File Form 4720 if you answer "No" to question 10(b), 11(b), or 14(b) or "Yes" to question 10(c), 12(b), 13(a), or 13(b) unless an exception applies.

	Yes	No
1 (a) During the tax year, did you attempt to influence any national, State, or local legislation or did you participate or intervene in any political campaign?		X
(b) Did you spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If you answered "Yes" to 1(a), or (b), attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
(c) Did you file Form 1120-POL?		X
2 Have you engaged in any activities which have not previously been reported to the Internal Revenue Service? If "Yes" attach a detailed description of the activities.		X
3 Have you made any changes, not previously reported to the IRS, in your governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes" attach a conformed copy of the changes.		X
4 (a) Did you have unrelated business gross income of \$1,000 or more during the year?	X	
(b) If "Yes" have you filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the schedule required by General Instruction I.		X
6 Are the section 508(e) requirements satisfied either: • by language written into the governing instrument, or • by State legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the State law remain in the governing instrument?	X	
7 Did you have at least \$5,000 in assets at any time during the year? If "Yes" complete Part III, Column (C) and Part XIII.	X	
8 (a) Enter States to which the foundation reports or with which it is registered (see instruction) ▶ Schedule 11		
(b) If you answered 7 "Yes" have you furnished a copy of Form 990-PF to the Attorney General (or his or her designate) of each State as required by General Instruction K.1? If "No" attach explanation	X	
9 Are you claiming status as an operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 1984 or fiscal year beginning in 1984 (see instructions for Part XII)? If "Yes," complete Part XII.		Y
10 Self-dealing (section 4941):		
(a) During the year did you (either directly or indirectly):		
(1) Engage in the sale, or exchange, or leasing of property with a disqualified person?		X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?		X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?		X
(4) Pay compensation to or pay or reimburse the expenses of a disqualified person?	X	
(5) Transfer any of your income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?		X
(6) Agree to pay money or property to a government official? (Exception: check "No" if you agreed to make a grant to or to employ the official for a period after he or she terminates government service if he or she is terminating within 90 days.)		X
(b) If you answered "Yes" to any of the questions 10(a)(1) through (6), were the acts you engaged in excepted acts as described in regulations section 53.4941(d)-3 and 4?	X	
(c) Did you engage in a prior year in any of the acts described in 10(a), other than excepted acts, that were acts of self-dealing that were not corrected by the first day of your tax year beginning in 1984?		X
11 Taxes on failure to distribute income (section 4942) (does not apply for years you were an operating foundation as defined in section 4942(j)(3) or 4942(j)(5)):		
(a) Did you at the end of tax year 1984 have any undistributed income (lines 6(d) and (e), Part XI) for tax year(s) beginning before 1984? If "Yes" list the years ▶		X
(b) If "Yes" to (a) above, are you applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the undistributed income for ALL such years?		N/A
(c) If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in (a) above, list the years here and see the instructions ▶		

Part V Statements Regarding Activities (continued)

	Yes	No
12 Taxes on excess business holding (section 4943):		
(a) Did you hold more than 2% direct or indirect interest in any business enterprise at any time during the year?	X	
(b) If "Yes" did you have excess business holdings in 1984 as a result of any purchase by you or disqualified persons after May 26, 1969; after the lapse of the 5-year period to dispose of holdings acquired by gift or bequest; after the lapse of the 10-year first phase holding period, or after the 15-year first phase holding period?		X
<i>Note: You may use Schedule C, Form 4720, to determine if you had excess business holdings in 1984.</i>		
13 Taxes on investments which jeopardize charitable purposes (section 4944):		
(a) Did you invest during the year any amount in a manner that would jeopardize the carrying out of your charitable purposes?		X
(b) Did you make any investment in a prior year (but after December 31, 1969) that could jeopardize your charitable purpose that you had not removed from jeopardy on the first day of your tax year beginning in 1984?		X
14 Taxes on taxable expenditures (section 4945):		
(a) During the year did you pay or incur any amount to:		
(1) Carry on propaganda, or otherwise attempt to influence legislation by attempting to effect the opinion of the general public or any segment thereof, or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation?	X	
(2) Influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive?	X	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	X	
(4) Provide a grant to an organization, other than a charitable, etc., organization described in section 509(a)(1), (2), or (3)?	X	
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?		X
(b) If you answered "Yes" to any of questions 14 (a)(1) through (a)(5), were all such transactions excepted transactions as described in regulations section 53.4945?	X	
(c) If you answered "Yes" to question 14(a)(4), do you claim exemption from the tax because you maintained expenditure responsibility for the grant?	X	
<i>If "Yes" attach the statement required.</i>		
Schedules 12 and 13		
15 Did any persons become substantial contributors during the tax year? <i>If "Yes" attach a schedule listing their names and addresses.</i>		X
16 During this tax year did you maintain any part of your accounting/tax records on a computerized system?	X	

