

2004

ANNUAL REPORT

Scaife Family Foundation grant awards will support and develop programs that strengthen families, address issues surrounding the health and welfare of women and children, promote animal welfare, and that demonstrate the beneficial interaction between humans and animals. The Foundation will consider grants directed toward early intervention and prevention efforts in the area of drug and alcohol addiction. Consideration may be given to organizations that encourage private conservation. The Foundation will remain flexible in order to offer support in areas of importance as determined by the Trustees. The Foundation will not consider grants to individuals. Proposals for the following are usually declined: event sponsorships, endowments, capital campaigns, renovations or government agencies.

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, annual report and Board of Directors list. A copy of the organization's current ruling letter evidencing tax exemption under Section 501(c)(3) of the Internal Revenue Service Code is required. Additional information may be requested if needed for further evaluation.

The Foundation normally considers grants at semi annual meetings. However, requests may be submitted at any time and will be acted upon as expeditiously as possible.

Grant application letters should be addressed to:

Ms. Barbara M. Sloan, President
Scaife Family Foundation
777 South Flagler Drive
West Tower, Suite 903
West Palm Beach, Florida 33401

SCAIFE FAMILY FOUNDATION

OFFICERS:

Jennie K. Scaife	Chairman
Barbara M. Sloan	President
Elizabeth H. Genter	Vice President
Mary T. Walton	Vice President
Barbara M. Sloan	Secretary/Treasurer

ADDRESS:

777 South Flagler Drive
West Tower, Suite 903
West Palm Beach, FL 33401

STATEMENT OF INVESTMENTS - DECEMBER 31, 2004

	<u>COST</u>	<u>MARKET VALUE</u>
Money Market	\$6,488,495	\$6,488,495
US Treasury/Agency Securities	\$8,034,592	\$8,286,147
Corporate/Municipal Obligations	\$6,500,767	\$6,721,864
Common Stocks	\$36,133,548	\$48,518,498
Mutual Funds	<u>\$10,589,835</u>	<u>\$13,297,130</u>
Total	<u>\$67,747,237</u>	<u>\$83,312,134</u>

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2004

Adopt a Cat Foundation	\$2,000
All Creatures Sanctuary	\$125,000
Allegheny Cemetery Historical Association	\$100,000
- Allegheny Land Trust	\$10,000
American Society of Addiction Medicine, Inc.	\$50,000
Animal Rescue Force, Inc.	\$30,000
ASKK, inc.	\$2,000
Assistance Dog Institute (The)	\$20,000
Assistance Dogs of America, Inc.	\$30,000
Audubon Society of Western Pennsylvania	\$10,000
Bethlehem Haven of Pittsburgh	\$30,000
Betty Ford Center (The)	\$83,400
Big Brothers Big Sisters of Greater Pittsburgh	\$20,000
Boys & Girls Club of Palm Beach County, Inc.	\$50,000
Busch Wildlife Sanctuary	\$25,000
Canine Companions	\$20,000
Caron Foundation	\$50,000
CASA of Allegheny County	\$50,000
Center for Immigration Studies, Inc.	\$75,000
Children of Alcoholics Foundation	\$150,000
Children's Home Society of Florida	\$25,000
Claremont Institute	\$10,000
Colorado Boys Ranch Foundation	\$5,000
CONTACT Pittsburgh, Inc.	\$36,000
Doris Day Animal Foundation	\$5,000
Eagle's Nest Ranch & Academy	\$10,000
Edvocacy Corporation	\$250,000
Extra Mile Foundation, Inc., The	\$25,000

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2004 - Page 2

Eyes on the Prize.org	\$10,000
Family Hospice & Palliative Care	\$10,000
Federation for American Immigration Reform	\$10,000
Gilda's Club - Western Pennsylvania	\$10,000
Glen Montessori School (The)	\$20,000
Gratitude Guild, Inc.	\$2,500
Haven, Inc. (The)	\$5,000
Hazelden Foundation	\$80,000
Helping Hands to Animals, Inc.	\$2,000
Housing Opportunities, Inc.	\$50,000
Institute for Research, Education and Training in Addictions (The)	\$25,000
Kingsley Association (The)	\$10,000
Make-A-Wish Foundation of Western PA and Southern West VA., Inc.	\$34,000
National Fatherhood Initiative	\$50,000
National Foundation for Teaching Entrepreneurship	\$100,000
National Ovarian Cancer Coalition	\$15,000
National Police Bloodhound Association, Inc.	\$20,000
National Rural Alcohol and Drug Abuse Network, Inc.	\$45,000
National Rural Alcohol and Drug Abuse Network, Inc.	\$100,000
New York University, School of Medicine	\$141,581
NumbersUSA Education & Research Foundation	\$75,000
One to One Citizen Advocacy, Inc.	\$25,000
Orchard Foundation	\$10,000
Pals for Preemies	\$5,200
Pets for the Elderly	\$25,000
Philanthropy Roundtable	\$10,000
Place of Hope	\$25,000
ProEnglish	\$25,000

