

from the executive director

One decade ago I first put pen to paper and jotted down a few comments as introduction to the 1995 Annual Report. The Trust was then transitioning through turbulent waters with the recent deaths of two of the original Trustees named by Jack in his will, the appointments of two to replace them completing a second generation Board, and other uncertainties. I felt the need then to lessen any anxieties our charitable friends might have regarding our future grantmaking and relationships and so indicated that the ship of Murdock had sufficient stability to handle the storms and it was our hope that not only would our mission continue unchanged but that if the cargo slid a little, no one would be bumped or even notice.

Now I once again put pen to paper for the annual report, but this time for the last time. It gives me great pleasure to announce that my retirement mid-2006 will allow some fresh air in the form of Dr. Steven G. W. Moore to fill our charitable sails. Steve comes with excellent leadership experience and professional roots in academic settings that will not only serve our immediate needs but also enhance our ability to better serve our constituency.



STEVEN G. W. MOORE

I will continue on as Trustee, providing wonderful opportunities for me to remain engaged with the Trust's mission in work that has deep meaning and satisfaction, especially when viewing the results as people in our region put their minds and hearts to solving problems and serving others.

While Steve will be the incomer in 2006, my Administrative Assistant during the past decade. Marian Haro, will be the outgoer, with her own retirement luring her into the future after nearly two full decades in these offices. Marian has been the quiet, solid rock on which I have found firm footing in my work here, the one behind the scene that could make anything happen that had even the remotest possibility of happening. Marian has had an advantage over most of us in that she worked for our benefactor, Jack Murdock, at Melridge Aviation here in Vancouver, dealing with everything from parts to sales. Although we are not into aviation parts and sales here at the Trust, Marian easily made the transition since we must constantly evaluate parts of projects and sales of ideas as we consider proposals from organizations requesting our support. We wish her well as she tees up for that sweet drive down the middle of the fairway of a new life phase.

Once again, for the fifth time now, we present an annual report with a cover of intrigue. Last year you saw a fish skin basket and the years before that a Western hat, a piece of glass artwork, and a Pendleton blanket. Each of these images was seen not only on annual reports but also on a series of companion *Messages* books, each filled with information that reflects the essence of the states of Alaska, Montana, Washington, and Oregon, four of the five states in which the bulk of our grantmaking occurs.

This year, the fifth book in the series will pay tribute to our Idaho grantee friends in *Messages from Idaho*. Of course no single image on a cover is intended to reflect the complex dimensions of any state, so we settle on one that combines both artistic and practical functions. The dwellers of the

abundant fresh water lakes and streams in Idaho are an exceptional stroke of creative beauty and, as an added bonus, are phenomenal pleasers of the hungry palate. And, so are we and many others attracted to the unbounded beauty of that great state, knowing that beneath that nature artform is a host of servant-hearted folks working to please the palates of needs and opportunities presented to them in meaningful, fitting, and practical ways. We honor them in *Messages from Idaho* and remind all that even as the sought after trout of Idaho are designed to fit and reflect the environment in which they live, our grantees are designed as well with a caring beauty that permeates the state and fits in the environments in which they work and serve.

We trust our hopes for all our charitable friends have been realized during the past decade. Our records show that during the ten-year period assets increased by \$372 million while at the same time over \$243 million was awarded in the form of 1455 grants to a wide variety of organizations in our region. The numbers are easy to come by, but the real value lies not in dollars but in the work that grant recipients perform as they seek to serve. While it is clear we have been blessed financially, we believe we have been blessed to be a blessing to others and we trust that a grant awarded is at least one way of passing that blessing.

If there is a lesson I have learned during my stint in this office, it is that grant making is much more than dollar giving. There is a phrase in Scripture that goes, "God so loved the world that He gave..." That simple and widely known phrase captures the essence and purpose of philanthropy. It is philanthropy's clearest definition, an ultimate definition that is fundamental

to our motivation and world view here at Murdock. It ties love, really caring to action, giving, and not necessarily just money. The currency of God's love was in giving completely, everything. The hazard of grant making is to fall prey to the notion that our currency does not go beyond the dollar.