Part VI Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees and Contractors

1 List all officers, directors, trustees, foundation managers and, if paid, their compensation for 1984 (see instructions).

Name and address	Title, and average hours per week devoted to position	Contributions to employee benefit plans	Expense account other allowances	Compensation
SCHEDULE 14				
				Total

1,334,554

2 Compensation of five highest paid employees for 1984 (other than included in 1 above—see instructions)

Name and address of employee paid more than \$30,000	Title, and time devoted to position	Contributions to employee benefit plans	Expense account other allowances	Compensation
Linda B. Strumpf, C/o The Ford Foundation 320 E. 43rd St., New York, N.Y. 10017	100%	31,497.55		181,108.14
Richard Hopkins, C/o The Ford Foundation 320 E. 43rd St., New York, N.Y. 10017	100%	33,026.58		157,960.53
Allen R. Faurot, C/o The Ford Foundation 320 E. 43rd St., New York, N.Y. 10017	100%	36,847.51		144,811.54
Theodore W. Anderson, C/o The Ford Fndn. 320 E. 43rd St., New York, N.Y. 10017	100%	24,226.63		106,554.03
Frederick V. Romano, Jr., C/o The Ford Fndn. 320 E. 43rd St., New York, N.Y. 10017	100%	27,880.71		104,962.68
Total number of other employees paid over \$30,000				131

Part VI Information About Officers, Directors, Trustees, etc. (continued)

3 Five highest paid persons for professional services for 1984 (see instructions):

Name and address of persons paid more than \$30,000	Type of service	Compensation
Hayler, Mastrovita & Hewitt, Inc. One Post Office Square, Boston, Mass. 02109	Investment Advisory	506,031.01
Alliance Capital Management Corp. 140 Broadway, New York, New York 10005	Investment Advisory	497,845.00
Fidelity International Investment Advisors, Inc. P.O. Box 2151, Boston, Mass. 02106	Investment Advisory	372,248.56
G.T. Capital Management, Inc. 801 Montgomery St., San Francisco, California 94111	Investment Advisory	341,825.12
Price Waterhouse 153 East 53rd Street, New York, New York 10022	Accounting & Other Services	292,525.00

Total number of others receiving over \$30,000 for professional services ▶ 21

Part VII Capital Gains and Losses for Tax on Investment Income

a. Kind of property (indicate security, real estate, or other (specify))	b. Description (examples: 100 sh. of "Z" Co., 2 story brick, etc.)	c. How acquired P—Purchase D—Donation	d. Date acquired (mo., day, yr.)	e. Date sold (mo., day, yr.)
SCHEDULE 15				

f. Gross sales price minus expense of sale	g. Depreciation allowed (or allowable)	h. Cost or other basis	i. Gain or (loss) (f plus g minus h)

Complete only for assets showing gain in column i and owned by the foundation on 12/31/69			
j. FMV as of 12/31/69	k. Adjusted basis as of 12/31/69	l. Excess of col. j over col. k (if any)	m. Losses (from col. i) Gains (excess of col. i gain over col. l loss) but not less than zero

2 Capital gain net income or (net capital loss)	178,738,049
3 Net short-term capital gain (loss) as defined in section 1222(5) and (6) If gain, also enter in Part I, line 8 (see instructions for line 8) If loss, enter -0- in Part I, line 8	41,054,600