SCAIFE FAMILY FOUNDATION - GRANTS PAID 2004 - Page 3

Puppies Behind Bars, Inc.	\$100,000
Reason Foundation, The	\$15,000
Rutgers University	\$37,898
Saltworks Theatre Company	\$10,000
Scott Conservancy	\$10,000
Sewickley Valley YMCA	\$10,000
St. Lucie County, FL Sheriff's Office	\$10,000
St. Luke's Roosevelt Hospital Crime Victims Treatment Center	\$62,437
St. Vincent College (Fred Rogers Center)	\$100,000
University of California, San Diego	\$30,000
University of Pittsburgh, School of Medicine	\$1,000,000
University of Pittsburgh, School of Social Work	\$20,000
University of Utah School on Alcoholism	\$10,000
Vinceremos Therapeutic Riding Center, Inc.	\$40,000
Westmoreland Human Opportunities	\$10,000
	\$3,704,016

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization SCAIFE FAMILY FOUNDATION		A Employer identification number 25-1427015
	Number and street (or P.O. box number if mail is not delivered to street address) PHILLIPS POINT, 777 SOUTH FLAGLER DRIVE		Room/suite
	City or town, state, and ZIP code WEST TOWER, SUITE 903		B Telephone number (see page 10 of the instructions) (561) 659-1188
	WEST PALM BEACH, FL 33401		C If exemption application is pending, check here <input type="checkbox"/>

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) ▶ \$ **83,554,783.**

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

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 <i>(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).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	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	2,049,265.	2,049,265.	NONE	STMT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,294,895.			
	b Gross sales price for all assets on line 6a 23,283,077.				
	7 Capital gain net income (from Part IV, line 2)		1,294,895.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	54.	54.		STMT 2	
12 Total. Add lines 1 through 11	3,344,214.	3,344,214.	NONE		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	198,917.	23,870.	NONE	175,047.
	14 Other employee salaries and wages	39,583.	4,750.	NONE	34,833.
	15 Pension plans, employee benefits	46,374.	5,564.	NONE	40,810.
	16a Legal fees (attach schedule) STMT 3	870.	NONE	NONE	870.
	b Accounting fees (attach schedule) STMT 4	35,875.	17,938.	NONE	17,938.
	c Other professional fees (attach schedule) STMT 5	71,239.	71,239.	NONE	NONE
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	** 42,456.	1,372.	NONE	10,063.
	19 Depreciation (attach schedule) and depletion STMT 5A	38,386.	NONE	NONE	
	20 Occupancy	98,754.	11,850.	NONE	86,904.
	21 Travel, conferences, and meetings	16,097.	NONE	NONE	16,097.
	22 Printing and publications	561.	561.	NONE	NONE
	23 Other expenses (attach schedule) STMT 7	22,864.	2,925.	NONE	19,939.
	24 Total operating and administrative expenses. Add lines 13 through 23	611,976.	140,069.	NONE	402,501.
	25 Contributions, gifts, grants paid STMT 8	3,408,488.			3,704,016.
26 Total expenses and disbursements. Add lines 24 and 25	4,020,464.	140,069.	NONE	4,106,517.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-676,250.				
b Net investment income (if negative, enter -0-)		3,204,145.			
c Adjusted net income (if negative, enter -0-)			NONE		

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	5,991.	12,914.	12,914.
	2	Savings and temporary cash investments	2,728,762.	6,488,495.	6,488,495.
	3	Accounts receivable ▶ 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 STMT 9.	24,315.	43,271.	43,271.
	10 a	Investments - U.S. and state government obligations (attach schedule) * *	12,864,177.	8,034,592.	8,286,147.
	b	Investments - corporate stock (attach schedule) . STMT 11.	37,406,185.	36,133,548.	48,518,498.
	c	Investments - corporate bonds (attach schedule) STMT 12.	9,159,027.	6,500,767.	6,721,864.
	11	Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule) STMT 13.	6,561,515.	10,589,835.	13,297,130.
	14	Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶ STMT 5A	243,729. 57,265.	211,692.	186,464.
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)	68,961,664.	67,989,886.	83,554,783.	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable	5,814,038.	5,518,510.	
	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)	5,814,038.	5,518,510.		
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	63,147,626.	62,471,376.	
	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)	63,147,626.	62,471,376.		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	68,961,664.	67,989,886.		

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	63,147,626.
2	Enter amount from Part I, line 27a	2	-676,250.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	62,471,376.
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	62,471,376.

**STMT 10

