



March 18, 2009

D O R I S D U K E  
C H A R I T A B L E F O U N D A T I O N

**Letter from the President:  
Sustaining Our Work with Declining Assets**

At a time when sustaining the work of our grantees is more important than ever, we too are faced with declining assets and an uncertain global financial future – a reflection of the new reality that organizations and individuals are confronting in every sector of the economy.

As a charitable trust, we want to openly share how we are being affected and how we plan to respond.

First and foremost, *the foundation will honor all existing grant commitments and will award new grants this year.* We remain committed to the foundation's mission, to the strategies we have developed for each of our grant programs and properties, and to the important work of our grantees in the performing arts, environmental conservation, medical research and child abuse prevention.

Unfortunately, the decline in our assets coupled with our increased grant spending in recent years requires some tough choices in order to continue the foundation's support for grantees over the long-term.

At this time, while the foundation's spending rate in 2009 will increase, there will be an overall reduction in the total dollar amount of our spending as follows:

- Internal operating costs for the foundation and its properties will be reduced by 20-25%;
- Total grant spending will be reduced by 25% in 2009;
- Our special initiatives in climate change and African health will proceed at roughly half of their originally envisioned amounts.

Additional adjustments to our plans may be necessary as economic conditions evolve.

We will continue to maintain an open dialogue with our grantees to determine how the foundation can best support their efforts during this difficult economic period. We will be responsive and flexible, and we will seek to become even more efficient and collaborative in how we accomplish our mutual, long-term goals of improving the quality of people's lives.

Edward P. Henry  
President, Doris Duke Charitable Foundation