Part VIII Minimum Investment Return

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes	3,550,963,832
(a) Average monthly fair market value of securities	2,156,596
(b) Average of monthly cash balances	131,183,065
(c) Fair market value of all other assets (see instructions)	3,684,303,493
(d) Total (add lines (a), (b), and (c))	-0-
2 Acquisition indebtedness applicable to line 1 assets	3,684,303,493
3 Line 1(d) minus line 2	55,264,552
4 Cash deemed held for charitable activities—enter 1 1/2% of line 3 (for greater amount, see instructions)	3,629,038,941
5 Line 3 minus line 4	181,451,947
6 Enter 5% of line 5	

Part IX Computation of Distributable Amount (see instructions)

1 Minimum investment return from Part VIII, line 6	181,451,947
2 Total of:	
(a) Tax on investment income for 1984 from Part II, line 5	8,233,768
(b) Income tax under subtitle A, for 1984	-0-
3 Distributable amount (line 1 minus line 2)	8,233,768
4 Adjustments to distributable amount	173,218,179
5 Distributable amount as adjusted (line 3 plus or minus line 4)—also enter in Part XI, line 1	-0-
	173,218,179

Part X Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
(a) Expenses, contributions, gifts, etc.—total from Part I, column (D), line 26	172,647,896
(b) Program-related investments Sch. 16	6,656,960
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	--
3 Amounts set aside for specific charitable projects that satisfy the:	
(a) Suitability test (prior IRS approval required)	--
(b) Cash distribution test (attach the required schedule)	--
4 Total qualifying distributions made in 1984 (add lines 1, 2, and 3)—also enter in Part XI, line 4	179,304,856

Part XI Computation of Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 1983	(c) 1983	(d) 1984
1 Distributable amount for 1984 from Part IX				173,218,179
2 Undistributed income, if any, as of the end of 1983:				
(a) Enter amount for 1983			-0-	
(b) Total for prior years: <u>None None None</u>		-0-		
3 Excess distributions carryover, if any, to 1984:				
(a) From 1979		-0-		
(b) From 1980		-0-		
(c) From 1981		-0-		
(d) From 1982		-0-		
(e) From 1983		-0-		
(f) Total of 3(a) through (e)		-0-		
4 Qualifying distributions for 1984 <u>179,304,856</u> :				
(a) Applied to 1983, but not more than line 2(a)			-0-	
(b) Applied to undistributed income of prior years (Election required)		-0-		
(c) Treated as distributions out of corpus (Election required)	-0-			
(d) Applied to 1984 distributable amount				173,218,179
(e) Remaining amount distributed out of corpus	6,086,677			
5 Excess distributions carryover applied to 1984 (If an amount appears in column (d), the same amount must be shown in column (a))	-0-			-0-
6 Enter the net total of each column as indicated below:				
(a) Corpus: Add lines 3(f), 4(c), and 4(e). Subtract line 5	6,086,677			
(b) Prior years' undistributed income: Line 2(b) minus line 4(b)		(b) -0-		
(c) Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		(c) -0-		
(d) Subtract line 6(c) from line 6(b). Taxable amount—see instructions		(d) -0-		
(e) Undistributed income for 1983: Line 2(a) minus line 4(a). Taxable amount—see instructions			-0-	
(f) Undistributed income for 1984: Line 1 minus lines 4(d) and 5. This amount must be distributed in 1985				-0-
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(D) or 4942(g)(3) (see instructions)	-0-			
8 Excess distributions carryover from 1979 not applied on line 5 or line 7 (see instructions)	-0-			
9 Excess distributions carryover to 1985. (Line 6(a) minus lines 7 and 8)	6,086,677			
10 Analysis of line 9:				
(a) Excess from 1980	-0-			
(b) Excess from 1981	-0-			
(c) Excess from 1982	-0-			
(d) Excess from 1983	-0-			
(e) Excess from 1984	6,086,677			

Part XII Private Operating Foundations (See instructions and Part V, question 9)

- 1 (a) If the foundation has received a ruling or determination letter that it is an operating foundation, and the ruling is effective for 1984, enter the date of the ruling
 (b) Check box to indicate whether you are an operating foundation described in section 4942(j)(3) or 4942(j)(5).

