

UNITED STATES-JAPAN FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2000 and 1999

UNITED STATES-JAPAN FOUNDATION

Contents

	<u>Page</u>
Financial Statements	
Independent auditors' report	1
Statements of financial position as of December 31, 2000 and 1999	2
Statements of activities for the years ended December 31, 2000 and 1999	3
Statements of cash flows for the years ended December 31, 2000 and 1999	4
Notes to financial statements	5

INDEPENDENT AUDITORS' REPORT

Board of Directors
United States-Japan Foundation
New York, New York

We have audited the accompanying statements of financial position of United States-Japan Foundation (the "Foundation") as of December 31, 2000 and 1999, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the Foundation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements enumerated above present fairly, in all material respects, the financial position of United States-Japan Foundation as of December 31, 2000 and 1999, and the results of its activities and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

Richard A. Eisner & Company, LLP

New York, New York
March 22, 2001

UNITED STATES-JAPAN FOUNDATION

Statements of Financial Position

	December 31,	
	<u>2000</u>	<u>1999</u>
ASSETS		
Cash	\$ 132,484	\$ 171,752
Accrued income receivable	92,123	69,415
Investments, at market value	98,693,625	110,568,967
Property and equipment, net	888,719	947,957
Other assets	<u>107,635</u>	<u>41,122</u>
	<u>\$ 99,914,586</u>	<u>\$ 111,799,213</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Grants payable	\$ 3,342,737	\$ 2,587,595
Accounts payable and accrued expenses	<u>108,614</u>	<u>80,946</u>
	3,451,351	2,668,541
Commitment (Note D)		
Net assets - unrestricted	<u>96,463,235</u>	<u>109,130,672</u>
	<u>\$ 99,914,586</u>	<u>\$ 111,799,213</u>

UNITED STATES-JAPAN FOUNDATION

Statements of Activities

	Year Ended December 31,	
	2000	1999
Income:		
Dividends	\$ 2,430,046	\$ 4,195,044
Interest	<u>780,601</u>	<u>619,602</u>
	3,210,647	4,814,646
Less investment expenses	<u>1,021,710</u>	<u>667,303</u>
Net investment income	<u>2,188,937</u>	<u>4,147,343</u>
Expenses:		
Grants	6,507,897	4,016,224
US-Japan Leadership Program	483,432	101,462
Program	1,198,540	1,014,005
Administrative	<u>468,731</u>	<u>450,347</u>
	<u>8,658,600</u>	<u>5,582,038</u>
Excess of expenses over net investment income before federal excise tax and net loss/gain on investments	(6,469,663)	(1,434,695)
Federal excise tax	<u>281,766</u>	<u>207,715</u>
Excess of expenses over net investment income before net realized and unrealized loss on investments	(6,751,429)	(1,642,410)
Net realized and unrealized (loss) gains on investments	<u>(5,916,008)</u>	<u>13,290,522</u>
Change in net assets	(12,667,437)	11,648,112
Net assets - January 1	<u>109,130,672</u>	<u>97,482,560</u>
Net assets - December 31	<u>\$ 96,463,235</u>	<u>\$ 109,130,672</u>

UNITED STATES-JAPAN FOUNDATION

Statements of Cash Flows

	Year Ended December 31,	
	2000	1999
Cash flows from operating activities:		
Change in net assets	\$ (12,667,437)	\$ 11,648,112
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Net realized and unrealized loss (gains) on investments	5,916,008	(13,290,522)
Reinvested income	1,882,858	3,149,868
Depreciation	86,415	84,465
Changes in:		
Accrued income receivable	22,708	1,242
Other assets	66,513	(667,531)
Grants payable	755,142	(63,766)
Accounts payable and accrued expenses	<u>27,668</u>	<u>41,962</u>
Net cash (used in) provided by operating activities	<u>(3,910,125)</u>	<u>903,830</u>
Cash flows from investing activities:		
Investments	22,725,661	12,622,409
Distributions from investments	(18,709,151)	(13,360,401)
Purchases of property and equipment	<u>(145,653)</u>	<u>(13,417)</u>
Net cash provided by (used in) investing activities	<u>3,870,857</u>	<u>(751,409)</u>
Net (decrease) increase in cash	(39,268)	152,421
Cash - January 1	<u>171,752</u>	<u>19,331</u>
Cash - December 31	<u>\$ 132,484</u>	<u>\$ 171,752</u>

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] The Foundation:

United States-Japan Foundation (the "Foundation") is a private foundation, organized in 1980 for the purpose of promoting understanding and cooperation between the peoples and institutions of the United States and Japan.

