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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**

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

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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning , 2014, and ending , 20

Name of foundation HIGHMARK FOUNDATION		A Employer identification number 25-1876666
Number and street (or P O box number if mail is not delivered to street address) 120 FIFTH AVENUE	Room/suite	B Telephone number (see instructions) (412) 544-6668
City or town, state or province, country, and ZIP or foreign postal code PITTSBURGH, PA 15222		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	<input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 13,126,674.	J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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 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)		100.			
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		147,238.	147,238.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		2,880.			
b Gross sales price for all assets on line 6a 753,915.					
7 Capital gain net income (from Part IV, line 2)			2,880.		
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)					
12 Total. Add lines 1 through 11		150,218.	150,118.		
13 Compensation of officers, directors, trustees, etc.		0			
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule) ATCH 1					1,125.
b Accounting fees (attach schedule) ATCH 2		22,180.			22,180.
c Other professional fees (attach schedule)					
17 Interest					
18 Taxes (attach schedule) (see instructions) [3]		903.			
19 Depreciation (attach schedule) and depletion *		4,447.			
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 4		426,611.			452,596.
24 Total operating and administrative expenses. Add lines 13 through 23.		454,141.			475,901.
25 Contributions, gifts, grants paid		3,509,929.			3,367,896.
26 Total expenses and disbursements. Add lines 24 and 25		3,964,070.	0	0	3,843,797.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-3,813,852.			
b Net investment income (if negative, enter -0-)			150,118.		
c Adjusted net income (if negative, enter -0-)					

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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	978,120.	316,834.	316,834.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ 33,984.			
		Less allowance for doubtful accounts ▶	53,219.	33,984.	33,984.
	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 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	14,684.	359.	359.
	10a	Investments - U S and state government obligations (attach schedule)[5]	7,251,316.	5,846,209.	5,846,209.
	b	Investments - corporate stock (attach schedule)			
	c	Investments - corporate bonds (attach schedule) ATCH 6	8,444,002.	6,921,134.	6,921,134.
	11	Investments - land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule) ▶				
12	Investments - mortgage loans				
13	Investments - other (attach schedule)				
14	Land, buildings, and equipment basis	44,476.			
	Less accumulated depreciation (attach schedule) ▶	36,322.	12,601.	8,154.	
15	Other assets (describe ▶)			ATCH 7	
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	16,753,942.	13,126,674.	13,126,674.	
Liabilities	17	Accounts payable and accrued expenses	51,275.	24,165.	
	18	Grants payable	2,522,528.	2,664,561.	
	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)	2,573,803.	2,688,726.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	14,180,139.	10,437,948.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, . . . ▶ <input type="checkbox"/> check here and complete lines 27 through 31.				
	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 instructions)	14,180,139.	10,437,948.	
31	Total liabilities and net assets/fund balances (see instructions)	16,753,942.	13,126,674.		

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	14,180,139.
2	Enter amount from Part I, line 27a	2	-3,813,852.
3	Other increases not included in line 2 (itemize) ▶ ATCH 8	3	71,661.
4	Add lines 1, 2, and 3	4	10,437,948.
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	10,437,948.

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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 PART IV SCHEDULE					
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) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	2,880.	
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 instructions) If (loss), enter -0- in Part I, line 8			3	0	

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 foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(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))
2013	4,603,409.	18,941,095.	0.243038
2012	5,765,267.	24,323,649.	0.237023
2011	18,014,942.	34,206,875.	0.526647
2010	15,495,899.	32,290,636.	0.479888
2009	21,516,021.	30,237,623.	0.711565
2 Total of line 1, column (d)			2 2.198161
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			3 0.439632
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5			4 14,388,999.
5 Multiply line 4 by line 3			5 6,325,864.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,501.
7 Add lines 5 and 6			7 6,327,365.
8 Enter qualifying distributions from Part XII, line 4 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			8 3,843,797.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		1	3,002.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	
3 Add lines 1 and 2		3	3,002.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	3,002.
6 Credits/Payments			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	4,361.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	4,361.	
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,359.	
11 Enter the amount of line 10 to be Credited to 2015 estimated tax <input type="checkbox"/> 1,359. Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ <input type="checkbox"/> (2) On foundation managers <input type="checkbox"/> \$ <input type="checkbox"/>		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ <input type="checkbox"/>		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> PA, WV, <input type="checkbox"/>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions).	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address HTTP://WWW.HIGHMARKFOUNDATION.ORG	13	X	
14	The books are in care of CALEB L. KNIER Telephone no 412-544-4238 Located at 120 FIFTH AVENUE, SUITE 924 PITTSBURGH, PA ZIP+4 15222			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year.	15	N/A	
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1) If "Yes," enter the name of the foreign country.	16	Yes	No X

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.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? N/A	1b	
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) N/A	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2014 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b	X

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No **5b** *N/A*

Organizations relying on a current notice regarding disaster assistance check here ☐ **5b**

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No **6b**

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No **6b** *N/A*

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No **7b**

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No **7b** *N/A*

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 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
ATCH 9		0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see 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		0	0	0

Total number of other employees paid over \$50,000. ☐ **7c**

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
ATCH 10		289,995.
Total number of others receiving over \$50,000 for professional services		0

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 SEE ATTACHED	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3	

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	13,722,843.
b	Average of monthly cash balances	1b	944,534.
c	Fair market value of all other assets (see instructions)	1c	42,497.
d	Total (add lines 1a, b, and c)	1d	14,709,874.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	14,709,874.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions). <u>ATCH 11</u>	4	320,875.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	14,388,999.
6	Minimum investment return. Enter 5% of line 5	6	719,450.

Part XI Distributable Amount (see 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	719,450.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	3,002.
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	3,002.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	716,448.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	716,448.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	716,448.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	3,843,797.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	3,843,797.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	3,843,797.

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 instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				716,448.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years 20 12 , 20 11 , 20 10				
3 Excess distributions carryover, if any, to 2014				
a From 2009 20,195,370.				
b From 2010 14,247,185.				
c From 2011 16,347,061.				
d From 2012 4,571,929.				
e From 2013 3,659,993.				
f Total of lines 3a through e	59,021,538.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 3,843,797.				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions).				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2014 distributable amount				716,448.
e Remaining amount distributed out of corpus	3,127,349.			
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:	62,148,887.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	20,195,370.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	41,953,517.			
10 Analysis of line 9				
a Excess from 2010 14,247,185.				
b Excess from 2011 16,347,061.				
c Excess from 2012 4,571,929.				
d Excess from 2013 3,659,993.				
e Excess from 2014 3,127,349.				

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year ATCH 12				
Total			▶ 3a	3,367,896.
b Approved for future payment ATCH 13				
Total			▶ 3b	2,666,142.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments						
4 Dividends and interest from securities				14	147,238.	
5 Net rental income or (loss) from real estate						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property .						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory				18	2,880.	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory . .						
11 Other revenue a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal Add columns (b), (d), and (e)					150,118.	
13 Total. Add line 12, columns (b), (d), and (e)						150,118.

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

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

Kind of Property		Description				P or D	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)	
753,915.		J.P. MORGAN CHASE & CO. FLT SR BOND 751,035.					VAR 2,880.	09/03/2014
TOTAL GAIN(LOSS)							<u>2,880.</u>	

ATTACHMENT 1

FORM 990PF, PART I - LEGAL FEES

REVENUE
AND
EXPENSES
PER BOOKS

CHARITABLE
PURPOSES

DESCRIPTION

LEGAL

1,125.

TOTALS

1,125.

ATTACHMENT 2FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING	22,180.			22,180.
TOTALS	<u>22,180.</u>			<u>22,180.</u>

ATTACHMENT 3FORM 990PF, PART I - TAXESREVENUE
AND
EXPENSES
PER BOOKSDESCRIPTION

EXCISE TAXES

903.

TOTALS

903.