It may not be fully appreciated from the outside that here at the Trust we have a staff that dedicates a good deal of sweat, time, and prayer for the requests that are placed before us because we really do care for those in our region who clearly care more about others than themselves. I salute every staff person here, for each has an important role in service to others, and each serves without reservation. Yes, we are thorough and demanding, but the purpose in it is to make us all better able to lift people to new levels of hope, performance, and service.

Try not to let the numbers in this report capture your attention and imagination, but rejoice and celebrate with us the fact that behind each digit there is passion and purpose and a drive to serve and make this world a better place, in Jack's words, of work, play, education, and creativity. So join in, as we turn the pages, and hail the harbingers of a better tomorrow...

Neal O. Thorpe

Executive Director and Trustee

OUR BENEFACTOR

While still in the spring of his life, Jack Murdock displayed swelling buds of scientific curiosity and a philanthropic heart. These opened more fully later in life and continue to mature in our activities here at the Trust.

In his autobiography, written in 1934, when only 16 years old, Jack set several goals for himself. He wrote, "After leaving high school and establishing a business of my own, I intend to go further into the study of radio phenomena. I would like to learn all there is to know about radio if it is possible. I shall probably carry on many experiments in this field, and also, possibly some other branches of science. . . I have at present several ideas for inventions, which if put into use would be of great benefit to the people of the world."

Jack did indeed establish a business, out of which was born the oscilloscope that gave Tektronix its start and eventual success. Through Tektronix, and with the help of those he gathered around himself, he introduced a high tech emphasis in our region that has grown remarkably, all based ultimately on solid scientific research. In this sense, the science buds in his youth burst into full bloom and produced a high yield of tech fruit still being harvested today.

His youthful statement of doing things to benefit others, the philanthropy buds, also came into bloom, yielding fruit before his death. He established his own foundation, the Millicent Foundation, which was his personal vehicle of giving in the region. Simply by opening a box of hand-written records on a shelf in our offices we see his heart for others — a wide variety of organizations he believed worthy of his support, and a guide to our philanthropy today.

As Jack's youth was replaced by adulthood and his career interests took root, so did his interests in humankind expand beyond that of radios and science. This was evident in a speech he gave to the Portland Chamber of Commerce in 1966, thirty-two years after his autobiography was penned. There he reflected on the importance of work, play, the pursuit of knowledge, and the human need for creative expression. He believed that these activities, and certainly others as well, lead to healthier, happier, and more productive people, more able to solve society's problems and make significant contributions to our world.

So it is that both Jack's wide ranging interests and his practice of philanthropy live on today in the form of the charitable Trust established from his estate in 1975. Since then, thousands of grants worth hundreds of millions of dollars have been invested in the work, play, education, and creativity of people in the region. Surely he would have enjoyed seeing the harvest of his dreams.

ARTS & CULTURE 18 Grants / \$3,547,000

Endeavors in the performing and visual arts which enrich the cultural environment of the region. Educational outreach efforts are especially valued.

