

Department of the Treasury  
Internal Revenue Service

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation  
Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

**2004**

For calendar year 2004, or tax year beginning , 2004, and ending

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Name of organization: **ALLEGHENY FOUNDATION**  
 301 GRANT ST STE 3900  
 PITTSBURGH PA 15219-6402

Employer identification number: **25-6012303**

Telephone number: **(412) 392-2900**

Use the IRS label. Otherwise, print or type. See Specific Instructions.

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **43,156,164.**

J Accounting method:  Cash  Accrual  Other (specify) \_\_\_\_\_

E If private foundation status was terminated under section 507(b)(1)(A), check here .

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here .

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)	1,000,000.	STMT 1		
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	1,283,896.	1,283,896.	NONE	STMT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	868,881.			
b	Gross sales price for all assets on line 6a	1,282,135.			
7	Capital gain net income (from Part IV, line 2)		994,687.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)	3,590.	NONE	NONE	STMT 3
12	Total. Add lines 1 through 11	3,156,367.	2,278,583.	NONE	
13	Compensation of officers, directors, trustees, etc.	51,400.	6,922.	NONE	44,478.
14	Other employee salaries and wages	59,519.	NONE	NONE	59,519.
15	Pension plans, employee benefits	54,326.	3,390.	NONE	50,936.
16a	Legal fees (attach schedule)	638.	NONE	NONE	638.
b	Accounting fees (attach schedule)	31,800.	15,900.	NONE	15,900.
c	Other professional fees (attach schedule)	38,869.	38,869.	NONE	NONE
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions)	** 30,632.	532.	NONE	30,100.
19	Depreciation (attach schedule) and depletion	22,263.	NONE	NONE	
20	Occupancy	57,300.	3,576.	NONE	53,724.
21	Travel, conferences, and meetings	153.	NONE	NONE	153.
22	Printing and publications				
23	Other expenses (attach schedule)	40,062.	2,249.	NONE	37,813.
24	Total operating and administrative expenses. Add lines 13 through 23	386,962.	71,438.	NONE	293,261.
25	Contributions, gifts, grants paid	1,364,000.			1,504,000.
26	Total expenses and disbursements. Add lines 24 and 25	1,750,962.	71,438.	NONE	1,797,261.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	1,405,405.			
b	Net investment income (if negative, enter -0-)		2,207,145.		
c	Adjusted net income (if negative, enter -0-)			NONE	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing . . . . .		10,489.	14,575.	14,575.
	2	Savings and temporary cash investments . . . . .		205,994.	102,173.	102,173.
	3	Accounts receivable ▶ ----- 10,000.			10,000.	10,000.
		Less: allowance for doubtful accounts ▶ -----				
	4	Pledges receivable ▶ -----				
		Less: allowance for doubtful accounts ▶ -----				
	5	Grants receivable . . . . .				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ -----				
		Less: allowance for doubtful accounts ▶ -----				
	8	Inventories for sale or use . . . . .				
	9	Prepaid expenses and deferred charges . . . . . \$TMT 10.		23,901.	32,191.	32,191.
	10 a	Investments - U S and state government obligations (attach schedule) . . . . .				
	b	Investments - corporate stock (attach schedule) . \$TMT 11.		11,400,266.	12,262,182.	42,459,202.
	c	Investments - corporate bonds (attach schedule) . . . . .				
	11	Investments - land, buildings, and equipment basis ▶ ----- Less: accumulated depreciation (attach schedule) ▶ -----				
12	Investments - mortgage loans . . . . .					
13	Investments - other (attach schedule) . . . . . \$TMT 12.			507,197.	507,197.	
14	Land, buildings, and equipment basis ▶ ----- 189,478. Less: accumulated depreciation (attach schedule) ▶ ----- 158,652.		53,089.	30,826.	30,826.	
15	Other assets (describe ▶ -----)					
16	Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I) . . . . .		11,693,739.	12,959,144.	43,156,164.	
Liabilities	17	Accounts payable and accrued expenses . . . . .				
	18	Grants payable . . . . .		597,000.	457,000.	
	19	Deferred revenue . . . . .				
	20	Loans from officers, directors, trustees, and other disqualified persons . . . . .				
	21	Mortgages and other notes payable (attach schedule) . . . . .				
	22	Other liabilities (describe ▶ -----)				
23	Total liabilities (add lines 17 through 22) . . . . .		597,000.	457,000.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted . . . . .		11,096,739.	12,502,144.	
	25	Temporarily restricted . . . . .				
	26	Permanently restricted . . . . .				
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds . . . . .				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .				
29	Retained earnings, accumulated income, endowment, or other funds . . . . .					
30	Total net assets or fund balances (see page 17 of the instructions) . . . . .		11,096,739.	12,502,144.		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions) . . . . .		11,693,739.	12,959,144.		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) . . . . .	1	11,096,739.
2	Enter amount from Part I, line 27a . . . . .	2	1,405,405.
3	Other increases not included in line 2 (itemize) ▶ -----	3	
4	Add lines 1, 2, and 3 . . . . .	4	12,502,144.
5	Decreases not included in line 2 (itemize) ▶ -----	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 . . . . .	6	12,502,144.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)				(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	SEE STATEMENT 15					
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69						(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any				
a						
b						
c						
d						
e						
2	Capital gain net income or (net capital loss) . . . . .			2	994,687.	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 . . . . .				3	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . .  Yes  No  
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2003	1,617,097.	32,974,859.	0.04904030067
2002	1,800,741.	36,647,655.	0.04913659551
2001	1,670,245.	40,204,630.	0.04154359834
2000	1,807,960.	36,857,033.	0.04905332450
1999	1,530,436.	41,285,474.	0.03706959983
2	Total of line 1, column (d) . . . . .		0.22584341885
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . . .		0.04516868377
4	Enter the net value of noncharitable-use assets for 2004 from Part X, line 5 . . . . .		38,372,308.
5	Multiply line 4 by line 3 . . . . .		1,733,227.
6	Enter 1% of net investment income (1% of Part I, line 27b) . . . . .		22,071.
7	Add lines 5 and 6 . . . . .		1,755,298.
8	Enter qualifying distributions from Part XII, line 4 . . . . .		1,797,261.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes items like 'Exempt operating foundations', 'Domestic organizations that meet the section 4940(e) requirements', 'Tax under section 511', 'Total credits and payments', and 'Tax due'. Total tax due is 29,711.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes questions about influencing legislation, political expenditures, and reporting requirements. Includes a section for state reporting (Pennsylvania) and website information (WWW.SCAIFE.COM).