ATTACHMENT 4

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
OTHER FOUNDATION EXPENSES	248,611.	274,596.
ETOOLS FOR SCHOOLS	178,000.	178,000.
TOTALS	<u>426,611.</u>	<u>452,596.</u>

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONSATTACHMENT 5

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
FEDERAL HOME LOAN BANK	503,645.	503,645.
FEDERAL HOME LOAN BANK	616,887.	616,887.
FEDERAL HOME LOAN BANK	1,735,510.	1,735,510.
FEDERAL FARM CREDIT BANK	997,840.	997,840.
FEDERAL FARM CREDIT BANK	497,335.	497,335.
FEDERAL HOME LOAN MTG CORP.	500,670.	500,670.
FEDERAL HOME LOAN MTG CORP.	490,210.	490,210.
FNMA	249,795.	249,795.
FNMA	254,317.	254,317.
	<u>5,846,209.</u>	<u>5,846,209.</u>

US OBLIGATIONS TOTAL

ATTACHMENT 6FORM 990PF, PART II - CORPORATE BONDS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
AMERICAN HONDA FINANCE	498,260.	498,260.
AMERICAN HONDA FINANCE	752,790.	752,790.
COCA COLA CO	499,945.	499,945.
COLGATE-PALMOLIVE CO.	517,390.	517,390.
GENERAL ELECTRIC CO.	277,328.	277,328.
GENERAL ELECTRIC CO.	250,640.	250,640.
GENERAL ELECTRIC CAP CORP.	252,248.	252,248.
GENERAL ELECTRIC CAP CORP.	301,371.	301,371.
JPMORGAN CHASE & CO.	249,995.	249,995.
MEDTRONIC INC.	251,108.	251,108.
NATIONAL RURAL UTIL COOP	250,272.	250,272.
PACIFIC LIFE GLOBAL FDG	251,250.	251,250.
PEPSICO INC.	500,575.	500,575.
SIMON PROPERTY GROUP LP	254,237.	254,237.
TOYOTA MOTOR CREDIT CORP.	249,255.	249,255.
TOYOTA MOTOR CREDIT CORP.	500,790.	500,790.
UNITED HEALTH GROUP INC.	250,723.	250,723.
WELLS FARGO & COMPANY	301,329.	301,329.
BANK OF MONTREAL	256,040.	256,040.
VOLKSWAGEN INTL FIN NV	255,588.	255,588.
TOTALS	<u>6,921,134.</u>	<u>6,921,134.</u>

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 7

FIXED ASSET DETAIL ACCUMULATED DEPRECIATION DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL			ACCUMULATED DEPRECIATION DETAIL		
		BEGINNING BALANCE	ADDITIONS	DISPOSALS	BEGINNING BALANCE	ADDITIONS	ENDING BALANCE
EQUIPMENT		44,476.			31,875.	4,447.	36,322.
TOTALS		<u>44,476.</u>			<u>31,875.</u>	<u>4,447</u>	<u>36,322.</u>

ATTACHMENT 8FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
CHANGE IN UNREALIZED GAIN ON AVAILABLE-FOR-SALE INVESTMENTS	71,661.
TOTAL	<u>71,661.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 9

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
JAMES B. BRAMSON, DDS 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR 1.00	0	0	0
JANINE K. COLINEAR 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR/TREASURER 1.00	0	0	0
DANIEL A. ONORATO 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR/CHAIRPERSON 1.00	0	0	0
DORIS CARSON WILLIAMS 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR/VICE CHAIRPERSON 1.00	0	0	0
EVAN S. FRAZIER 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR 1.00	0	0	0
JUDY SJOSTEDT 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR 1.00	0	0	0

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 9 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
PATRICIA J. DARNLEY 120 FIFTH AVENUE PITTSBURGH, PA 15222	DIRECTOR 1.00	0	0	0
YVONNE C. COOK 120 FIFTH AVENUE PITTSBURGH, PA 15222	PRESIDENT 40.00	0	0	0
EDWARD A. BITTNER, JR. 120 FIFTH AVENUE PITTSBURGH, PA 15222	SECRETARY 1.00	0	0	0
DAVID P. GAERTNER 120 FIFTH AVENUE PITTSBURGH, PA 15222	ASSISTANT SECRETARY 1.00	0	0	0
CALEB L. KNIER 120 FIFTH AVENUE PITTSBURGH, PA 15222	TREASURER (EFFECTIVE 3/26/2015) 1.00	0	0	0
GRAND TOTALS		0	0	0

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 10

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
INNERLINK 313 WEST LIBERTY STREET, SUITE 201 LANCASTER, PA 17603	HEALTH E-TOOLS	178,000.
ONE ON ONE PERSONAL TRAINING & FITNESS 2714 PENN AVENUE PITTSBURGH, PA 15222	CONSULTING SERVICES	111,995.
TOTAL COMPENSATION		<u>289,995.</u>

FORM 990PF, PART X - CASH DEEMED HELD FOR CHARITABLE ACTIVITIES EXPL.

HIGHMARK FOUNDATION IS A PRIVATE FOUNDATION REPORTING ON A CALENDAR-YEAR BASIS. HIGHMARK FOUNDATION WAS FORMED TO PROMOTE LIFELONG, HEALTHY BEHAVIORS IN CHILDREN AND ADOLESCENTS AGES 6-18 TO ENSURE THAT THEY HAVE HEALTHY BODIES AND MINDS. HIGHMARK FOUNDATION CONTRIBUTED \$3.8 MILLION IN 2014 TO SUPPORT THESE CAUSES. WHEN COMPLETING PART X, LINE 4 OF ITS FORM 990-PF, HIGHMARK FOUNDATION CALCULATED ITS CASH DEEMED HELD FOR CHARITABLE ACTIVITIES AS \$320,875, WHICH REPRESENTS THE AVERAGE AMOUNT OF CONTRIBUTIONS MADE EACH MONTH.

2014 Form 990-PF: Return of Private Foundation
Highmark Foundation
25-1876666

Part IX-A - Summary of Direct Charitable Activities

Since its inception in 2000, the Highmark Foundation has made a lasting impact in the communities Highmark served by taking the steps necessary to improve the overall health and well-being of its residents. Throughout 2014, the Foundation continued to stand behind its mission by awarding a series of grants, sponsorships and educational support, totaling more than \$3.9 million, and since 2000 awarding over \$120 million to charitable organizations and hospitals across Pennsylvania.

Highmark Foundation approaches grant making proactively, engaging the health care community and utilizing research to identify areas of need in which Foundation funding will make a profound difference. The Foundation has also created urgency around many public health issues facing the region including low birth weight babies, bullying, childhood obesity and diabetes. It is achieving its mission by funding strategic and evidence-based health care initiatives that educate, protect and ultimately improve the overall well-being of the large population it serves.

A major portion of the Foundation's history is its unparalleled dedication to improving children's health throughout the region. The Foundation was a catalyst in addressing the childhood obesity and bullying epidemic facing our region and, ultimately, our nation. In 2006, the Foundation introduced Highmark Healthy High 5, a children's health promotion initiative that supported lifelong good health for children and adolescents ages 6-18. Although the program ended in 2013, two major focus areas from that initiative – bullying prevention and childhood obesity – still remain an integral part of the Foundation's work.

The Foundation also funds innovative health care programs for diverse populations. Whether the population is located in an urban, suburban or rural area, it supports programs that reach vulnerable or at-risk individuals such as the elderly, the poor, the uninsured and underserved, maternal child health, individuals with special needs and minority populations. These programs include pilot projects, model programs, illustrations of the effectiveness of early intervention and preventive health programs, incorporates sound programmatic methods and evaluations as building blocks for long-term program success and stimulates the efficient use of scarce health resources through cooperative planning and program initiatives which encourage cross-sector collaborations.

Currently, the Highmark Foundation has four key funding categories in place for its grant making efforts:

- Chronic Disease
- Family Health
- Healthy Communities
- Service Delivery Systems

Finally, the Foundation has a three-pronged approach to its work:

- Public Health
- Systems Change
- Thought Leadership

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Below is a list of the Foundation's largest direct charitable activities

- 1 Center for Schools and Communities – To support school and community systems to strengthen bullying prevention efforts through informed and collaborative practice, with a focus on the unique needs of urban school districts \$ 437,950
- 2 Schools in Western/Central Pennsylvania and West Virginia – to promote physical activity and fitness in school age children \$ 423,950
- 3 Windber Research Institute – To support school and community systems to strengthen bullying prevention efforts through informed and collaborative practice, with a focus on the unique needs of urban school districts. \$ 178,500
- 4 Center for Health Promotion - To support school and community systems to strengthen bullying prevention efforts through informed and collaborative practice, with a focus on the unique needs of urban school districts. \$ 163,500

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Highmark Foundation
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Part XV Line 2a

For application submission, contact the representative in your area.

<u>Area served</u>	<u>Contact</u>
Western Pennsylvania	Christina L. Wilds, DrPH Senior Program Officer 120 Fifth Avenue FAP 1733 Pittsburgh, PA 15222 412-544-3243
Central Pennsylvania	Jane Brooks Community Affairs Analyst 7248 Tilghman Street, Suite 100 Allentown, PA 18106 610-573-5407
West Virginia	Christina L. Wilds, DrPH Senior Program Officer 120 Fifth Avenue FAP 1733 Pittsburgh, PA 15222 412-544-3243

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Highmark Foundation
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Part XV Line 2b

Proposal Process

The Foundation awards programmatic grants in the area of health to non-profit organizations and hospitals. The Foundation defines health broadly to include social, behavioral and other dimensions beyond illness or disease. The grant making process is performed primarily through invited proposals or requests for proposals. The Foundation awards grants in two ways:

1. Invited Proposals – are target specific audiences and activities identified by the Foundation. Unlike request for proposals (RFPs), these proposals involve the participation of a specific entity and may represent a longer-term commitment from both the grant recipient and the Foundation. All phases of the project must be acceptable to the Foundation prior to funding, including estimated costs, timelines and expected results.
2. Request for Proposals – will be issued periodically related to specific health topics. Organizations with demonstrated capacity or evidence of strong potential to mount successful projects with respect to the target health topics will be invited to submit a proposal in response to the RFP. A limited number of grants will be awarded based upon a competitive analysis of the proposals submitted. Grants will be awarded to the applicants deemed to be the most responsive to the RFP requirements.