[2] Federal excise taxes:

The Foundation qualifies as a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code (the "Code") and, accordingly, is not subject to federal income taxes. However, the Foundation is subject to an excise tax, not to exceed 2% on net investment income, including realized gains, as defined in the Code. In addition, the Foundation must make certain minimum distributions in an amount equal to 5% of the average fair value of its assets held during the year.

[3] Accrual basis financial statements:

The financial statements of the Foundation have been prepared using the accrual basis of accounting.

[4] Net assets:

The Foundation's net assets which are unrestricted, represent resources available for current operations as there are no donor restrictions on the use of these assets.

[5] Fair value of financial instruments:

Financial instruments are composed of cash, loans receivable and other assets, the carrying values of which approximate their fair values. Similarly, the carrying amounts of liabilities are estimated to approximate their fair value. Investments are reported at fair market value.

[6] Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

NOTE B - INVESTMENTS

[1] Investments are reported at their aggregate fair values, and investment transactions are recorded as of the trade dates.

Management records its investments in limited partnerships at estimated fair value, based upon financial statements provided by the general partners of such limited partnerships.

Any investments denominated in foreign currencies are translated at the closing rate of exchange at the end of the reporting period. Transactions during the year, including purchases and sales and income and expenses, are translated at the rate of exchange prevailing on the dates of the transactions.

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE B - INVESTMENTS (CONTINUED)

[1] (continued)

Realized and unrealized gains or losses on investments are determined by the comparison of specific costs of acquisition to the proceeds at the time of disposal and the market values at the balance-sheet date, respectively. Realized and unrealized gains or losses include the effects of currency translation with respect to foreign security transactions.

A forward exchange currency contract is a commitment to purchase or sell a foreign currency at a future date, at a negotiated rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net realized (loss)/gain on investments. The net realized gain/(loss) on forward exchange currency contracts was \$32,804 and \$(6,370), respectively, for the years ended December 31, 2000 and 1999.

[2] At each year-end, the cost and fair value of the Foundation's investments were as follows:

	December 31,			
	2000		1999	
	Fair Value	Cost	Fair Value	Cost
United States Investments:				
Common stocks	\$ 53,993,843	\$ 35,384,366	\$ 31,354,467	\$ 23,028,261
Limited partnerships	18,592,151	19,098,357	18,043,903	12,958,872
Mutual funds	24,460,569	42,281,716	60,815,734	58,434,251
Money market and other temporary Investments	<u>1,647,062</u>	<u>1,668,579</u>	<u>354,863</u>	<u>372,891</u>
Total investments	<u>\$ 98,693,625</u>	<u>\$ 98,433,018</u>	<u>\$ 110,568,967</u>	<u>\$ 94,794,275</u>

Approximately 46 percent and 29 percent of the Foundation's marketable securities were held by a highly capitalized financial institution, Suntrust, for the years ending December 31, 2000 and 1999, respectively.

In connection with investment activity, the Foundation selects various investment vehicles, including limited partnerships. Under the terms of the limited partnership agreements, the Foundation may make an initial capital contribution and may commit to funding additional capital. At December 31, 2000, the Foundation has no commitments to provide additional capital investments.

At December 31, 2000 and 1999, investments valued by the general partner of limited partnerships relating to not-readily-marketable securities aggregated approximately \$2 million for each year.