2 (a) For 1984, 1983 and 1982, enter the lesser of the adjusted net income from Part I or the maximum investment return from Part VIII of the return for each correct year. For 1981, enter the adjusted net income from that return.

	Tax year				(e) Total
	(a) 1984	(b) 1983	(c) 1982	(d) 1981	
(b) 85% of line (a)					
(c) Qualifying distributions from Part X, line 4, for 1984 (enter corresponding amount for prior years)					
(d) Amounts included in (c) not used directly for active conduct of exempt activities					
(e) Qualifying distributions made directly for active conduct of exempt purposes (line (c) minus line (d))					
3 Complete the alternative test in (a), (b), or (c) on which you rely:	NOT APPLICABLE				
(a) "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
(b) "Endowment" alternative test—Enter 1/2 of minimum investment return shown in Part VIII, line 6, for 1984 (enter 1/2 of comparable amount for prior years)					
(c) "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XIII Supplementary Information (see instructions)

1 Information Regarding Foundation Managers

- (a) List here any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

- (b) List here any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs Schedule 17

If you make gifts, grants, awards, (see instructions) etc., to individuals or organizations, check here and complete these items

- (a) The name, address, and telephone number of the person to whom applications should be addressed
-
- (b) The form in which applications should be submitted and information and materials they should include
-
- (c) Any submission deadlines
-
- (d) Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XIII Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
(a) <i>Paid during year</i> To the best of our knowledge and belief, no grants were made to any individual who is related by blood, marriage, adoption or employment to any Foundation manager or substantial contributor. Payments totalling \$146,231,058 were made during the year ended September 30, 1985, on account of grants approved during that period and prior periods. (Schedule 8 - Summary of Grants)				
Total (Enter this amount in Part I, col. (A), line 25)				146,231,058

(b) <i>Approved for future payment</i> To the best of our knowledge and belief, no grants were made to any individual who is related by blood, marriage, adoption or employment to any Foundation manager or substantial contributor. Grants to organizations and individuals totalling \$122,561,999 were recorded in the Foundation's accounts for the year ended September 30, 1985. (Schedule 8 - Summary of Grants)				
Total				122,561,999

Total (Enter this amount in Part I, col. (A), line 25) **146,231,058**

Total (Enter this amount in Part I, col. (A), line 25) **122,561,999**

Part XIV A Summary of Grant Programs and Other Activities	(A) Grants and Program-related Investments	(B) Administrative Expenses	(C) Total
1. Gifts, contributions, scholarships and other grants	146,231,058	19,792,982	166,024,040
2. Direct charitable activities (describe each):			
(a) Tech. Assist. non-grantees			852,599
(b) Seminars & Conferences			413,508
(c) Direct technical and other assistance to grantees (see instructions)			866,558
(d) All other (attach schedule) Sch. 19			2,590,059
(e) Total—add (a) through (d)			4,723,124
3. Program-related investments (describe each type):			
(a) Housing Assistance Council	2,000,000		
(b) Famicos Foundation	1,100,000		
(c) Boston Housing Partnership	1,050,000		
(d) All other (attach schedule) Sch. 20	2,506,960		
(e) Total—see instructions	6,656,960	2,270,626	8,927,586
4. Other qualifying distributions			1,147,525
5. Other expenses not included in lines 1-4			-0-

Part XIV B Supporting Data

- Describe on an attached schedule the bases (for example, time spent, salary expenses incurred, space utilized, etc.) used to allocate administrative expenses to the activities described in Part XIV-A. Sch. 21
- For the foundation's principal direct charitable activities and program-related investments provide a schedule of relevant statistical information, such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc. Sch. 22
- Attach a schedule for Part XIV-A, lines 2 and 3 setting forth for each activity or investment area the amount of any income produced by it. Sch. 23

Part XV Public Inspection

- Enter the date the notice of availability of the annual return appeared in a newspaper **AUGUST 13, 1985**
- Enter the name of the newspaper **NEW YORK TIMES**
- Check here if you have attached a copy of the newspaper notice as required by the instructions. (If the notice is not attached, the return will be considered incomplete.) Sch. 24