Proposal Guidelines

To respond to an invited proposal, the following information is required.

1. *Organizational overview (history, mission and contact information)*
2. A brief statement of the problem
3. A description of the proposed project, including why it is important, its objectives, the target population(s), qualifications of staff, the impact on the community, project start and completion date and a timeline.
4. A statement of how the project fits into other work being done in the community, region and/or field.
5. A description of what constitutes success and how the organization plans to measure it
6. A description of how the program outcomes will be communicated to relevant audiences
7. The requested amount of funding, an itemized budget of the overall project and an indication of other prospective funding sources.
8. General information, including contact person and telephone number
9. A statement declaring that the organization is a public charity as described in sections 501(C)(3) and 509(a)(1),(2) or (3) of the Internal Revenue Code of 1986

Organizations may now apply online for funding from the Highmark Foundation. Upon receipt and review of the submission, the Highmark Foundation will notify the applicant of the status of the request. If it is determined that the request meets the criteria then it could be considered for funding. If it does not meet the criteria, then the request is declined and notification is sent to the organization immediately.

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Part XV Line 2d

The Highmark Foundation makes multi-year grants to non-profit agencies and organizations in western and central PA; and West Virginia communities served by Highmark Inc defined as tax exempt under section 501(c)(3) and as public charities under section 509 (a) The Highmark Foundation has focused its attention on a variety of health issues including but not limited to. dental/oral health care, health disparities, nursing shortage, and health literacy In 2014, the Highmark Foundation awarded \$3,909,945 to 106 non-profit organizations for traditional grants and schools through a "Request for Proposals" (RFP) process titled "Creating a Healthy School Environment" The Request for Proposals to schools is issued annually Schools to apply for funding by selecting one of four areas:

- Bullying Prevention
- Child Injury Prevention
- Environmental Health
- Healthy Eating and Physical Activity

Traditional grants are awarded in four priority areas listed below along with examples of grant funded programs

A Chronic Disease –Grants funded programs

- Community Health Clinic of Butler County – To provide support of a multifaceted diabetes management program that provides high-quality education, medical and dental services to uninsured individuals in Butler County
- Erie County Diabetes Association, Inc , - To support diabetes prevention and intervention programming for 550 uninsured and underinsured pre- and diabetic individuals

B. Family Health - Grants funded programs:

- Highlands Hospital – To support a planning grant to assist with the creation of the Women's Center of Excellence
- Pittsburgh Community Services, Inc , - To establish the Healthier Communities pilot program to address physical activity and nutrition behaviors in 100 seniors residing in senior residences in Allegheny County
- West Virginia University Foundation – To support McDowell County CHOICES an integrated approach to childhood and adolescent health

C Healthy Communities – Grants funded programs

- Lancaster General Hospital – to address hypertension using the Hypertension Protocol Project an evidence-based protocol for screening, treatment and control of hypertensive patients
- Pinnacle Health – To reduce repeat emergency room visits to Pinnacle Healthy by Hamilton Health Center patients by helping them to learn to manage chronic conditions through patient navigation as a System Care coordination team
- St Joseph Regional Health Network – Support of the Diabetes Wellness program, will help improve the health of this community by providing support to help our patients understand and manage this chronic disease

D. Service Delivery Systems – Grant funded programs

- Allegheny County Emergency Medical Services Council – To create an innovative EMS-based pilot program for vulnerable patients in the City of Pittsburgh and surrounding neighborhoods to ensure communities receive high-quality medical services through the CONNECT Community Paramedic program
- Allegheny Health Network – To establish Oncology navigation and community

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- outreach coordination to improve access to care for high-risk patients
- Catholic Charities Diocese of Pittsburgh, Inc – To increase access to primary health, dental and specialty care for underserved populations in Southwestern Pennsylvania
- Lancaster Cleft Palate Clinic – To support staffing costs for the delivery of integrated oral health care for children with cleft palates and craniofacial abnormalities in Central PA
- Penn State University – To support "improving Rural Geriatric Care through Education," a program designed to provide geriatric education and training for rural health care providers practicing in eight critical access hospitals

The Foundation also considers numerous factors in deciding whether to fund a specific proposal, including but not limited to the following criteria:

- Consistent with the Foundation's goals, strategies and focus.
- Creates models with potential application throughout the Foundation's footprint.
- Demonstrates new and sustainable ways to solve health problems
- Reduces long-term cost or duplication of services and resources.
- Incorporates sound methods of evaluation for long-term program success
- Improves and assures access to quality health care for underserved populations in urban and rural areas
- Illustrates the effectiveness of early intervention and prevention health programs
- Seeks creative ways to leverage the Foundation's limited dollars

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDA	STATUS OF RECIPIENT		
ADAMS COUNTY ARTS COUNCIL 125 SOUTH WASHINGTON STREET GETTYSBURG, PA 17325	N/A PC		TO SUPPORT THE EAT SMART PLAY HARD NUTRITION PROGRAM THAT SERVES YOUTH AND FAMILIES IN ADAMS COUNTY, PA.	44,685.
ALLEGHENY COUNTY EMS COUNCIL 400 N. LEXINGTON ST. PITTSBURGH, PA 15208	N/A PC		TO CREATE AN INNOVATIVE EMS-BASED PILOT PROGRAM FOR VULNERABLE PATIENTS IN THE CITY OF PITTSBURGH AND SURROUNDING NEIGHBORHOODS TO ENSURE COMMUNITIES RECEIVE HIGH-QUALITY MEDICAL SERVICES THROUGH THE CONNECT COMMUNITY PARAMEDIC PROGRAM.	68,750.
ALLEGHENY HEALTH NETWORK 30 ISABELLA STREET PITTSBURGH, PA 15212	N/A SO I		PROPOSED INTERVENTION AND PROJECT SERVICE DELIVERY SYSTEM: 'FRONTLINE AND FOLLOW-UP SYSTEM' PROVIDING DIRECT PATIENT VISITS AND OVERSIGHT OF THE PROGRAM. INCLUDES A GRANT OF 150K TO FUND THE NEWLY ESTABLISHED URGENT CARE CENTER IN BRADDOCK, PA.	225,535.
AMERICAN HEART ASSOCIATION 44 LIBERTY AVENUE, SUITE 1300 PITTSBURGH, PA 15222	N/A PC		TO REPLICATE MISSION LIFELINE: A COMMUNITY-BASED INITIATIVE TO IMPROVE THE QUALITY OF CARE AND OUTCOMES FOR HEART ATTACK PATIENTS AND TO IMPROVE HEALTH CARE SYSTEMS READINESS AND RESPONSE IN THE STATE OF WEST VIRGINIA.	46,800.
BUTLER COMMUNITY HEALTH CLINIC 103 BONNIE DRIVE BUTLER, PA 16002	N/A PC		TO PROVIDE SUPPORT OF A MULTIFACETED DIABETES MANAGEMENT PROGRAM THAT PROVIDES HIGH-QUALITY EDUCATION, MEDICAL AND DENTAL SERVICES TO UNINSURED INDIVIDUALS IN BUTLER COUNTY.	75,000.
CATHOLIC CHARITIES, DIOCESE OF PITTSBURGH, INC. 212 NINTH STREET PITTSBURGH, PA 15222	N/A PC		TO INCREASE ACCESS TO PRIMARY HEALTH, DENTAL AND SPECIALTY CARE FOR UNDERSERVED POPULATIONS IN SOUTHWESTERN PENNSYLVANIA AT THE CATHOLIC CHARITIES FREE HEALTH CARE CENTER. INCLUDES A GRANT OF 5K TO HONOR A RETIRING BOARD MEMBER.	105,000.