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE C - PROPERTY AND EQUIPMENT

The cost of a cooperative apartment owned by the Foundation (including subsequent improvements), office furnishings, equipment and leasehold improvements have been capitalized and are being depreciated over their anticipated useful lives. The apartment and related improvements are depreciated over forty years. Office furnishings and equipment are depreciated over five years. Leasehold improvements are amortized over the life of the lease. Depreciation and amortization expense was \$86,415 and \$84,965 for the years ended December 31, 2000 and 1999, respectively.

At each year-end, property and equipment consisted of the following:

	<u>December 31,</u>	
	<u>2000</u>	<u>1999</u>
Cooperative apartment	\$ 790,725	\$ 790,725
Cooperative apartment improvements	242,700	242,700
Leasehold improvements	400,535	400,535
Equipment	202,717	193,348
Furniture and fixtures	<u>403,316</u>	<u>398,741</u>
	2,039,993	2,026,049
Less accumulated depreciation and amortization	<u>1,151,274</u>	<u>1,078,092</u>
	<u>\$ 888,719</u>	<u>\$ 947,957</u>

The maintenance charges on the cooperative apartment for the years ended December 31, 2000 and 1999 were \$34,425 and \$34,897, respectively.

NOTE D - LEASES

At December 31, 2000, future minimum lease payments under noncancellable leases (with expirations through 2007) are as follows:

2001	\$ 121,160
2002	121,160
2003	121,160
2004	121,160
2005	121,160
Thereafter	<u>150,673</u>
	<u>\$ 756,473</u>

Rent expense for the years ended December 31, 2000 and 1999 was \$170,068 and \$158,011, respectively.

NOTE E - RETIREMENT PLAN

The Foundation has a defined-contribution retirement plan for the benefit of its employees. Contributions for the years ended December 31, 2000 and 1999 were \$66,505 and \$126,660, respectively.

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY

The Foundation's grant activity for the year ended December 31, 2000 was as follows:

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
Education				
Aichi University of Education (Kariya City, Japan)				
To support the first year of a project to assist Japanese school teachers to increase their awareness about the US, with a view to improving elementary and secondary education about America in Japan.	\$ 132,018	\$ (4,521)	\$ 127,497	
Aichi University of Education (Kariya City, Japan)				
To support the second year of a three-year project which assists Japanese school teachers to increase their awareness about the US, with a view to improving elementary and secondary education about America in Japan.		132,137	8,902	\$ 123,235
Alliance of Associations of Teachers of Japanese (Boulder, CO)				
To provide fellowships for ten non-native-speaking precollege teachers of Japanese for intensive language pedagogy training at Middlebury College; program will also be open to other interested applicants on a fee-paying basis.		100,000	50,000	50,000
American Forum for Global Education (New York, NY)				
To support the first year of a two-year bilateral US-Japan study program for teachers and students from Tokyo and New York City high schools.		223,000	167,250	55,750
Asia Society (New York, NY)				
To support the first year of a two-year project to develop an Internet clearinghouse to facilitate connections between Japanese and American elementary-secondary students, teachers, and schools.		135,000	33,750	101,250
Association for Asian Studies (Ann Arbor, MI)				
To support the production and distribution of two special sections in two issues of Education About Asia focusing on ways to integrate Japanese history into world history courses and Japanese literature into literature courses at the secondary level.		73,051	18,263	54,788
Capital Children's Museum (Washington, DC)				
To support the development of a teacher resource guide to be used in conjunction with the Capital Children's Museum Japan Exhibit.		48,395	24,197	24,198
City College of the City University of New York (New York, NY)				
To support a bilingual US-Japan studies on-line curriculum for high school teachers in the US and Japan.		123,955	92,966	30,989
East Carolina University (Greenville, NC)				
To support the first year of a three-year joint US-Japan program in teacher professional development in US-Japan studies for precollege teachers from North Carolina to be conducted in cooperation with Osaka University of Education.	54,700		54,700	
East Carolina University (Greenville, NC)				
To support the second year of a three-year joint US-Japan program in teacher professional development in US-Japan studies for precollege teachers from North Carolina to be conducted in cooperation with Osaka University of Education.		88,088	74,044	14,044
Fukuoka University of Education (Munakata City, Japan)				
To support the first year of a three-year curriculum-development and teacher professional development program for precollege teachers in the Kyushu region.	13,420	1,552	14,972	
Fukuoka University of Education (Munakata City, Japan)				
To support the second year of a three-year curriculum-development and teacher professional development program for precollege teachers in the Kyushu region.		<u>126,319</u>	<u>112,747</u>	<u>13,572</u>
(carried forward)	200,138	1,046,976	779,288	467,826