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

Table with columns for question text, Yes/No checkboxes, and Yes/No columns. Includes questions 1a through 6b regarding disqualifying activities, disaster assistance, taxes, and business holdings.

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 14		51,400.	9,200.	NONE

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 21 of the instructions). If none, enter "NONE."**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 . . . . . ▶ NONE

**3 Five highest-paid independent contractors for professional services - (see page 21 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
OXFORD DEVELOPMENT CO, 301 GRANT STREET ONE OXFORD CENTRE, PITTSBURGH, PA 15219	FACILITY RENTAL	56,181.

Total number of others receiving over \$50,000 for professional services . . . . . ▶ NONE

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 NOT APPLICABLE	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments** (see page 22 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.		Amount
1	<b>NOT APPLICABLE</b>	
2		
All other program-related investments See page 22 of the instructions		
3	<b>NONE</b>	
<b>Total.</b> Add lines 1 through 3		

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	38,932,801.
b	Average of monthly cash balances	1b	23,857.
c	Fair market value of all other assets (see page 22 of the instructions)	1c	NONE
d	<b>Total</b> (add lines 1a, b, and c)	1d	38,956,658.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	NONE
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	38,956,658.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	584,350.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	38,372,308.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	1,918,615.

**Part XI Distributable Amount** (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,918,615.
2a	Tax on investment income for 2004 from Part VI, line 5	2a	22,071.
b	Income tax for 2004 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	22,071.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,896,544.
4	Recoveries of amounts treated as qualifying distributions	4	3,590.
5	Add lines 3 and 4	5	1,900,134.
6	Deduction from distributable amount (see page 23 of the instructions)	6	NONE
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,900,134.