ATTACHMENT 12

ATTACHMENT 12

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FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CENTER FOR HEALTH PROMOTION 620 SEVENTH AVE. WINDBER, PA 15963	N/A PC	TO SUPPORT SCHOOL AND COMMUNITY SYSTEMS TO STRENGTHEN BULLYING PREVENTION EFFORTS THROUGH INFORMED AND COLLABORATIVE PRACTICE, WITH A FOCUS ON THE UNIQUE NEEDS OF URBAN SCHOOL DISTRICTS.	163,500.
CENTER FOR SCHOOLS AND COMMUNITIES 275 GRANDVIEW AVENUE, SUITE 200 CAMP HILL, PA 17011	N/A PC	TO SUPPORT SCHOOL AND COMMUNITY SYSTEMS TO STRENGTHEN BULLYING PREVENTION EFFORTS THROUGH INFORMED AND COLLABORATIVE PRACTICE, WITH A FOCUS ON THE UNIQUE NEEDS OF URBAN SCHOOL DISTRICTS.	437,950.
THE CHILDREN'S INSTITUTE 1405 SHADY AVENUE PITTSBURGH, PA 15217	N/A PC	TO SUPPORT FROM FOOD TO FRAGRANCE: IMPACTS TO OUR HEALTH TO ADDRESS THE EFFECTS OF FRAGRANCES AND BARRIERS TO DEVELOPING SUCCESSFUL FARM TO SCHOOL TO COMMUNITY PROGRAMS. THE HIGMARK FOUNDATION WILL BE THE PRESENTING SPONSOR TO THESE ACTIVITIES. INCLUDES A GRANT OF 75K TO SUPPORT A CASE MANAGER SALARY FOR THE MEDICAL HOME FOR YOUTH WITH SPECIAL HEALTH CARE NEEDS PILOT.	111,000.
COMMUNITY ACTION ASSOCIATION OF PENNSYLVANIA 222 PINE STREET HARRISBURG, PA 17101	N/A PC	TO SUPPORT OPERATIONAL COSTS AND FUND A MINI-GRANT PROGRAM TO STRENGTHEN THE ROLE OF NON-PROFIT ORGANIZATIONS IN PROVIDING OUTREACH AND EDUCATION FOR HARD TO REACH POPULATIONS IN 21 CENTRAL PA COUNTIES SERVED BY HIGMARK.	45,000.
CONGREGATIONS UNITED FOR NEIGHBORHOOD ACTION 317 NORTH 4TH STREET ALLENTOWN, PA 18102	N/A PC	TO SUPPORT THE GREATER LEHIGH VALLEY SUPER UTILIZER AND NEIGHBORHOOD HOT SPOT MODEL TO REDUCE EMERGENCY ROOM USE AND HOSPITAL READMISSIONS IN THE LEHIGH VALLEY.	71,915.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CORNERSTONE CARE 7 GLASSWORKS ROAD GREENSBORO, PA 15338	N/A PC	TO EXPAND THE SMILE FOR LIFE ORAL HEALTH OUTREACH PROJECT IN FAYETTE AND WASHINGTON COUNTIES.	62,500.
DESTINY OF FAITH, INC. 3737 BRIGHTON ROAD PITTSBURGH, PA 15212	N/A PC	TO SERVE AS A COMMUNITY-BASED SITE FOR THE HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM. INTEGRATING PHYSICAL ACTIVITY AND HEALTHY FOOD CHOICES EVERY DAY IN EVERY WAY.	5,000.
EVERY CHILD, INC. 6401 PENN AVENUE, SUITE 300 PITTSBURGH, PA 15206	N/A PC	TO FUND THE PREGNANCY SUPPORT WITH TRAINED DOULA WELLNESS INITIATIVE.	62,500.
ERIE COUNTY DIABETES ASSOCIATION 1128 STATE STREET, SUITE 302 ERIE, PA 16501	N/A PC	TO SUPPORT DIABETES PREVENTION AND INTERVENTION PROGRAMMING FOR 550 UNINSURED AND UNDERINSURED PRE-AND DIABETIC INDIVIDUALS.	62,500.
FORT CHERRY ELEMENTARY SCHOOL 110 FORT CHERRY ROAD MCDONALD, PA 15057	N/A PC	IMPLEMENTATION OF A YEAR-LONG PROGRAM WHICH FEATURES A DIFFERENT PHYSICAL ACTIVITY AND THEME EACH MONTH. WEEKLY CLASSES ARE OFFERED TO STUDENTS, PARENTS AND COMMUNITY. FORT CHERRY WAS RECENTLY FEATURED AS A BEST-PRACTICE SCHOOL IN A PRO WELLNESS WEBINAR.	6,000.
FOREST HILLS ELEMENTARY SCHOOL 549 LOCUST STREET SIDMAN, PA 15955	N/A PC	EXPANSION OF AN AFTER-SCHOOL SWIMMING PROGRAM CONDUCTED DURING THE WINTER MONTHS WHEN CHILDREN TEND TO BE INDOORS AND LESS ACTIVE. INITIAL PROGRAM FOCUSED ON 2ND & 3RD GRADERS BUT WILL NOW BE OFFERED TO ALL ELEMENTARY GRADES.	6,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
GEORGE JUNIOR REPUBLIC 233 GEORGE JUNIOR ROAD P.O. BOX 1058 GROVE CITY, PA 16127	N/A SO III FI	TO IMPLEMENT PATH (POINTING ADOLESCENTS TOWARD HEALTH), A HEALTHY LIFESTYLE LEADERSHIP PROGRAM THAT PROVIDES PHYSICAL ACTIVITIES AND NUTRITION TO REDUCE CHILDHOOD OBESITY IN 220 OBESE OR OVERWEIGHT BOYS.	127,500.
HARRISBURG SCHOOL DISTRICT 2101 N. FRONT STREET BUILDING 2 HARRISBURG, PA 17110	N/A PC	EXPANSION OF A SOCCER CAMP PROGRAM IN PARTNERSHIP WITH THE MAJOR PREPARATION YOUTH PROGRAM. STUDENTS WILL PARTICIPATE IN 2X/WEEK SOCCER CAMP FOR 1-2 HOURS PER SESSION. KEY COMPONENTS OF THE PROGRAM ALSO INCLUDE CONCUSSION AWARENESS TRAINING, SPORTS SAFETY, AND HEALTHY NUTRITION.	6,000.
HIGHLANDS HOSPITAL 401 EAST MURPHY AVENUE CONNELLSVILLE, PA 15425-2797	N/A PC	TO SUPPORT A PLANNING GRANT TO ASSIST WITH THE CREATION OF THE WOMEN'S CENTER OF EXCELLENCE.	25,000.
HOMER CENTER JR/SR HIGH SCHOOL 70 WILDCAT LANE HOMER CITY, PA 15748	N/A PC	EBGC AND HOMER SCHOOL DISTRICT WILL PARTNER TO CREATE EVIDENCE-BASED PHYSICAL ACTIVITY PROGRAMS THAT ARE EASILY IMPLEMENTED IN CLASSROOMS AND OTHER INDOOR VENUES. ENCOURAGES FAMILY & COMMUNITY INVOLVEMENT.	5,000.
HOSPITAL COUNCIL OF WESTERN PENNSYLVANIA 500 COMMONWEALTH DRIVE WARRENDALE, PA 15086	N/A PC	TO SUPPORT THE PROJECT MANAGER POSITION FOR THE REGIONAL HEALTH LITERACY COUNCIL.	75,000.
JEWISH HEALTHCARE FOUNDATION CENTRE CITY TOWER 650 SMITHFIELD STREET, SUITE 2440 PITTSBURGH, PA 15222	N/A PC	TO FUND A PORTION OF SALARY FOR A PROGRAM COORDINATOR AND MINI-GRANT PROGRAM.	45,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
JOHNSTOWN FREE MEDICAL CLINIC 320 MAIN STREET JOHNSTOWN, PA 15901	N/A PC		TO SUPPORT THE WAR FOR HEALTH PROGRAM.	118,783.
KINGSLEY ASSOCIATION 6435 FRANKSTOWN AVENUE PITTSBURGH, PA 15206	N/A PC		TO SERVE AS A COMMUNITY-BASED SITE FOR THE HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM. INTEGRATING PHYSICAL ACTIVITY AND HEALTHY FOOD CHOICES EVERY DAY IN EVERY WAY.	5,000.
MILLERSBURG JR/SR HIGH SCHOOL 799 CENTER STREET MILLERSBURG, PA 17061	N/A PC		PHYSICAL EDUCATION DEPT WILL PARTNER WITH THE YMCA TO PROVIDE CARDIO KICKBOXING AT LEAST 2X/WEEK TO INCREASE PHYSICAL ACTIVITY AND ADDRESS PROBLEMATIC ANGER MANAGEMENT ISSUES.	5,000.
MONONGAHELA VALLEY HOSPITAL, INC. 1163 COUNTRY CLUB ROAD MONONGAHELA, PA 15063-1095	N/A PC		TO FUND THE SALARY OF A CLINICAL PHARMACIST TO SUPPORT CARE TRANSITION AND REDUCE HOSPITAL READMISSIONS.	37,500.
NORTHERN LEBANON MIDDLE SCHOOL 345 SCHOOL DRIVE P.O. BOX 100 FREDERICKSBURG, PA 17026	N/A PC		DEVELOPMENT OF AN AFTER-SCHOOL INTRAMURAL SPORTS PROGRAM AND A FAMILY FITNESS CHALLENGE COMPETITION TO ENCOURAGE COMMUNITIES AND FAMILIES TO GET ACTIVE AND CONTINUE PHYSICAL ACTIVITY AT HOME.	5,000.
PENNS MANOR SR HIGH SCHOOL 6003 ROUTE 553 HIGHWAY CLYMER, PA 15728	N/A PC		DEVELOPMENT OF AN 8-MONTH FITNESS AND NUTRITION EDUCATION AFTER-SCHOOL PROGRAM. "FAMILY FITNESS FUN DAY" WILL BE HELD DURING THE SUMMER TO ENGAGE PARENTS.	6,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
PENNSYLVANIA STATE UNIVERSITY COLLEGE OF NURSING 600 CENTERVIEW DRIVE HERSHEY, PA 17033-0850	N/A PC	TO SUPPORT 'IMPROVING RURAL GERIATRIC CARE THROUGH EDUCATION,' A PROGRAM DESIGNED TO PROVIDE GERIATRIC EDUCATION AND TRAINING FOR RURAL HEALTH CARE PROVIDERS PRACTICING IN EIGHT CRITICAL ACCESS HOSPITALS THROUGHOUT THE REGION.	110,000.
PENNSYLVANIA STATE UNIVERSITY ONE OLD MAIN UNIVERSITY PARK, PA 16802	N/A PC	EXCLUSIVE EVENT SPONSOR OF THE LET'S MOVE! PENNSYLVANIA CONFERENCE HELD ON OCTOBER 8, 2014 IN STATE COLLEGE PENNSYLVANIA.	10,000.
PITTSBURGH COMMUNITY SERVICES, INC. 249 NORTH CRAIG STREET PITTSBURGH, PA 15213	N/A PC	TO ESTABLISH THE HEALTHIER COMMUNITIES PILOT PROGRAM TO ADDRESS PHYSICAL ACTIVITY AND NUTRITION BEHAVIORS IN 100 SENIORS RESIDING IN SENIOR RESIDENCES IN ALLEGHENY COUNTY.	37,500.
PUNXSUTAWNEY AREA HOSPITAL 81 HILLCREST DRIVE PUNXSUTAWNEY, PA 15767	N/A PC	PROPOSED INTERVENTION/PROJECT SERVICE DELIVERY SYSTEM. FRONTLINE AND FOLLOW-UP SYSTEM PROVIDING DIRECT PATIENT VISITS AND OVERSIGHT OF THE PROGRAM.	50,000.
RAND CORPORATION 4570 FIFTH AVENUE, SUITE 600 PITTSBURGH, PA 15213-2665	N/A PC	TO SUPPORT THE PITTSBURGH HILL/HOMEWOOD RESEARCH ON EATING, SHOPPING AND HEALTH (PHRESH) AND ITS SISTER PROJECT, PHRESH PLUS: RESEARCH ON EXERCISE, NEIGHBORHOODS AND HEALTH TO ADDRESS OBESITY.	55,400.
SCHOOL GRANTS - WESTERN & CENTRAL PA AND WV VARIOUS SCHOOLS	N/A PC	TO IMPROVE PHYSICAL ACTIVITY AND NUTRITION IN SCHOOL CHILDREN.	423,950.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SOUTHEAST LANCASTER HEALTH SERVICES 625 SOUTH DUKE STREET, POB 598 LANCASTER, PA 17608-0598	N/A PC	TO SUPPORT WELLNESS CIRCLE PROGRAMS: CENTERING PREGNANCY FOR EXPECTANT MOTHERS AND CENTERING PARENTING FOR BABIES.	90,000.
ST JAMES EPISCOPAL 11524 FRANKSTOWN ROAD PITTSBURGH, PA 15235	N/A PC	TO SERVE AS A COMMUNITY-BASED SITE FOR HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM SERVING CHILDREN AGES 6-18 AND THEIR FAMILIES.	5,000.
UNITED AREA SENIOR HIGH SCHOOL 10780 ROUTE 56 HIGHWAY EAST ARMAGH, PA 15920	N/A PC	DEVELOPMENT OF AN 8-MONTH FITNESS AND NUTRITION EDUCATION AFTER-SCHOOL PROGRAM. FAMILY FITNESS FUN DAY WILL TAKE PLACE DURING THE SUMMER TO ENGAGE PARENTS.	6,000.
UNIVERSITY OF PGH GRADUATE SCHOOL OF PUBLIC HEALTH 130 DESOTO STREET PITTSBURGH, PA 15261	N/A PC	EXCLUSIVE SPONSOR OF THE PORTER PRIZE EVENT WHICH WAS HELD ON APRIL 8, 2014 IN PITTSBURGH, PA AT THE UNIVERSITY OF PITTSBURGH DURING NATIONAL PUBLIC HEALTH WEEK. IN ADDITION, SUPPORTED THE PITTSBURGH VIOLENCE PREVENTION INITIATIVE: A COMMUNITY CARE COORDINATION AND HEALTH PROMOTION FOR PEOPLE AT RISK FOR FIREARM VIOLENCE.	87,500.
WELLSPAN HEALTH 50 N. DUKE STREET, 2ND FLOOR YORK, PA 17401	N/A SO I	TO SUPPORT A LEARNING COLLABORATIVE FOR SUPER-UTILIZER PROJECTS AMONG HEALTH SYSTEMS BY CREATING A LEARNING COMMUNITY TO SHARE IDEAS, BEST PRACTICES, PATIENT DATA, AND COST SAVINGS TO TRANSFORM DELIVERY OF HEALTH CARE IN THE CENTRAL PENNSYLVANIA REGION.	64,128.
WEST VIRGINIA ASSOCIATION OF FREE CLINICS 1520 WASHINGTON STREET CHARLESTON, WV 25311	N/A PC	TO SUPPORT THE EXPANSION OF ADULT DENTAL SERVICES AT 10 FREE CLINICS IN WEST VIRGINIA.	50,000.