	IN DOLLARS
Alaska Dance Theatre, Inc. Anchorage, Alaska • New Facility To serve growing education, instruction, and performance needs	300,000
Broadway Rose Theatre Company Tigard, Oregon • New Development Director To support the increased capacity of family and children's musical theater in	
Washington County	146,000
Chamber Music Northwest, Inc. Portland, Oregon • New Director of Marketing and Development To strengthen organizational capacity	150,000
Columbia Arts Hood River, Oregon · New Community Arts Center To serve the Mid-Columbia region	175,000
Confluences Vancouver, Washington • Lewis & Clark Bicentennial LandBridge Construction and Education Outreach To connect Fort Vancouver with the Columbia River	650,000
Cottage Theatre, Inc. Cottage Grove, Oregon • Building Expansion To add rehearsal and workshop room and other amenities	100,000
Delridge Neighborhoods Development Association Seattle, Washington • Historic Building Renovation For arts and culture center	200,000
Emerson Cultural Center, Inc. Bozeman, Montana • Building Renovation To create a new contemporary art education gallery and storage area	50,000
Fire Mountain Arts Council Morton, Washington • New Community Arts Center To serve the performing and visual arts in east Lewis County	200,000
Imago, The Theatre Mask Ensemble Portland, Oregon • Facilities Soundproofing To provide attendees a quality experience	46,000
Missoula Art Museum Missoula, Montana • Museum Expansion and Renovation To expand educational programs, exhibits, and visitor services	400,000
Oregon Cultural Trust Salem, Oregon • New Communications and Outreach Manager To advance individual philanthropy in support of cultural organizations	175,000
Paris Gibson Square, Inc. Great Falls, Montana • Fire Suppression System Improvements To ensure the safe operation and protection of its collections	65,000
Pentacle Theatre, Inc. Salem, Oregon · Capital Improvements To serve the performing arts in the mid-Willamette Valley	150,000
Peter Britt Gardens Music and Arts Festival Association Medford, Oregon • Ticketing and Data Management System To upgrade donor and patron information processing	40,000
Portland Taiko Portland, Oregon · New Artistic Program Manager For enhancing Asian cultural performances	100,000
Seattle Children's Theatre Association Seattle, Washington • New Integrated Technology System For marketing and development	100,000
Wing Luke Memorial Foundation Seattle, Washington • Museum Expansion Project To educate visitors about the art, history, and culture of Asian Pacific Americans	500,000

EDUCATION 37 Grants / \$6,938,050

Projects and programs primarily educational in purpose offered in both formal and informal settings.

Emphasis is placed on program enhancement or expansion and new approaches consistent with the institution's mission and resources.

	IN DOLLARS
Alaska Aviation Heritage Museum Anchorage, Alaska • New Curator Position To guide acquisition and presentation of the museum collection	235,000
Alaska Zoo Anchorage, Alaska • Exhibits and Facilities Construction For improved education and enjoyment of the public	200,000
Alutiiq Heritage Foundation Kodiak, Alaska • Museum Collections Project To complete collections database and expand storage capacity	95,300
Arctic Broadcasting Association Nome, Alaska • KICY-FM Signal Upgrade To improve local radio reception	30,000
Atomic Heritage Foundation Washington, DC . Hanford History Exhibit Fabrication To inform visitors about nuclear reactor development	350,000
Boone and Crockett Club Foundation, Inc. Missoula, Montana • New Headquarter Exhibits To present the organization's history	118,000
Carroll College Helena, Montana • Nursing Laboratory Renovation and Equipment Upgrade To improve preservice and inservice training	190,000

EDUCATION (Continued)