**Part XII Qualifying Distributions** (see page 23 of the 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	1a	1,797,261.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,797,261.
5	Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	22,071.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	1,775,190.

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2003	(c) 2003	(d) 2004
1 Distributable amount for 2004 from Part XI, line 7 . . . . .				1,900,134.
2 Undistributed income, if any, as of the end of 2003				
a Enter amount for 2003 only . . . . .			NONE	
b Total for prior years . . . . .		NONE		
3 Excess distributions carryover, if any, to 2004.				
a From 1999 . . . . .			NONE	
b From 2000 . . . . .			51,572.	
c From 2001 . . . . .			NONE	
d From 2002 . . . . .			1,748.	
e From 2003 . . . . .			NONE	
f Total of lines 3a through e . . . . .	53,320.			
4 Qualifying distributions for 2004 from Part XII, line 4 ▶ \$ 1,797,261.				
a Applied to 2003, but not more than line 2a . . . . .			NONE	
b Applied to undistributed income of prior years (Election required - see page 24 of the instructions) . . . . .		NONE		
c Treated as distributions out of corpus (Election required - see page 24 of the instructions) . . . . .	NONE			
d Applied to 2004 distributable amount . . . . .				1,797,261.
e Remaining amount distributed out of corpus . . . . .	NONE			
5 Excess distributions carryover applied to 2004 (If an amount appears in column (d), the same amount must be shown in column (a).)	53,320.			53,320.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		NONE		
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 . . . . .		NONE		
d Subtract line 6c from line 6b. Taxable amount - see page 25 of the instructions . . . . .		NONE		
e Undistributed income for 2003 Subtract line 4a from line 2a Taxable amount - see page 25 of the instructions . . . . .			NONE	
f Undistributed income for 2004. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2005 . . . . .				49,553.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions) . . . . .	NONE			
8 Excess distributions carryover from 1999 not applied on line 5 or line 7 (see page 25 of the instructions) . . . . .	NONE			
9 Excess distributions carryover to 2005. Subtract lines 7 and 8 from line 6a . . . . .	NONE			
10 Analysis of line 9:				
a Excess from 2000 . . . . .			NONE	
b Excess from 2001 . . . . .			NONE	
c Excess from 2002 . . . . .			NONE	
d Excess from 2003 . . . . .			NONE	
e Excess from 2004 . . . . .			NONE	



Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2004, enter the date of the ruling
b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed
b 85% of line 2a
c Qualifying distributions from Part XII, line 4 for each year listed
d Amounts included in line 2c not used directly for active conduct of exempt activities
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c
3 Complete 3a, b, or c for the alternative test relied upon
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 2/3 of minimum investment return shown in Part X, line 8 for each year listed
c "Support" alternative test - enter
(1) Total support other than gross investment income
(2) Support from general public and 5 or more exempt organizations
(3) Largest amount of support from an exempt organization
(4) Gross investment income

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 26 of the instructions.)

1 Information Regarding Foundation Managers:

a List 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).)

NOT APPLICABLE

b List 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.

NOT APPLICABLE

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

Check here [ ] if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed:

SEE STATEMENT 16

b The form in which applications should be submitted and information and materials they should include:

SEE STATEMENT 16

c Any submission deadlines:

SEE STATEMENT 16

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: SEE STATEMENT 16

**Part XV 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 the year</i> SEE STATEMENT 17				1,504,000.
<b>Total . . . . .</b>				<b>1,504,000.</b>
b <i>Approved for future payment</i> SEE STATEMENT 17				457,000.
<b>Total . . . . .</b>				<b>457,000.</b>



Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

Table with 3 columns: Question, Yes, No. Rows include: 1 Did the organization directly or indirectly engage... a Transfers from the reporting organization... b Other transactions... c Sharing of facilities... d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. First row contains 'N/A'.

2 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... [ ] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Signature block containing: Under penalties of perjury, I declare that I have examined this return... Signature of officer or trustee (with signature), Preparer's signature (with signature), Firm's name (or yours if self-employed), address, and ZIP code: KPMG LLP, ONE MELLON CENTER, PITTSBURGH, PA.

Name of organization  
**ALLEGHENY FOUNDATION**

Employer identification number  
**25-6012303**

Organization type (check one):

**Filers of:**

**Section:**

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule - see instructions.)