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee: *[Signature]* Date: *8/13/85* Title: **Director of Financial Services and Treasurer**

Preparer's Use Only: Preparer's signature: *Dean F. Adelman* Date: *8/12/85* Check if self-employed: Preparer's social security no. **[Redacted]**

Firm's name (or yours, if self-employed) and address: **Price Waterhouse** E. I. No.: **13-5326270** Z: P code: **[Redacted]**
153 East 53rd St. New York, N.Y. 10022

THE FORD FOUNDATION

73-1604331

Form 990-PF - Fiscal Year Ended September 30, 1985

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Extension

Opinion of Certified
Public Accountants

Schedule

1. Other Income - Part I - Line 11 - Columns A-C
2. Legal Fees - Part I - Line 16(a)
3. Accounting Fees - Part I - Line 16(b)
4. Other Professional Fees - Part I - Line 16(c)
5. Taxes - Part I - Line 18 - Column A
5. Depreciation - Part I - Line 19 and Part III - Line 14 - Columns B & C - End of Year
7. Other Expenses - Part I - Line 23 - Columns A-D
8. Summary of Grants
9. Itemized Statement of Diversified Portfolio - Part III - Balance Sheets - Line 10 - Columns B & C - End of Year
10. Program Related Investments - Part III - Balance Sheets - Line 15 - Columns B & C - End of Year
11. List of States Receiving Form 990-PF - Part V - Question 8(a)
12. Statement of Expenditure Responsibility Exercised - Part V - Question 14(c)
13. Statement of Expenditure Responsibility Exercised - Program Related Investments - Part V - Question 14(c)
14. Compensation of Officers and Trustees - Part VI - Line 1
15. Capital Gains and Losses for Tax on Investment Income - Part VII
16. Program Related Investments - Part X - Line 1(b)
17. Supplementary Information - Part XIII - Line 2

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- Schedule - Con't.
18. Analysis of Changes in Net Worth or Fund Balances - Part IV - Line 3
 19. Direct Charitable Activities - All other - Part XIV A - Line 20
 20. All other Program Related Investments Part XIV A - Line 30
 21. Discription of Allocation basis - Part XIV B - Line 1
 22. Relevant Statistical Information - Part XIV B - Line 2
 23. Income Produced by Direct Charitable Activities and Program Related Investment - Part XIV B - Line 3
 24. Public Inspection - Part XV - Line 3

Price Waterhouse



November 25, 1985

To the Board of Trustees of
The Ford Foundation

In our opinion, the accompanying statement of financial position and the related statements of income, expenditures and changes in fund balance and of sources and uses of cash present fairly the financial position of The Ford Foundation at September 30, 1985 and 1984, its income, expenditures, and changes in fund balance and the sources and uses of cash for the years then ended in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Price Waterhouse

THE FORD FOUNDATION
STATEMENT OF FINANCIAL POSITION

	<u>September 30,</u> <u>1985</u>	<u>1984</u>
	(in thousands)	
<u>ASSETS</u>		
INVESTMENTS, at market	\$3,780,967	\$3,368,027
CASH (includes interest-bearing accounts of \$213,000 at September 30, 1985 and \$177,000 at September 30, 1984)	978	2,077
RECEIVABLES AND OTHER ASSETS		
Investment-related	65,076	78,934
Other	980	1,503
PROGRAM-RELATED INVESTMENTS, net of allowances for possible losses of \$15,023,000 at September 30, 1985 and \$14,408,000 at September 30, 1984	31,209	28,737
LAND AND BUILDINGS, at cost, net of accumulated depreciation of \$8,182,000 at September 30, 1985 and \$7,707,000 at September 30, 1984.	<u>18,048</u>	<u>18,522</u>
	<u>\$3,897,258</u>	<u>\$3,497,800</u>
<u>LIABILITIES AND FUND BALANCE</u>		
UNPAID GRANTS	\$ 98,629	\$ 122,130
PAYABLES AND OTHER LIABILITIES		
Investment-related	15,020	28,639
Other	14,863	11,019
FEDERAL EXCISE TAX		
Current	8,285	5,760
Deferred	<u>12,054</u>	<u>8,515</u>
	<u>148,851</u>	<u>176,063</u>
FUND BALANCE		
Appropriated	4,832	28,497
Unappropriated	<u>3,743,575</u>	<u>3,293,240</u>
	<u>3,748,407</u>	<u>3,321,737</u>
	<u>\$3,897,258</u>	<u>\$3,497,800</u>