FORM 990FF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WEST VIRGINIA UNIVERSITY FOUNDATION P.O. BOX 1650 MORGANTOWN, WV 26507	N/A PC	TO SUPPORT MCDOWELL COUNTY CHOICES (CHILDREN'S HEALTH OPPORTUNITIES INVOLVING COORDINATED EFFORTS IN SCHOOLS): AN INTEGRATED APPROACH TO CHILDHOOD AND ADOLESCENT HEALTH.	102,000.
WINDBER RESEARCH INSTITUTE CENTER FOR HEALTH PROMOTION AND DISEASE PREVENTION 620 SEVENTH AVE. WINDBER, PA 15963	N/A PC	TO SUPPORT SCHOOL AND COMMUNITY SYSTEMS TO STRENGTHEN BULLYING PREVENTION EFFORTS THROUGH INFORMED AND COLLABORATIVE PRACTICE, WITH A FOCUS ON THE UNIQUE NEEDS OF URBAN SCHOOL DISTRICTS.	178,500.
YOUTH PLACES 711 WEST COMMONS, 2ND FLOOR PITTSBURGH, PA 15212	N/A PC	TO FUND THE YOUTHPLACES GIRLS' WELLNESS INITIATIVE.	37,500.
TOTAL CONTRIBUTIONS PAID			3,367,896.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 13