**General Rule -**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules -**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) . . . . . ► \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **ALLEGHENY FOUNDATION**

Employer identification number  
**25-6012303**

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<b>RICHARD M. SCAIFE</b>  <b>ONE OXFORD CTR, 301 GRANT ST, STE 3900</b>  <b>PITTSBURGH, PA 15219-6402</b>	1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis	Gain or (loss)	
		<b>TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS</b>				<b>994,687.</b>	
		SEE STATEMENT 15					
<b>TOTAL GAIN (LOSS)</b> .....		.....				----- <b>994,687.</b> =====	

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS AND GRANTS RECEIVED

NAME AND ADDRESS -----	DATE ----	DIRECT PUBLIC SUPPORT -----
RICHARD M. SCAIFE ONE OXFORD CTR, 301 GRANT ST, STE 3900 PITTSBURGH, PA 15219-6402	11/05/2004	1,000,000.
TOTAL CONTRIBUTION AMOUNTS		----- 1,000,000. =====



FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
-----	-----	-----	-----
INTEREST INCOME	4,286.	4,286.	NONE
DIVIDEND INCOME	1,279,610.	1,279,610.	NONE
TOTAL	1,283,896.	1,283,896.	NONE

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
-----	-----	-----	-----
GRANT REFUNDS	3,590.	NONE	NONE
TOTALS	3,590.	NONE	NONE

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES	638.	NONE	NONE	638.
TOTALS	638.	NONE	NONE	638.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
AUDIT, COMPILATION AND TAX	31,800.	15,900.	NONE	15,900.
TOTALS	31,800.	15,900.	NONE	15,900.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
FISCAL AGENTS	38,869.	38,869.	NONE	NONE
TOTALS	38,869.	38,869.	NONE	NONE

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
PAYROLL TAXES	8,521.	532.	NONE	7,989.
FEDERAL EXCISE TAX	22,111.	NONE	NONE	22,111.
TOTALS	30,632.	532.	NONE	30,100.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
INSURANCE	5,697.	356.	NONE	5,341.
OFFICE EXPENSES	6,855.	428.	NONE	6,427.
SECURITY	16,590.	1,035.	NONE	15,555.
TELEPHONE	2,513.	157.	NONE	2,356.
DUES AND SUBSCRIPTIONS	2,111.	NONE	NONE	2,111.
COMPUTER MAINTENANCE	1,924.	NONE	NONE	1,924.
OFFICE TEMP	4,372.	273.	NONE	4,099.
TOTALS	40,062.	2,249.	NONE	37,813.

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS, GRANTS PAID

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
-----	-----	-----	-----
<u>GRANTS PAID</u>			
SEE STATEMENT 17			1,504,000.
		TOTAL CONTRIBUTIONS PAID	1,504,000.
<u>GRANTS ACCRUED</u>			
SEE STATEMENT 17			457,000.
		TOTAL APPROVED CONTRIBUTIONS ACCRUED	457,000.
		TOTAL CONTRIBUTIONS PAID AND ACCRUED	1,961,000.



## FORM 990PF, PART II - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
PREPAID INSURANCE	2,130.	2,531.	2,531.
PREPAID FEDERAL EXCISE TAX	21,771.	29,660.	29,660.
	-----	-----	-----
TOTALS	23,901.	32,191.	32,191.
	=====	=====	=====

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
SEE STATEMENT 11A	11,400,266.	12,262,182.	42,459,202.
TOTALS	11,400,266.	12,262,182.	42,459,202.