(See Notes to Financial Statements)

THE FORD FOUNDATION
STATEMENT OF INCOME, EXPENDITURES
AND CHANGES IN FUND BALANCE

	For the year ended September 30,	
	<u>1985</u>	<u>1984</u>
	(in thousands)	
INCOME		
Dividends	\$ 65,533	\$ 68,105
Interest	<u>180,525</u>	<u>149,721</u>
	<u>246,058</u>	<u>217,826</u>
EXPENDITURES		
Program activities:		
Grants approved - organizations	119,003	133,961
Grants approved - individuals	3,559	3,070
Direct conduct of charitable activities	453	613
Program support	15,373	15,188
Provision for possible losses on program-related investments	<u>615</u>	<u>976</u>
	<u>139,003</u>	<u>153,808</u>
General management	13,599	13,162
Expenses incurred in the production of income	9,634	9,949
Provision (benefit) for federal excise tax		
Current	8,295	5,764
Deferred	<u>3,539</u>	<u>(3,606)</u>
	<u>174,060</u>	<u>179,077</u>
	<u>71,998</u>	<u>38,749</u>
APPRECIATION (DEPRECIATION) ON INVESTMENTS		
Realized	177,726	92,403
Unrealized	<u>176,946</u>	<u>(197,526)</u>
	<u>354,672</u>	<u>(105,123)</u>
INCREASE (DECREASE) IN FUND BALANCE FOR YEAR	426,670	(66,374)
FUND BALANCE AT BEGINNING OF YEAR	<u>3,321,737</u>	<u>3,389,111</u>
FUND BALANCE AT END OF YEAR	<u>\$3,748,407</u>	<u>\$3,321,737</u>

(See Notes to Financial Statements)

THE FORD FOUNDATION
STATEMENT OF SOURCES AND USES OF CASH

For the year ended
September 30,
1985 1984
(in thousands)

CASH PROVIDED BY:

Increase (decrease) in fund balance for year	\$ 426,670	\$ (66,371)
Add (deduct) non-cash items		
Unrealized (appreciation) depreciation on investments	(176,946)	197,526
Deferred federal excise tax	3,539	(3,606)
Depreciation on buildings	475	475
Provision for possible losses on program-related investments and related guarantees	<u>615</u>	<u>976</u>
Funds provided by operations	254,353	128,997
Repayments of program-related investments	3,570	2,676
Decrease (increase) in receivables and other assets:		
Investment-related	13,858	(37,656)
Other	523	831
Increase (decrease) in federal excise tax payable	<u>2,525</u>	<u>(3,876)</u>
	<u>274,829</u>	<u>90,972</u>

CASH USED BY:

Excess of acquisition of investments over disposals:		
Acquisitions	2,430,656	3,128,892
Disposals	<u>(2,194,661)</u>	<u>(3,000,574)</u>
	235,995	128,318
Decrease (increase) in unpaid grants:		
Current year payments	146,063	116,268
Less current year approvals	<u>(122,562)</u>	<u>(137,031)</u>
	23,501	(20,763)
Decrease (increase) in payables and other liabilities		
Investment-related	15,940	(18,700)
Other	(6,165)	(3,005)
Program-related investments	<u>6,657</u>	<u>6,609</u>
	<u>275,928</u>	<u>92,458</u>
(DECREASE) IN CASH	(1,099)	(1,486)
CASH BEGINNING OF YEAR	<u>2,077</u>	<u>3,563</u>
CASH END OF YEAR	<u>\$ 978</u>	<u>\$ 2,077</u>

(See Notes to Financial Statements)