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ACHIEVA 711 BINGHAM STREET PITTSBURGH, PA 15203	N/A PC	TO SUPPORT THE PILOT WAITING LIST REDUCTION INITIATIVE: AN INNOVATIVE SOLUTION TO REDUCE WAITING LIST FOR BASIC SUPPORTIVE AND HEALTH CARE SERVICES.	75,000.
ADAMS COUNTY ARTS COUNCIL 125 SOUTH WASHINGTON STREET GETTYSBURG, PA 17325	N/A PC	TO SUPPORT THE EAT SMART PLAY HARD NUTRITION PROGRAM THAT SERVES YOUTH AND FAMILIES IN ADAMS COUNTY, PA.	53,315.
ALLEGHENY COUNTY HEALTH DEPARTMENT 3333 FORBES AVENUE PITTSBURGH, PA 15213	N/A PC	TO SUPPORT CONDUCT OF THE 2015-2016 ALLEGHENY COUNTY HEALTH SURVEY.	175,000.
ALLEGHENY HEALTH NETWORK 30 ISABELLA STREET PITTSBURGH, PA 15212	N/A SO I	PROPOSED INTERVENTION/PROJECT SERVICE DELIVERY SYSTEM: 'FRONTLINE AND FOLLOW-UP SYSTEM' - PROVIDING DIRECT PATIENT VISITS AND OVERSIGHT OF THE PROGRAM. IN ADDITION, TO PROVIDE DIABETIC RETINOPHY SCREENING FOR DIABETIC PATIENTS BY EXPANDING ALLEGHENY HEALTH NETWORK JOSLIN DIABETES CENTERS.	273,660.
AMERICAN HEART ASSOCIATION 44 LIBERTY AVENUE, SUITE 1300 PITTSBURGH, PA 15222	N/A PC	TO REPLICATE MISSION LIFELINE: A COMMUNITY-BASED INITIATIVE TO IMPROVE THE QUALITY OF CARE AND OUTCOMES FOR HEART ATTACK PATIENTS AND TO IMPROVE HEALTH CARE SYSTEMS READINESS AND RESPONSE IN THE STATE OF WEST VIRGINIA.	53,200.
CENTER FOR HEALTH PROMOTION 620 SEVENTH AVE. WINDBER, PA 15963	N/A PC	TO SUPPORT SCHOOL AND COMMUNITY SYSTEMS TO STRENGTHEN BULLYING PREVENTION EFFORTS THROUGH INFORMED AND COLLABORATIVE PRACTICE, WITH A FOCUS ON THE UNIQUE NEEDS OF URBAN SCHOOL DISTRICTS.	163,500.

ATTACHMENT 13

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 13 (CONT'D)			
RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CENTER FOR SCHOOLS AND COMMUNITIES 275 GRANDVIEW AVENUE, SUITE 200 CAMP HILL, PA 17011	N/A PC	TO SUPPORT SCHOOL AND COMMUNITY SYSTEMS TO STRENGTHEN BULLYING PREVENTION EFFORTS THROUGH INFORMED AND COLLABORATIVE PRACTICE, WITH A FOCUS ON THE UNIQUE NEEDS OF URBAN SCHOOL DISTRICTS.	186,250.
THE CHILDREN'S HOME & LEMIEUX FAMILY CENTER 5324 PENN AVENUE PITTSBURGH, PA 15224	N/A PC	TO EXPAND THE MODEL OF STAFFING AND CARE PROVIDED AT THE PEDIATRIC SPECIALTY HOSPITAL.	200,000.
THE CHILDREN'S INSTITUTE 1405 SHADY AVENUE PITTSBURGH, PA 15217	N/A PC	TO SUPPORT CASE MANAGER SALARY FOR THE MEDICAL HOME FOR YOUTH WITH SPECIAL HEALTH CARE NEEDS PILOT.	75,000.
CORNERSTONE CARE 7 GLASSWORKS ROAD GREENSBORO, PA 15338	N/A PC	TO EXPAND THE SMILE FOR LIFE ORAL HEALTH OUTREACH PROJECT IN FAYETTE AND WASHINGTON COUNTIES.	62,500.
DESTINY OF FAITH, INC. 3737 BRIGHTON ROAD PITTSBURGH, PA 15212	N/A PC	TO SERVE AS A COMMUNITY-BASED SITE FOR THE HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM: INTEGRATING PHYSICAL ACTIVITY AND HEALTHY FOOD CHOICES EVERY DAY IN EVERY WAY.	5,000.
ERIE COUNTY DIABETES ASSOCIATION 1128 STATE STREET, SUITE 302 ERIE, PA 16501	N/A PC	TO SUPPORT DIABETES PREVENTION AND INTERVENTION PROGRAMMING FOR 550 UNINSURED AND UNDERINSURED PRE-AND DIABETIC INDIVIDUALS.	62,500.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENTATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
EVERY CHILD, INC. 6401 PENN AVENUE, SUITE 300 PITTSBURGH, PA 15206	N/A PC		TO FUND THE PREGNANCY SUPPORT WITH TRAINED DOULA WELLNESS INITIATIVE.	62,500.
FAMILY FIRST HEALTH CORPORATION 116 SOUTH GEORGE STREET, SUITE 301 YORK, PA 17401	N/A PC		TO SUPPORT A FEASIBILITY STUDY TO INCREASE ACCESS FOR LABORATORY SERVICES.	50,000.
GEORGE JUNIOR REPUBLIC 233 GEORGE JUNIOR ROAD GROVE CITY, PA 16127	N/A SO III FI		TO SUPPORT IMPLEMENTATION OF THE HEALTHY LIFESTYLE LEADERSHIP PROGRAM, A HEALTHY LIFESTYLE PROGRAM THAT PROVIDES PHYSICAL ACTIVITIES AND NUTRITION EDUCATION IN 140 OBESE OR OVERWEIGHT BOYS.	83,000.
JOHNSTOWN FREE MEDICAL CLINIC 320 MAIN STREET JOHNSTOWN, PA 15901	N/A PC		TO SUPPORT THE WAR FOR HEALTH PROGRAM.	106,217.
KINGSLEY ASSOCIATION 6435 FRANKSTOWN AVENUE PITTSBURGH, PA 15206	N/A PC		TO SERVE AS A COMMUNITY-BASED SITE FOR THE HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM: INTEGRATING PHYSICAL ACTIVITY AND HEALTHY FOOD CHOICES EVERY DAY IN EVERY WAY.	5,000.
NATIONAL ACADEMY OF SCIENCES 500 FIFTH STREET, NW WASHINGTON, DC 20001-2721	N/A PC		TO SUPPORT THE NATIONAL ACADEMY OF SCIENCES BOARD ON CHILDREN, YOUTH AND FAMILIES OF THE INSTITUTE OF MEDICINE AND NATIONAL RESEARCH COUNCIL OF THE NATIONAL ACADEMIES STUDY ON THE BIOLOGICAL UNDERPINNINGS OF PEER VICTIMIZATION.	125,000.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENTATTACHMENT 13 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
PHIPPS CONSERVATORY AND BOTANICAL GARDENS ONE SCHENLEY PARK PITTSBURGH, PA 15213	N/A PC	PRESENTING SPONSORSHIP OF THE 10,000 TABLES PROGRAM.	50,000.
PENNSYLVANIA STATE UNIVERSITY 110 TECHNOLOGY CENTER BUILDING UNIVERSITY PARK, PA 16802	N/A PC	TO SUPPORT THE CONTINUATION OF NRG POWERED BY CHOICE PROGRAM ACTIVITIES FOR 2008-2011.	400,000.
SCHOOL GRANTS - WEST VIRGINIA VARIOUS SCHOOLS	N/A PC	TO IMPROVE PHYSICAL ACTIVITY AND NUTRITION IN SCHOOL CHILDREN.	4,500.
SOUTHEAST LANCASTER HEALTH SERVICES 625 SOUTH DUKE STREET, POB 598 LANCASTER, PA 17608-0598	N/A PC	TO SUPPORT WELLNESS CIRCLE PROGRAMS: CENTERING PREGNANCY FOR EXPECTANT MOTHERS AND CENTERING PARENTING FOR BABIES.	90,000.
ST. JAMES EPISCOPAL 11524 FRANKSTOWN ROAD PITTSBURGH, PA 15235	N/A PC	TO SERVE AS A COMMUNITY-BASED SITE FOR HIGHMARK FOUNDATION'S CHILDHOOD OBESITY PROGRAM SERVING CHILDREN AGES 6-18 AND THEIR FAMILIES.	5,000.
UNIVERSITY OF PGH GRADUATE SCHOOL OF PUBLIC HEALTH 130 DESOTO STREET PITTSBURGH, PA 15261	N/A PC	TO SUPPORT THE PITTSBURGH VIOLENCE PREVENTION INITIATIVE: A COMMUNITY CARE COORDINATION AND HEALTH PROMOTION FOR PEOPLE AT RISK FOR FIREARM VIOLENCE.	62,500.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT			PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
RECIPIENT NAME AND ADDRESS				
WELSH MOUNTAIN HEALTH CENTERS 1520 WASHINGTON STREET NEW HOLLAND, PA 17557	N/A PC		TO FUND THE EXPANSION OF DENTAL SERVICES USING A MEDICAL/DENTAL INTEGRATION MODEL SERVING LOW-INCOME, UNINSURED AND MEDICAID INDIVIDUALS IN LEBANON COUNTY.	150,000.
WEST VIRGINIA ASSOCIATION OF FREE CLINICS 1520 WASHINGTON STREET CHARLESTON, WV 25311	N/A PC		TO SUPPORT THE EXPANSION OF ADULT DENTAL SERVICES AT 10 FREE CLINICS IN WEST VIRGINIA.	50,000.
YOUTH PLACES 711 WEST COMMONS, 2ND FLOOR PITTSBURGH, PA 15212	N/A PC		TO FUND THE YOUTHPLACES GIRLS' WELLNESS INITIATIVE.	37,500.
TOTAL CONTRIBUTIONS APPROVED				2,666,142.