	IN DOLLARS
Cascade Policy Institute Portland, Oregon • Expand Wheels to Wealth Project To promote the role of automobiles in creating employment opportunities	130,000
Foundation Center New York, New York • 2005-2007 Public Service Programs To support services to the nonprofit sector	42,000
Freedoms Foundation at Valley Forge Valley Forge, Pennsylvania • Educational Workshops To advance the ideals of American citizenship	120,000
Friends of Zenger Farm Portland, Oregon • Capital Improvements To support urban agricultural park educational programs	50,000
Heritage Foundation Washington, DC • Religion in Civil Society Center To increase public understanding of religion in America	300,000
Idaho Botanical Gardens, Inc. Boise, Idaho • Lewis and Clark Native Plant Garden To educate visitors about the historic and present day value of native plants	100,000
Intercollegiate Studies Institute, Inc. Wilmington, Delaware • Outreach to Science and Technology Students To further an understanding of economic, political, and	_
spiritual values	390,000
Koahnic Broadcast Corporation Anchorage, Alaska • Studio Equipment and Building Upgrades To support Native radio programming	200,000
Livingston Depot Foundation, Inc. Livingston, Montana • Historic Building Preservation For community and cultural uses	250,000
Mission Mill Museum Association Salem, Oregon • Thomas Kay Woolen Mill Building Restoration To protect structure and artifacts for educational programs	250,000
Museum of the Rockies Bozeman, Montana • Exhibit Fabrication For "Dinosaurs Under the Big Sky"	600,000
National Center for Policy Analysis Dallas, Texas • Health Care Study To promote personal choice and free-market competition	450,000
National Park Foundation Washington, DC • New Exhibit Fabrication in Seattle To present Klondike gold rush history	150,000
National Strategy Information Center, Inc. Washington, DC • U.S. Security Research To educate policymakers and young students	350,000
Northern Light Network Petersburg, Alaska • Radio Equipment Upgrade To improve Christian broadcast service to Southeast Alaska	90,000
Oregon Nikkei Endowment Portland, Oregon • History Center Improvements To share Portland's Japanese-American culture and history	20,500
Oregon State Parks Trust Bend, Oregon • Kam Wah Chung & Co. Museum Restoration To preserve and display nineteenth century Oregon Chinese history and culture	150,000
Oregon Trout, Inc. Portland, Oregon · New Healthy Waters Institute Staff To serve more K-12 students	83,250
Pacific Lutheran University, Inc. Tacoma, Washington • Expand the Institute for Clergy and Congregational Renewal To equip and nurture church leaders	229,000
Peregrine Fund, Inc. Boise, Idaho • New Web-Based Information Project and Expanded Student Education Program To strengthen raptor conservation work worldwide	270,000
Portland YouthBuilders Portland, Oregon · Vocational Support Program For post high school youth	85,000
Rattlesnake Productions, Inc. Bozeman, Montana • Butte Film Production and Education Outreach For students, teachers, and the viewing public	136,000
Sheldon Jackson College Sitka, Alaska • Renovation of Historic Allen Memorial Hall For college and community use	480,000
Valdez Museum and Historical Archive Association, Inc. Valdez, Alaska • Capital and Exhibit Improvements To enhance visitor experience and safeguard collections	75,000
Washington County Historical Society Portland, Oregon • Museum Expansion To enhance visitor education and collections management	250,000
Washington Policy Center Seattle, Washington · State Reference Guide Agenda 2006/2007 For policymakers and media	50,000
Washington School for the Blind Foundation Vancouver, Washington • Expand Development Program To increase services for visually impaired students and adults	138,500
Washington State University Foundation Pullman, Washington • Northwest Public Radio Digitization To provide broader and better FM coverage	165,500
Wenatchee Valley Museum and Cultural Center Wenatchee, Washington • New Exhibit Fabrication For "River of Memory: The Lasting Columbia"	50,000
Western Washington Forest Industries Museum, Inc. Tacoma, Washington • New Train Station To educate visitors about historic steam locomotives near Mt. Rainier	65,000

HEALTH & HUMAN SERVICES 70 Grants / \$10,895.500

A diversity of projects and programs designed to enhance the quality of life in the region.

Efforts to preventively meet the physical, spiritual, social, and psychological needs of people, with an emphasis on youth.