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 200,138	\$ 1,046,976	\$ 779,288	\$ 467,826
Education (continued)				
Fukushima University (Fukushima, Japan) To support the second year of a three-year teacher-training program in American studies for precollege educators.	126,789	(4,490)	122,299	
Fukushima University (Fukushima, Japan) To support the third year of a three-year teacher-training program in American studies for precollege educators.		143,986	30,267	113,719
Hokkaido University of Education (Sapporo, Japan) To support the first year of a three-year American study program for precollege teachers from Hokkaido.		127,718	114,468	13,250
Japan Forum (Tokyo, Japan) To support the first year of a three-year project to develop a multimedia curriculum based on the real lives of seven Japanese students for use in high school Japanese language courses.	136,467	(4,682)	131,785	
Japan Forum (Tokyo, Japan) To support the second year of a three-year project to develop a multimedia curriculum based on the real lives of seven Japanese students for use in high school Japanese language courses.		278,527		278,527
Japan-America Society of Washington, DC (Washington, DC) To support the third year of a national language competition and supporting regional competitions for high school students of Japanese.	58,192		58,192	
Japan-America Society of Washington, DC (Washington, DC) To support the fourth year of a national language competition and supporting regional competitions for high school students of Japanese.		76,365	38,183	38,182
Joetsu University of Education (Niigata, Japan) To support the third year of a three-year teacher professional development program in American studies for precollege educators.		137,573	137,573	
Laurasian Institution (Paris, KY) To support the first year of a three-year Japan studies program for eight teams of two teachers and four of their students from the US Great Lakes States.		190,000	47,500	142,500
Library of Congress (Washington, DC) To support the conservation of fifty Ukiyo-e prints for use in the Library's Fall 2001 Exhibition of Japanese Art and Literature; a special one-time discretionary grant of \$50,000 in honor of the 50 th Anniversary of the San Francisco Peace Treaty.		50,000		50,000
Mississippi State University (Mississippi State, MS) To support the first year of a three-year project in Japanese studies for 28 high school social studies teachers from across Mississippi.		7,497	7,497	
Miyagi University of Education (Sendai, Japan) To support the first year of a three-year project to develop and implement an American studies curriculum in elementary, middle and high schools in Miyagi Prefecture and Sendai City through an intensive study program and teacher-developed curricula.		124,040	124,040	
New York City Public Schools (Riverdale, NY) To support a summer educational and cultural exchange visit to Tokyo for students currently in the Japanese language program in the New York public schools.		10,000	10,000	
(carried forward)	521,586	2,183,510	1,601,092	1,104,004