## ALLEGHENY FOUNDATION

## Schedule of Investments

December 31, 2004

Investments	Shares or par value	Cost	Fair value
Money markets:			
PNC Money Market	91,301	\$ 91,301	91,301
Charles Schwab Money Market	10,871	10,871	10,871
		102,172	102,172
Common stocks:			
Abbott Laboratories Inc.	26,000	338,843	1,212,900
Advanced Medical Optics	2,222	2,755	91,413
Allergan, Inc.	10,000	75,828	810,700
Altria Group Inc.	177,100	2,791,823	10,820,810
BP Amoco PLC	100,572	763,649	5,873,405
Beckman Coulter, Inc.	3,664	21,057	245,451
Brown Forman Corp.	22,000	767,650	1,070,960
Chevron-Texaco Corp.	4,000	186,520	210,040
Citigroup Inc.	7,000	350,173	337,260
Coca-Cola Co.	20,000	332,693	832,800
Dominion Resources, Inc.	3,683	105,753	249,486
Duke Energy Corporation	68,000	810,068	1,722,440
Exxon Mobil Corp.	14,700	618,017	753,522
FPL Group, Inc.	25,000	862,881	1,868,750
Fifth Third Bancorp	3,500	203,490	165,550
Fortune Brands Inc.	50,500	842,816	3,897,590
General Electric Co.	10,300	486,676	375,950
General Mills, Inc.	20,000	49,791	994,200
Glaxo SmithKline ADR	45,520	149,176	2,157,193
Hershey Foods Corp.	20,000	195,312	1,110,800
Hospira	2,600	23,343	87,100
International Business Machines Corp.	16,000	436,903	1,577,280
JP Morgan Chase & Co.	5,000	195,640	195,050
Meadwestvaco Corp.	51,560	218,010	1,747,368
Medco Health Solutions	1,206	37,324	50,170
National City Corp.	6,000	206,516	225,300
Pfizer Inc.	10,000	407,900	268,900
Progress Energy Inc.	20,000	375,707	904,800
Wells Fargo & Co. New	4,000	231,700	248,600
Wyeth	53,000	162,720	2,257,270
Zimmer Holdings Inc.	1,200	11,447	96,144
		12,262,181	42,459,202

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
MUTUAL FUNDS	507,197.	507,197.
TOTALS	----- 507,197.	----- 507,197.
	=====	=====

## FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
RICHARD M. SCAIFE 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	CHAIRMAN & TRUSTEE 1	1,500.	NONE	NONE
RALPH H. GOETTLER 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	1,500.	NONE	NONE
DORIS O'DONNELL 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	1,500.	NONE	NONE
ARTHUR P. ZIEGLER, JR. 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	1,500.	NONE	NONE
MARGARET R. SCAIFE 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	1,500.	NONE	NONE
GEORGE A. WEYMOUTH 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	NONE	NONE	NONE
MATTHEW A. GROLL	EXECUTIVE DIRECTOR 20	42,400.	9,200.	NONE

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1	1,500.	NONE	NONE
JOANNE B. BEYER 301 GRANT STREET ONE OXFORD CENTER, SUITE 3900 PITTSBURGH, PA 15219				
	GRAND TOTALS	51,400.	9,200.	NONE

**ALLEGHENY FOUNDATION**  
 Schedule of Gains (Losses) for Tax on Investments Income  
 Year ended December 31, 2004

(a)	(b)	(c)	(d)	(e)	(f)	(h)	(i)	(j)	(k)	(l)	(m)
Kind of property	Description	How acquired P - purchase D - donated	Date acquired	Date sold/ matured	Gross sale price	Tax cost or other basis and expense of sale	Gain (loss) (f) less (h)	Fair market value as of December 31, 1969	Adjusted cost basis	Excess of (l) over (k)	Losses from column (j) and gains excess (f) over (l)
Security	Darden Restaurants, Inc.	P	01/19/78	01/29/04	\$ 848,375	30,545	817,830	N/A	N/A	N/A	817,830
Security	Kraft Foods, Inc.	P	10/11/01	01/29/04	74,060	70,502	3,558	N/A	N/A	N/A	3,558
Security	Bristol Meyers Squibb Co.	D	Various	03/25/04	<u>359,700</u>	<u>186,401</u>	<u>173,299</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>173,299</u>
					<u>\$ 1,282,135</u>	<u>287,448</u>	<u>994,687</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>994,687</u>

STATE-5T 15

**ALLEGHENY FOUNDATION**

**Form 990-PF**

**EIN: 25-6012303**

**Year Ended December 31, 2004**

**Information Regarding Grant and Loan Program**

The Allegheny Foundation concentrates its giving in the Western Pennsylvania area and confines most of its grant awards to programs for historic preservation, civic development, education, youth development, and animal welfare. The Foundation does not make grants to individuals.