	IN DOLLARS
Alaska Special Olympics, Inc. Anchorage, Alaska • Purchase and Remodel Training Center To better serve athletes and volunteers	150,000
Alpha North America New York, New York • Production of Spanish Version of Materials For evangelistic outreach to Latino and Castilian speakers	75,000
Benton County Health Department Corvallis, Oregon • Purchase and Equip Modular Clinics For south Corvallis and Monroe low-income residents	100,000
Benton Habitat for Humanity Corvallis, Oregon • Purchase Building For resale of used building materials	150,000
Bible Mennonite Fellowship McMinnville, Oregon · New Facility Construction For the Rock of Ages assisted-living home	150,000
Boys & Girls Club of Billings and Yellowstone County Endowment Foundation, Inc. Billings, Montana • Castle Rock Clubhouse Start-Up To serve Billings Heights youth	145,000
Boys & Girls Clubs of Portland Metropolitan Area Portland, Oregon • Facility Purchase and Renovation To enhance services to Hillsboro youth	200,000
Bread of Life Mission Association, Inc. Seattle, Washington • Expand Catering and Food Service Enterprise To prepare homeless men for independent living	102,000
BRING Eugene, Oregon · New Recycled Materials Center For public education and sales	150,000
Camp Taloali, Inc. Stayton, Oregon · Building Renovation For improved learning space for hearing-impaired youth	17,300
Capitol Ministries Santa Clarita, California • Establish Idaho Program To reach political leaders with Christian message	167,000
Cascades Camp & Conference Center Yelm, Washington · Nisqually Center Multi-Purpose Room Construction To provide expanded indoor program space	250,000
Columbia Memorial Hospital Foundation Astoria, Oregon • Trauma Equipment For emergency, diagnostic, and surgery needs	150,000
Community Cycling Center Portland, Oregon • Expansion of Community Cycling Program To serve Vancouver, Washington	120,000
East West Ministries International Addison, Texas · Staff Expansion To increase capacity to establish international churches	80,000
Eastern Oregon Mission, Inc. Hermiston, Oregon • Purchase and Renovate Service Center To serve low-income people in Umatilla and Morrow Counties	50,000
Entrepreneurs Foundation of the Northwest Portland, Oregon • Philanthropic Program Expansion To help young companies create giving programs through	
employee involvement activities	72,000
Fellowship of Christian Athletes Kansas City, Missouri • Expand Puget Sound Program To increase outreach among students	179,000
Gales Creek Camp Foundation for Children with Diabetes Portland, Oregon • Renovate and Weatherize Arts and Crafts Hall To extend camping season	100,000
Good Samaritan Ministries Beaverton, Oregon • Establish Development Program To expand counseling and educational ministries worldwide	122,000
Habitat for Humanity of North Idaho Hayden Lake, Idaho · New Executive Director To increase home construction capacity	70,000
Hands On Portland Portland, Oregon • Establish Development Program To expand volunteer services to the nonprofit sector	105,000
HiLine Youth Hockey Association Glasgow, Montana · Valley Event Center Floor Construction To provide indoor community facility	189,000
Inland Northwest Blood Center Spokane, Washington • New Equipment For processing cellular blood components	29,000
Juneau Family Birth Center Juneau, Alaska • New Birthing Center and Clinic To improve family health	200,000
Kitsap Family YMCA Bremerton, Washington • Teen Room Expansion To increase program space	90,000
Klickitat County Public Hospital District No. 2 White Salmon, Washington • New Equipment For emergency and surgery departments	140,000
Lake Retreat Camp and Conference Center Ravensdale, Washington • Recreation Pavilion Construction To provide space for indoor activities	126,000
Lebanon Community Hospital Foundation Lebanon, Oregon • Education Center For career training and community use	150,000
Lewis County Work Opportunities Services Chehalis, Washington • Purchase Forklift For programs serving developmentally disabled workers	23,000
Mainstream Housing, Inc. Eugene, Oregon • Apartment Complex Renovation For developmentally disabled adults	129,000
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HEALTH & HUMAN SERVICES (Continued)