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 521,586	\$ 2,183,510	\$ 1,601,092	\$ 1,104,004
Education (continued)				
Ohio State University (Columbus, OH) To support a Japan study program for 23 teachers from Ohio, to be held in conjunction with a Japanese Ministry of Education Program that annually sends Japanese precollege teachers to Ohio schools.		135,000	33,750	101,250
Osaka University of Education (Osaka, Japan) To support the first year of a three-year joint US-Japan program in teacher professional development in US-Japan studies for precollege teachers from Osaka, Hiroshima and Tokushima.	31,012	2,339	33,351	
Osaka University of Education (Osaka, Japan) To support the second year of a three-year joint US-Japan program in teacher professional development in US-Japan studies for precollege teachers from Osaka, Hiroshima and Tokushima to be conducted in cooperation with East Carolina University and partner institutions in North Carolina.		90,051	55,535	34,516
Shinshu University (Nagano, Japan) To support the first year of a three-year professional development program in American studies for precollege teachers from the Nagano region.	9,785	1,132	10,917	
Shinshu University (Nagano, Japan) To support the second year of a three-year professional development program in American studies for precollege teachers from the Nagano region.		129,374	129,374	
St. Paul's School (Concord, NH) To support the establishment of a new Language Learning Center for the Japanese Study Program at St. Paul's School.		39,860	39,860	
Stanford University, Institute for International Studies (Stanford, CA) To support the development and dissemination of a curriculum unit that focuses on US and Japanese relations with Indonesia.		38,500	19,250	19,250
University of Arkansas at Little Rock (Little Rock, AR) To support the third year of a three-year teacher-training program for teachers in urban school districts in the southern United States.	127,794		85,196	42,598
University of Maryland (MARJIS) (College Park, MD) To support the first year of a three-year program of Japan and US study and exchange that will link four elementary schools in the US with four elementary schools in Japan for mutual learning, instruction, and collaboration on educational exchange.	101,250		101,250	
University of Maryland (MARJIS) (College Park, MD) To support the second year of a three-year program of Japan and US study and exchange that will link four elementary schools in the US with four elementary schools in Japan for mutual learning, instruction, and collaboration on educational exchange.		191,620	47,905	143,715
University of Oregon (Eugene, OR) To support the first year of a three-year project to develop a system of performance standards and assessment instruments for use in K-12 level Japanese language instruction in the US.	<u>20,393</u>		<u>20,393</u>	
(carried forward)	811,820	2,811,386	2,177,873	1,445,333

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 811,820	\$ 2,811,386	\$ 2,177,873	\$ 1,445,333
Education (continued)				
University of Oregon (Eugene, OR)				
To support the second year of a three-year project to develop a system of performance standards and assessment instruments for use in K-12 level Japanese language instruction in the US.		148,912	37,048	111,864
University of Pennsylvania (Philadelphia, PA)				
To support the first year of a three-year teacher-training program in Japan studies for precollege educators in the Greater Philadelphia Region.		162,688	40,672	122,016
University of Tennessee at Chattanooga (Chattanooga, TN)				
To support the first year of a three-year Japan-studies project for high school teachers from Arkansas, Missouri, and Tennessee designed to enhance teaching about Japan in under-served rural and inner-city public schools.		195,000	48,750	146,250
University of Ryukyus (Okinawa, Japan)				
To support the first year of a three-year teacher professional program in American Studies for social studies and English teachers from Okinawa.		126,815	117,351	9,464
World Affairs Council of Northern California (San Francisco, CA)				
To support the second year of a three-year Japan study program for teachers from the Oakland Unified School District.	135,000		101,250	33,750
World Affairs Council of Northern California (San Francisco, CA)				
To support the third year of a three-year Japan study program for teachers from the Oakland Unified School District.	<u> </u>	<u>129,685</u>	<u>32,421</u>	<u>97,264</u>
Total Education	<u>946,820</u>	<u>3,574,486</u>	<u>2,555,365</u>	<u>1,965,941</u>
US-Japan Policy				
Atlantic Council (Washington, DC)				
To support the final year of a project to develop and disseminate recommendations to increase US-Japanese cooperation in the energy field that can contribute to sustainable development in Asia.		50,000	50,000	
Brookings Institution (CNAPS) (Washington, DC)				
To support the first year of a three-year project to establish a Center for Northeast Asian Policy Studies (CNAPS) and Japan fellowship program at the Brookings Institution.	45,000		45,000	
Brookings Institution (CNAPS) (Washington, DC)				
To support the second year of a three-year project to establish a Center for Northeast Asian Policy Studies (CNAPS) and Japan fellowship program at the Brookings Institution.		100,000	35,000	65,000
Carnegie Council on Ethics and International Affairs (New York, NY)				
To support the second and last phase of a three-year program to study the values in public policy making in Japan, the United States, China and India regarding the environment.	203,500		123,500	80,000
Center for Strategic & International Studies (CSIS) (Washington, DC)				
To support a project analyzing how differences in inter-generation attitudes and perceptions in the US, Japan and South Korea will affect formulation of US policy toward the region during the next three decades.	<u>49,000</u>	<u> </u>	<u>49,000</u>	<u> </u>
(carried forward)	297,500	150,000	302,500	145,000