Initial inquiries to the Foundation should be in letter form signed by the Organization's President, or authorized representative, and have the approval of the Organization's Board of Directors. The letter should include a concise description of the specific program for which funds are requested. Additional information must include a budget for the program and for the organization, the latest audited financial statement and annual report. A copy of the Organization's current ruling letter evidence tax exemption under Section 501(c)(3) and 509(a) of the Internal Revenue Code is required. Additional information may be requested, if needed, for further evaluation.

The Foundation normally considers grants at an annual meeting held in December. However, requests may be submitted at any time and will be acted upon as expeditiously as possible.

Grant applications should be addressed to:

Mr. Matthew A. Groll  
Executive Director  
Allegheny Foundation  
301 Grant Street  
One Oxford Centre  
Suite 3900  
Pittsburgh, Pennsylvania 15219-6401



FEDERAL FOOTNOTES

GRANTS PAID

ALL OF THE GRANTEES SHOWN ON THE ATTACHED STATEMENT OF GRANTS ARE EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C) (3) AND HAVE THE STATUS OF PUBLIC CHARITIES WITHIN THE MEANING OF INTERNAL REVENUE CODE SECTION 509(A) (1), (2), OR (3).

## ALLEGHENY FOUNDATION

## Schedule of Grants

As of and for the year ended December 31, 2004

	Payable, December 31, 2003	January 1 to December 31, 2004		Payable, December 31, 2004
		Approved	Paid	
Allegheny Institute for Public Policy, Pittsburgh, Pennsylvania General support	\$ 25,000	50,000	50,000	25,000
American Legislative Exchange Council, Washington, D.C. "Report Card on American Education"	20,000	35,000	35,000	20,000
Baltimore & Ohio Railroad Museum, Baltimore, Maryland Capital support	—	5,000	5,000	—
Boys & Girls Clubs of Western Pennsylvania, Pittsburgh, Pennsylvania Summer program	40,000	40,000	40,000	40,000
Brownsville Area Revitalization Corporation, Brownsville, Pennsylvania Newspapers in Education and capital support	15,000	27,000	27,000	15,000
Center for the Study of Popular Culture, Los Angeles, California Project support	—	225,000	225,000	—
Children Requiring a Caring Kommunity, Harrisburg, North Carolina General support	25,000	50,000	50,000	25,000
Cleveland Police Historical Society, Inc., Cleveland, Ohio Project support	—	5,000	5,000	—
Commonwealth Education Organization, Pittsburgh, Pennsylvania General support	—	75,000	25,000	50,000
Cornerstone Church of Muskegon, Muskegon, Michigan General support	—	1,000	1,000	—
Crime Prevention Offices of Western Pennsylvania, Gibsonia, Pennsylvania Program support	—	5,000	5,000	—
Crossroads Foundation, Pittsburgh, Pennsylvania Program support	—	150,000	50,000	100,000
The Extra Mile Education Foundation, Inc., Pittsburgh, Pennsylvania Operation support	25,000	100,000	100,000	25,000
The Frick Art and Historical Center, Inc., Pittsburgh, Pennsylvania Project support	—	75,000	75,000	—
The Garden Club of McKeesport, McKeesport, Pennsylvania Capital support	—	1,000	1,000	—