ATTACHMENT 13 (CONT'D)

Highmark Foundation

**Financial Statements
December 31, 2014 and 2013**

Highmark Foundation
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December 31, 2014 and 2013

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Independent Auditor's Report

To the Board of Directors of Highmark Foundation:

We have audited the accompanying financial statements of the Highmark Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2014 and 2013 and the related statements of activities and changes in net assets and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation at December 31, 2014 and 2013, and the results of its activities and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 8 to the Financial Statements, the Foundation has entered into significant transactions with Highmark Inc , a related party Our opinion is not modified with respect to this matter

PricewaterhouseCoopers LLP

June 26, 2015

Highmark Foundation
Statements of Financial Position
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	\$ 316,834	\$ 978,120
Investments, available-for-sale at fair value	12,767,343	15,695,318
Investment income receivable	33,984	53,219
Prepaid expenses	359	14,684
Equipment, net	8,154	12,601
Total assets	<u>\$ 13,126,674</u>	<u>\$ 16,753,942</u>
 Liabilities and Net Assets		
Grants payable	\$ 2,664,561	\$ 2,522,528
Other payables and accrued expenses	24,165	51,275
Total liabilities	<u>2,688,726</u>	<u>2,573,803</u>
Unrestricted net assets	<u>10,437,948</u>	<u>14,180,139</u>
Total net assets	<u>10,437,948</u>	<u>14,180,139</u>
Total liabilities and net assets	<u>\$ 13,126,674</u>	<u>\$ 16,753,942</u>

The accompanying notes are an integral part of these financial statements

Highmark Foundation
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Highmark Inc. donated services	\$ 556,059	\$ 573,166
Contributions	100	1,000
Net investment income	147,238	181,938
Net realized gain on investments	2,880	-
Total revenues	<u>706,277</u>	<u>756,104</u>
Expenses		
Grants	3,509,929	4,212,539
Educational	36,089	313,983
Contracts	363,927	918,114
Excise taxes	903	664
Highmark Inc. donated services	556,059	573,166
Other	53,222	58,774
Total expenses	<u>4,520,129</u>	<u>6,077,240</u>
Excess of expenses over revenue	(3,813,852)	(5,321,136)
Net unrealized gain (loss) on investments	71,661	(189,136)
Change in net assets	<u>(3,742,191)</u>	<u>(5,510,272)</u>
Net assets at beginning of year	<u>14,180,139</u>	<u>19,690,411</u>
Net assets at end of year	<u>\$ 10,437,948</u>	<u>\$ 14,180,139</u>

The accompanying notes are an integral part of these financial statements

Highmark Foundation
Statements of Cash Flows
Years Ended December 31, 2014 and 2013

	2014	2013
Cash flows from operating activities		
Change in net assets	\$ (3,742,191)	\$ (5,510,272)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	4,447	4,448
Net realized gain on investments	(2,880)	-
Net unrealized (gain) loss on investments	(71,661)	189,136
Increase (decrease) due from changes in		
Investment income receivable	19,235	39,111
Prepaid expenses	14,325	540,658
Grants payable	142,033	914,644
Other payables and accrued expenses	(27,110)	(559,085)
Net cash used in operating activities	<u>(3,663,802)</u>	<u>(4,381,360)</u>
Cash flows from investing activities		
Purchases of investments	(1,992,299)	(10,423,495)
Proceeds from sales of investments	2,794,815	8,302,045
Proceeds from maturities of investments	2,200,000	4,900,000
Net cash provided by investing activities	<u>3,002,516</u>	<u>2,778,550</u>
Net decrease in cash and cash equivalents	(661,286)	(1,602,810)
Cash and cash equivalents		
Beginning of year	<u>978,120</u>	<u>2,580,930</u>
End of year	<u>\$ 316,834</u>	<u>\$ 978,120</u>

The accompanying notes are an integral part of these financial statements

Highmark Foundation

Notes to Financial Statements

December 31, 2014 and 2013

1. Description of Business

Nature of Organization

The Highmark Foundation (the "Foundation") is a not-for-profit affiliate of Highmark Inc ("Highmark"). The Foundation was incorporated on December 14, 2000 under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania.

The Foundation exists exclusively for charitable, scientific and educational purposes, and undertakes charitable endeavors of Highmark, including but not limited to, providing grants to organizations to promote the health and well-being of the communities served by Highmark.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Financial Presentation

Net assets and revenues are not subject to donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as unrestricted net assets.

Revenues are reported as increases to unrestricted net assets. Expenses are reported as decreases to unrestricted net assets.

Net investment income and net realized gain on investments are reported as changes in unrestricted net assets as the terms of gifts do not impose restrictions on the use of the income or gains or losses.

New Accounting Pronouncements

In August 2014, Financial Accounting Standards Board ("FASB") issued new guidance regarding evaluation criteria about whether there is substantial doubt about an entity's ability to continue as a going concern and enhanced related disclosures. The new guidance is effective for fiscal years ending after December 15, 2016. The adoption of this new guidance is not expected to have a material impact on the Foundation's financial position, results of activities and cash flows.

In June 2013, FASB issued amended guidance that requires a not-for-profit entity to recognize in its standalone financial statements all personnel services received from an affiliate that directly benefit the recipient. The new guidance is effective for not-for-profit entities in fiscal years beginning after June 15, 2014. The Foundation does not expect adoption of the new guidance to have a material impact on the financial position, results of activities and cash flows.

In October 2012, FASB amended current guidance to require Not-for-Profit entities to classify cash receipts from the sale of donated financial assets consistently with cash donations received in the statement of cash flows if those cash receipts were from the sale of donated financial assets that were converted nearly immediately into cash. The new guidance is effective for Not-for-Profit entities in fiscal years beginning after June 15, 2013. The adoption of this guidance on January 1, 2014 did not have an impact on the financial position, results of activities and cash flows.

In December 2011, FASB issued amended guidance that requires an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. The adoption of this guidance on January 1, 2013 did not have an impact on the financial position, results of activities and cash flows.

Highmark Foundation

Notes to Financial Statements

December 31, 2014 and 2013

Use of Estimates

The preparation of the Foundation's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. A substantial portion of cash and cash equivalents is held with one financial institution.

Investments

All debt securities are classified as available-for-sale investments and are carried at fair value (based on quoted or estimated market prices), and unrealized gains and losses are reported in net unrealized loss on investments. Realized gains and losses are based on amortized cost.

In determining if a debt security is other-than-temporarily impaired, the Foundation considers whether it has intent to sell the debt security or whether it is more likely than not that the Foundation will be required to sell the debt security before recovery of its amortized cost basis, which may be at maturity. If the Foundation intends to sell the debt security or it is more likely than not that the Foundation will be required to sell the debt security before recovery of its cost basis, an other-than-temporary impairment is recorded as a realized loss in the statements of activities and changes in net assets for the difference between fair value and amortized cost.

If the Foundation does not have the intent to sell and it does not believe that it is more likely than not that it will be required to sell the debt security before recovery of its amortized cost, the Foundation performs a detailed review to determine the underlying cause of the unrealized loss and whether an other-than-temporary impairment is warranted. At the time a debt security is determined to be other-than-temporarily impaired, the credit component of the other-than-temporary impairment is recorded as a realized loss in the statements of activities and changes in net assets and the non-credit component of the other-than-temporary impairment is recorded in net unrealized loss on investments.

The Foundation's assets are invested in a variety of financial instruments. Accordingly, the related values as presented in the financial statements are subject to various market fluctuations, which include changes in the interest rate environment, equity markets and general economic conditions.

Fair Value of Financial Instruments

In accordance with the FASB Accounting Standards Codification ("ASC") fair value measurements guidance, financial assets and liabilities recorded at fair value in the statements of financial position are categorized based upon the level inputs used to measure their fair value.

Equipment, net

Equipment is recorded at cost, net of accumulated depreciation. Maintenance, repairs and minor improvements are expensed as incurred. Depreciation is computed under the straight-line method over the estimated useful life of 10 years.

Prepaid expenses

Certain contracts are paid for in advance of the time the services will be received. The expense for these services will be recognized during the period in which the contracted services are completed.

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Revenue recognition

Contributed services support from Highmark were recorded at fair value using Highmark's cost as the basis

Interest and dividend income is recorded on the accrual basis

Grants

Grants are recorded when approved by the Board of Directors. The Foundation approves certain grants with various conditions. If, however, the probability is remote that the grantees will not meet the conditions, these conditional grants are accounted for as grants payable when approved by the Board of Directors.

Subsequent Events

In 2015, certain previously issued grants totaling \$201,443 were cancelled as they did not meet their respective grant conditions which reduced grant expense within the Statements of Activities and Changes in Net Assets in the period that this was determined.