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 297,500	\$ 150,000	\$ 302,500	\$ 145,000
US-Japan Policy (continued)				
Center for the Study of the Presidency (Washington, DC) To support the Japan-related portion of a project to analyze case studies in national security, diplomacy and international economic aspects of presidential leadership and create a briefing book for the US President-Elect.		40,000	40,000	
Columbia University (East Asian Institute) (New York, NY) To support the first year of a two-year project to explore the areas of policy coordination and cooperation between the US and Japan towards Indonesia.	67,500		67,500	
Columbia University (East Asian Institute) (New York, NY) To support the second year of a two-year project to explore the areas of policy coordination and cooperation between the US and Japan towards Indonesia.		275,180	68,795	206,385
East-West Center (Honolulu, HI) To support the second year of a two-year project to explore the concept and practice of security "order" in the Asia-Pacific and to suggest how the findings could guide policy debate and formulation.	86,250		86,250	
Harvard University (Cambridge, MA) To support the final conference and dissemination of a policy study on implications of the history of US-China-Japan relations on modern foreign policy.		77,550	30,000	47,550
Henry L. Stimson Center (Washington, DC) To support the first year of a three-year pilot researcher-in-residency program, inviting four Japanese fellows to take up residence in Washington and study the latest methods in confidence building measures (CBMs).	40,000		40,000	
Henry L. Stimson Center (Washington, DC) To support the second year of a three-year pilot researcher-in-residency program, inviting four Japanese fellows to take up residence in Washington and study the latest methods in confidence building measures (CBMs).		112,904	60,000	52,904
Institute for International Economics (Washington, DC) To support IIE Visiting Fellow Paul Blustein's research project to recount and assess the role of the IMF and G-7 during the global financial crisis.		20,000	20,000	
Institute for International Policy Studies (IIPS) (Tokyo, Japan) To support a one-year study on how competition policy between Japan and the US should evolve in the 21 st century.	37,700		37,700	
International University of Japan (Niigata, Japan) To support the first year of a two-year project to examine how the memory of the Pacific War constrains contemporary US-Japan relations and suggest approaches for developing a "shared memory" that will strengthen the bilateral relationship.		140,207	92,885	47,322
Japan Society of Northern California (Berkely, CA) To support an 18-month project bringing together young and veteran US-Japan specialists to examine past, present, and likely future of the bilateral relationship in a thematic context, timed to be featured at events marking the 50 th Anniversary of the San Francisco Peace Treaty.		181,500	121,500	60,000
Kansai Nichibei Koryu Forum (Osaka, Japan) To support the first year of a two-year study to explore whether and what kinds of shared values have emerged between the US and Japan in the post-war period.	34,575		34,575	
(carried forward)	563,525	997,341	1,001,705	559,161