## ALLEGHENY FOUNDATION

## Schedule of Grants

As of and for the year ended December 31, 2004

	Payable, December 31, 2003	January 1 to December 31, 2004		Payable, December 31, 2004
		Approved	Paid	
Greater Pittsburgh Community Food Bank, Duquesne, Pennsylvania General support	\$ —	25,000	25,000	—
Guiding Eyes for the Blind, Yorktown Heights, New York Program support	—	10,000	10,000	—
Historic Red Clay Valley, Inc., Wilmington, Delaware Project support	—	25,000	25,000	—
Historical Society of Carnegie, Pennsylvania, Carnegie, Pennsylvania Capital support	—	10,000	10,000	—
Humane Society of Westmoreland County, Greensburg, Pennsylvania General support	5,000	—	5,000	—
Institute for Functional Medicine, Gig Harbor, Washington Project support	25,000	10,000	25,000	10,000
Intercollegiate Studies Institute, Inc., Wilmington, Delaware Preparatory School Lecture Program	25,000	—	25,000	—
Ladew Topiary Gardens, Inc., Monkton, Maryland General support	10,000	—	10,000	—
Latrobe Area Chamber of Commerce Educational Foundation, Latrobe, Pennsylvania Project support	—	10,000	10,000	—
Lincoln Highway Heritage Corridor, Ligonier, Pennsylvania Land acquisition support	—	48,000	48,000	—
Lincoln Institute of Public Opinion Research, Inc., Harrisburg, Pennsylvania General support	50,000	50,000	50,000	50,000
Loyalhanna Watershed and Environmental Association, Inc., Ligonier, Pennsylvania Project support	—	15,000	15,000	—
The Maldon Institute, Washington, D.C. General operating support	—	20,000	20,000	—
The Mount Vernon Ladies' Association of the Union, Mount Vernon, Virginia Program support	150,000	—	150,000	—

## ALLEGHENY FOUNDATION

## Schedule of Grants

As of and for the year ended December 31, 2004

	Payable, December 31, 2003	January 1 to December 31, 2004		Payable, December 31, 2004
		Approved	Paid	
Mountain Watershed Association, Melcroft, Pennsylvania Project support	\$ —	5,000	5,000	—
National Association for Olmsted Parks, Buffalo, New York Project support	10,000	—	10,000	—
Northside Leadership Conference, Pittsburgh, Pennsylvania Project support	—	25,000	25,000	—
Pennsylvania Trolley Museum, Inc., Washington, Pennsylvania Capital support	100,000	—	100,000	—
Philanthropy Roundtable, Washington, D.C. General support	10,000	10,000	10,000	10,000
Pittsburgh History and Landmarks Foundation, Pittsburgh, Pennsylvania Program support	12,000	12,000	12,000	12,000
The Pittsburgh Parks Conservancy, Pittsburgh, Pennsylvania General support	25,000	—	25,000	—
River City Brass Band, Pittsburgh, Pennsylvania General support	25,000	25,000	25,000	25,000
Rosedale Block Cluster, Inc., Pittsburgh, Pennsylvania General support	—	25,000	25,000	—
Salvation Army, Pittsburgh, Pennsylvania Project support	—	50,000	50,000	—
Tutwiler Community Education Center, Inc., Tutwiler, Mississippi Program support	—	10,000	10,000	—
The Union Project, Pittsburgh, Pennsylvania Operating support	—	75,000	25,000	50,000
United Service Organizations, Topeka, Kansas Program support	—	5,000	5,000	—
Veterans of Foreign Wars Foundation, Kansas City, Missouri Program support	—	5,000	5,000	—
West Chester Railroad Heritage Association, West Chester, Pennsylvania Project support	—	5,000	5,000	—

## ALLEGHENY FOUNDATION

## Schedule of Grants

As of and for the year ended December 31, 2004

	Payable, December 31, 2003	January 1 to December 31, 2004		Payable, December 31, 2004
		Approved	Paid	
Westmoreland County Food Bank, Delmont, Pennsylvania Operating support	\$ —	20,000	20,000	—
Westmoreland Trust, Greensburg, Pennsylvania Capital support	—	25,000	25,000	—
	<u>\$ 597,000</u>	<u>1,364,000</u>	<u>1,504,000</u>	<u>457,000</u>

See accompanying compilation report of KPMG LLP.

FEDERAL FOOTNOTES

## EXPENSE ALLOCATION

COMPENSATION OF OFFICERS, TRUSTEES, AND OTHER EMPLOYEES AS WELL AS THE RELATED EMPLOYEE BENEFITS ARE ALLOCATED BASED ON TIME SPENT IN CARRYING OUT THE FOUNDATION'S EXEMPT PURPOSE VERSUS TIME SPENT IN THE PRODUCTION OF INCOME. PROFESSIONAL FEES ARE ALLOCATED BASED ON SERVICES PERFORMED FOR THE FOUNDATION. DEPRECIATION IS TAKEN ON PROPERTY USED IN PRODUCING INCOME. THE REMAINING EXPENSES ARE CLASSIFIED BASED ON THE SALARY ALLOCATION DESCRIBED ABOVE.