3. Investments

The cost or amortized cost, gross unrealized gains and losses and fair value of investments in securities classified as available-for-sale at December 31, 2014 were as follows:

	2014			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Debt securities				
Agency obligations	\$ 5,877,468	\$ 5,915	\$ (37,174)	\$ 5,846,209
Corporate debt securities	6,395,237	19,480	(5,211)	6,409,506
Other debt securities	504,171	7,457	-	511,628
Total debt securities	12,776,876	32,852	(42,385)	12,767,343
Total	\$ 12,776,876	\$ 32,852	\$ (42,385)	\$12,767,343

The cost or amortized cost, gross unrealized gains and losses and fair value of investments in securities classified as available-for-sale at December 31, 2013 were as follows:

	2013			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Debt securities				
Agency obligations	\$ 7,360,643	\$ 13,342	\$ (122,669)	\$ 7,251,316
Corporate debt securities	7,908,337	27,775	(9,692)	7,926,420
Other debt securities	507,530	10,052	-	517,582
Total debt securities	15,776,510	51,169	(132,361)	15,695,318
Total	\$ 15,776,510	\$ 51,169	\$ (132,361)	\$15,695,318

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The gross unrealized losses and fair value of investments classified as available-for-sale securities by investment category and length of time an individual security was in a continuous unrealized loss position at December 31, 2014 were as follows

	Less than 12 months		12 months or more		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Debt securities						
Agency obligations	\$ 1,744,970	\$ (4,782)	\$ 2,842,608	\$ (32,392)	\$ 4,587,578	\$ (37,174)
Corporate debt securities	1,498,710	(5,211)	-	-	1,498,710	(5,211)
Total debt securities	\$ 3,243,680	\$ (9,993)	\$ 2,842,608	\$ (32,392)	\$ 6,086,288	\$ (42,385)

The gross unrealized losses and fair value of investments classified as available-for-sale securities by investment category and length of time an individual security was in a continuous unrealized loss position at December 31, 2013 were as follows:

	Less than 12 months		12 months or more		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Debt securities						
Agency obligations	\$ 4,727,406	\$ (122,669)	\$ -	\$ -	\$ 4,727,406	\$ (122,669)
Corporate debt securities	2,326,260	(9,692)	-	-	2,326,260	(9,692)
Total debt securities	\$ 7,053,666	\$ (132,361)	\$ -	\$ -	\$ 7,053,666	\$ (132,361)

At December 31, 2014, the Foundation held debt securities with gross unrealized losses of \$42,385. Management evaluated the unrealized losses and determined that they were due primarily to volatility in the interest rate environment and market conditions. The Foundation does not intend to sell the debt securities and it is not likely that the Foundation will be required to sell the debt securities before recovery of their amortized cost bases, which may be maturity. Therefore, management does not consider the debt securities to be other-than-temporarily impaired as of December 31, 2014.

At December 31, 2014, the Foundation did not hold any equity securities.

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The amortized cost and fair value of available-for-sale debt securities at December 31, 2014 are shown below by contractual maturity. Expected maturities could differ from contractual maturities as borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Fair Value
Due within one year or less	\$ 2,601,938	\$ 2,607,905
Due after one year through five years	9,674,938	9,669,228
Due after five years through ten years	500,000	490,210
Total	<u>\$ 12,776,876</u>	<u>\$ 12,767,343</u>

The following is a summary of gross realized gains on investments for the year ended December 31, 2014:

Debt securities

Gross realized gains	<u>\$ 2,880</u>
Net realized gain on debt securities	<u>2,880</u>
Net realized gain on investments	<u>\$ 2,880</u>

There were no net realized gains on investments for the year ended December 31, 2013.

The following is a summary of net investment income for the years ended December 31, 2014 and 2013:

	2014	2013
Investment income		
Interest on debt securities	\$ 147,238	\$ 180,683
Interest on cash and cash equivalents	-	1,255
Net investment income	<u>\$ 147,238</u>	<u>\$ 181,938</u>

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4. Fair Value of Financial Instruments

Input levels, as defined by ASC fair value measurements guidance, are as follows

Level 1 – Pricing inputs are based on unadjusted quoted market prices for identical financial assets in active markets. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are based on other than unadjusted quoted prices in active markets included in Level 1 and include observable unadjusted quoted market prices for similar financial assets or liabilities in active markets or quoted market prices for identical assets in inactive markets.

Level 3 – Pricing inputs include unobservable inputs that are supported by little or no market activity and that reflect management's best estimate of what market participants would use in pricing the asset at the measurement date.

The following methods and assumptions were used to determine the fair value of each class of the following assets and liabilities recorded at fair value in the statements of financial position:

Cash equivalents Cash equivalents consisted primarily of highly rated money market funds with maturities of three months or less and bank deposits, and are purchased or deposited at par value with specified yield rates. Due to the high ratings and short-term nature of the funds, all cash equivalents are designated as Level 1.

Debt securities, available-for-sale: Fair values of available-for-sale debt securities are based on quoted market prices, where available. These fair values are obtained primarily from a third party pricing service, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. Level 2 securities include corporate securities, obligations of states and political subdivisions of the U.S. and mortgage-backed securities. For securities not actively traded, the third party pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

The Foundation uses a third party pricing service to obtain quoted prices for each security. The third party service provides pricing based on recent trades of the specific security or like securities, as well as a variety of valuation methodologies for those securities where an observable market price may not exist. The third party service may derive pricing for Level 2 securities from market corroborated pricing, matrix pricing, and inputs such as yield curves and indices. The Foundation performs an analysis of reasonableness of the prices received for fair value by monitoring month-to-month fluctuations and determining reasons for significant differences, selectively testing fair values against prices obtained from other sources, and comparing the combined fair value of a class of assets against an appropriate index benchmark. The Foundation did not make adjustments to the quoted market prices obtained from third party pricing services during the years ended December 31, 2014 and 2013 that were material to the financial statements.

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The following table summarizes fair value measurements by level at December 31, 2014 for financial assets measured at fair value on a recurring basis

	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 316,834	\$ 316,834	\$ -	\$ -
Investments, available for sale				
Debt securities				
Agency obligations	5,846,209	-	5,846,209	-
Corporate debt securities	6,409,506	-	6,409,506	-
Other debt securities	511,628	-	511,628	-
Total debt securities	12,767,343	-	12,767,343	-
Total assets	\$ 13,084,177	\$ 316,834	\$ 12,767,343	\$ -

The following table summarizes fair value measurements by level at December 31, 2013 for financial assets measured at fair value on a recurring basis

	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 978,120	\$ 978,120	\$ -	\$ -
Investments, available for sale				
Debt securities				
Agency obligations	7,251,316	-	7,251,316	-
Corporate debt securities	7,926,420	-	7,926,420	-
Other debt securities	517,582	-	517,582	-
Total debt securities	15,695,318	-	15,695,318	-
Total assets	\$ 16,673,438	\$ 978,120	\$ 15,695,318	\$ -

Transfers between levels, if any, are recorded annually as of the end of the reporting period unless, with respect to a particular issue, a significant event occurred that necessitated the transfer be reported at the date of the event

There were no material transfers between Levels 1 and 2 during the years ended December 31, 2014 and 2013

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5. Grants Payable

Grants approved and paid in 2014 and 2013, and grants payable at December 31, 2014 and 2013 were as follows:

Grants Payable, December 31, 2013	2014 Grant Activity		Grants Payable, December 31, 2014
	Approved	Paid	
\$ 2,522,528	\$ 3,509,929	\$ 3,367,896	\$ 2,664,561

Grants Payable, December 31, 2012	2013 Grant Activity		Grants Payable, December 31, 2013
	Approved	Paid	
\$ 1,607,884	\$ 4,212,539	\$ 3,297,895	\$ 2,522,528

All grants payable outstanding at December 31, 2014 are expected to be paid in thirteen months or less

6. Federal Excise Taxes

The Foundation has been determined to be an organization which is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), however, a 2% federal excise tax is imposed on net taxable investment income. The Code provides for a reduction in excise tax to 1% if certain conditions are achieved. The Foundation did not meet these conditions in 2014 and 2013 and recorded excise tax expense of \$903 and \$664, respectively. The expense is subject to a formula which considers tax basis adjustments. Net investment income differs between tax and financial statement reporting.

8. Related Party Transactions

The Foundation receives primarily all of its administrative services for its programs from Highmark. For the year ended December 31, 2014 and 2013, the Foundation recognized \$556,059 and \$573,166, respectively, in contributed services support from Highmark. These contributed services were recorded at fair value and consisted of salaries and benefits, facilities maintenance, and other office and administrative expenses incurred by Highmark in performing program and supporting services. Highmark's cost was the basis for the estimated fair value of these contributed services.