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 563,525	\$ 997,341	\$ 1,001,705	\$ 559,161
US-Japan Policy (continued)				
Kansai Nichibei Koryu Forum (Osaka, Japan) To support the second year of a two-year study to explore whether and what kinds of shared values have emerged between the US and Japan in the post-war period.		145,000	100,000	45,000
National Security Archive Fund, Inc. (Washington, DC) To support the second year of a two-year project to analyze the US government documents pertaining to US-Japan relations secured by the Freedom of Information Act.	88,000		88,000	
Nautilus Institute (Berkeley, CA) To support the development of an on-line curriculum on energy, security and environment in Northeast Asia.	15,017			15,017
Osaka University (Osaka, Japan) To support the first year of a two-year project to provide the analytical framework for building and improving Japan-US cooperation in crisis situations: financial, natural disaster, accident or other such challenges.		157,213	157,213	
Pacific Forum CSIS (Honolulu, HI) To support a one-year, binational project to look beyond short-term problem management and improve security coordination between the two countries by contributing long-range, strategic research and joint thinking.		83,710	83,710	
Research Institute for Peace and Security (RIPS) (Tokyo, Japan) To support a one-year fellowship by a young American to collaborate with RIPS and research the past, present and possible future policies related to Okinawa and US-Japan relations.		59,975	59,975	
Stanford University (A/PARC) (Stanford, CA) To support the first year of a two-year project to study the implications of Japan's current recession of Japan's political economy.	112,500		112,500	
Tokyo University (Tokyo, Japan) To support the first year of a two-year, binational project bringing pairs of young scholars together to research and discuss the growing disjunction between the bilateral US-Japan alliance and the growing regional security challenges in the region.		93,873	72,588	21,285
University of Michigan (Ann Arbor, MI) To support an 18-month project to conduct a comparative study of the impact of shifts in women's economic status on family structure in Japan, the United States and Sweden.	<u>75,000</u>		<u>25,000</u>	<u>50,000</u>
Total US-Japan Policy	<u>854,042</u>	<u>1,537,112</u>	<u>1,700,691</u>	<u>690,463</u>
Communications/Public Opinion				
American Foundation for the Blind (New York, NY) To support the work of the American Foundation for the Blind to eliminate the inequities faced by Americans who are blind or visually impaired.		5,000	5,000	
Asia Society (New York, NY) To support the recruitment and travel of young Japanese leaders to attend the Williamsburg Conference in Singapore for 2000.		<u>25,000</u>	<u>25,000</u>	
(carried forward)		30,000	30,000	

UNITED STATES-JAPAN FOUNDATION

Notes to Financial Statements December 31, 2000 and 1999

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)		\$ 30,000	\$ 30,000	
Communications/Public Opinion (continued)				
Center for Global Communications (GLOCOM) (Tokyo, Japan) A one-year pilot program to support US-Japan related content for a new English language, Internet-based Policy and Public Opinion "Global Communications Platform" being created by GLOCOM in Japan.		50,000	50,000	
Children's Express (Washington, DC) To support the first 12 months of an 18-month collaborative education policy dialogue project led by student journalists in Japan and the United States.		100,000	40,000	\$ 60,000
Columbia University (Donald Keene Center) (New York, NY) To support the first year of a three-year pilot program to invite three leading Japanese intellectual figures in 1999-2000 for a long-term stay in the US involving extensive interaction with Americans around the country.	\$ 90,000		90,000	
Columbia University (Donald Keene Center) (New York, NY) To support the second year of a three-year pilot program to invite four leading Japanese intellectual figures in 2000-2001 for a long-term stay in the US involving extensive interaction with Americans around the country.		180,000	45,000	135,000
Community Television Foundation of South Florida, Inc. (Miami, FL) To support the production by Nightly Business Report of 22 television reports on current issues in Japan-US economic and business relations and the distribution of a curriculum and teacher's guide based on these programs to high school social studies teachers across the United States.	46,497		46,497	
Community Television Foundation of South Florida, Inc. (Miami, FL) To support the production by Nightly Business Report of 16 television reports on current issues in Japan-US economic and business relations and the distribution of a curriculum and teacher's guide based on these programs to high school social studies teachers across the United States.		138,851	48,851	90,000
Duke University (Durham, NC) To support the recruiting of qualified foreign applicants who could not otherwise afford to attend Duke University, including candidates from Japan.		50,000	50,000	
East-West Center (Honolulu, HI) To send six American and six Japanese Media Editors ("gatekeepers") to each other's countries for a three-week research tour, culminating in a joint conference at East-West Center in Hawaii.	99,550		74,550	25,000
Eastern Educational Television Network (Boston, MA) To produce, in conjunction with Ward Television Corporation, a video program called "One World: Japan" for broadcast and use by educators.	179,098		179,098	
Gelman Library at George Washington University (Washington, DC) To support the acquisition, transport, cataloging and select continued subscriptions of the Japan Economic Institute (JEI) Library so that it will remain available to the general public when JEI ceases operation.		8,000	8,000	
(carried forward)	415,145	556,851	661,996	310,000

UNITED STATES-JAPAN FOUNDATION

**Notes to Financial Statements
December 31, 2000 and 1999**

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 415,145	\$ 556,851	\$ 661,996	\$ 310,000
Communications/Public Opinion (continued)				
Hawaii International Film Festival (Honolulu, HI)				
To support a documentary film on Japan's internationally acclaimed director/writer Itami Juzo, which will show Itami's unique insight into Japanese life and culture, and impact of that same society on him and his work.	33,333			33,333
InterAction (Washington, DC)				
To support a project by US and Japanese NGOs to create mechanisms for launching specific NGO-Private Sector cooperative projects in the US-Japan Common Agenda.		90,000	30,000	60,000
International Association for Integration, Dignity, and Economic Advancement (IDEA) (Oak Hill, WV)				
To support an international network through which individuals affected by leprosy become empowered – socially, economically, and psychologically.		50,000	50,000	
Japan Society (New York, NY)				
To support the fourth year of a five-year fellowship program for Japanese and American media professionals.	70,000		70,000	
Japan Society (New York, NY)				
To support the fifth year of a five-year fellowship program for Japanese and American media professionals.		292,974	219,974	73,000
National Association of Japan-America Societies (NAJAS) (Washington, DC)				
To provide financial support during NAJAS' restructuring period and allow it to continue to provide programs and services to member societies while it recruits corporate members.		120,000	30,000	90,000
Public Radio International (Minneapolis, MN)				
To support the first year of a three-year grant program for coverage of Japan through the <i>Marketplace</i> Japan Desk.	37,500		37,500	
Public Radio International (Minneapolis, MN)				
To support the second year of a three-year grant program for coverage of Japan through the <i>Marketplace</i> Japan Desk.		75,000	75,000	
Roper Center For Public Opinion Research, Inc. (Storrs, CT)				
To support a project for promoting better Japanese-American understanding through extending access to JPOLL, an on-line public opinion information system for survey data from Japan.	110,755		110,755	
Tokyo Council on Social Welfare (Tokyo, Japan)				
To support the first year of a two-year project to create and carry out a formal "capacity building" program for emerging non-profit organizations (NPO's) in Japan through structured interaction, case studies and classes involving representatives from Japanese and American NPO's.		87,557	87,557	
University of Montana (Mansfield Center) (Missoula, MT)				
To support the first year of a two-year project to collect American and Japanese cultural historical artifacts regarding the Pacific War and create a multi-media Internet resource for teaching about human experiences at war.	120,000		120,000	
University of Montana (Mansfield Center) (Missoula, MT)				
To support the second year of a two-year project to collect American and Japanese cultural historical artifacts regarding the Pacific War and create a multi-media Internet resource for teaching about human experiences at war.		172,041	52,041	120,000
(carried forward)	786,733	1,444,423	1,544,823	686,333

UNITED STATES-JAPAN FOUNDATION

**Notes to Financial Statements
December 31, 2000 and 1999**

NOTE F - GRANT ACTIVITY (CONTINUED)

Recipient Name and Purpose	Unpaid January 1, 2000	Net Grants Authorized 2000	Paid	Unpaid December 31, 2000
(brought forward)	\$ 786,733	\$ 1,444,423	\$ 1,544,823	\$ 686,333
Communications/Public Opinion (continued)				
Women's Initiative for Advancement in Japan (WIAJ)				
(Tokyo, Japan)				
To support a one-week series of five symposiums and workshops in three cities in Japan for companies & NPOs regarding women's workplace issues by a US-Japan NPO team.		13,353	13,353	
Total Communications/Public Opinion	<u>786,733</u>	<u>1,457,776</u>	<u>1,558,176</u>	<u>686,333</u>
Subtotal	2,587,595	6,569,374	5,814,232	3,342,737
Prior years' awards withdrawn/returned in current year		(94,304)	(94,304)	
	<u>\$ 2,587,595</u>	<u>\$ 6,475,070</u>	<u>\$ 5,719,928</u>	<u>\$ 3,342,737</u>

- (a) Net Grants Authorized reflect the additions of net currency gains which totaled \$32,827 for the year. Current year reductions in awards have been netted against the original award.
- (b) Unexpended funds returned in the current year are netted against payments.