	IN DOLLARS
McMinnville Area Habitat for Humanity McMinnville, Oregon • Warehouse Upgrade and New Vehicle To increase earned income from building materials store	40,000
Mercy Corps Portland, Oregon • Local Equipment and Staff Expansion For Indian Ocean tsunami relief efforts	150,000
Mercy Corps Portland, Oregon • Hurricane Disaster Relief To support recovery programs for affected children, teachers, and schools	150,000
Mercy Enterprise Corporation Portland, Oregon • New Business Development Staff For advanced micro-enterprise program support	170,000
Missoula Community Health Services, Inc. Superior, Montana • Building Infrastructure Upgrade For rural hospital and clinic	105,000
Monastery of St. Gertrude, Motherhouse and Novitiate Cottonwood, Idaho • New Retreat Center Construction To expand a service of hospitality	150,000
National Coalition for the Protection of Children & Families Cincinnati, Ohio • Regional Office Staff Expansion To advance marriage and family programs	230,500
National Indian Child Welfare Association, Inc. Portland, Oregon · New Staff To provide professional certification for tribal welfare workers	169,000
Nature Conservancy of Montana Helena, Montana • Matador Ranch Acquisition To conserve and restore grasslands and sagebrush steppe habitat	450,000
Navigators, The Colorado Springs, Colorado · New Pacific Northwest College Regional Director To expand campus ministry	182,000
North Lake County Health Center, Inc. Christmas Valley, Oregon · New Clinic Facility For residents of rural Lake County	125,000
North Valley Hospital Foundation Whitefish, Montana • Image Management Equipment For Northwest Montana patients	162,500
Northern Plains Resource Council Billings, Montana • Green Building Renovation For state-wide conservation programs	200,000
Northwest Medical Teams International, Inc. Portland, Oregon • Local Staff and Infrastructure Expansion For Indian Ocean tsunami relief efforts	150,000
Northwest Urban Ministries Seattle, Washington • Establish Rainier Health and Fitness Program For low-income families	36,000
Ochoco Community Clinic Prineville, Oregon · New Clinic Facility For low-income persons in central Oregon	150,000
Oregon Mennonite Residential Services, Inc. McMinnville, Oregon • Purchase Office and Training Facility To enhance services for developmentally disabled adults	50,000
Our United Villages Portland, Oregon • ReBuilding Center Expansion To provide affordable building materials and generate income to improve	
North Portland neighborhoods	150,000
Prineville Hospital Foundation Prineville, Oregon • Fluoroscopy X-Ray Equipment For central Oregon patients	170,000
Providence Newberg Health Foundation Newberg, Oregon • New PACS Equipment For digital storage of patient images	250,000
Saint Joseph Counseling Center Spokane, Washington • Information Technology Upgrades To increase mental health counseling capacity	29,200
Salvation Army Cascade Division Portland, Oregon • Camp Kuratli Upgrades To improve safety, programming, and camper capacity	250,000
Shangri-La Corporation Salem, Oregon • Box Truck Acquisition To expand employment opportunities for disabled adults	19,000
Shoonaq' Tribe of Kodiak Kodiak, Alaska • Renovation of Tribal Community Center To serve the citizens of Kodiak and area villages	150,000
Shore Bank Enterprise Group Pacific Ilwaco, Washington • New Chief Operations and Finance Officer To serve rural conservation and economic development needs	175,000
Society of St. Vincent de Paul Rogue Valley Council Medford, Oregon • New Thrift Store and Facility Renovation To support mission to the poor	150,000
South Coast Gospel Mission, Inc. North Bend, Oregon • Building Renovation To expand transitional services to men, women, and children	175,000
South Whidbey Commons Langley, Washington • New Community Center To serve area youth, families, and seniors	250,000
Southeast Alaska Regional Health Consortium Juneau, Alaska · Kooteeyaa Wellness Project To promote sobriety among Native people	80,000
SPARC Enterprises, Inc. Grants Pass, Oregon • Purchase Mobile Shredding Truck To expand employment program for developmentally disabled adults	50,000
Special K Ranch, Inc. Columbus, Montana • Expand Development Program To increase services to developmentally disabled adults	148,000

HEALTH & HUMAN SERVICES (Continued)

	IN DOLLARS
Special Olympics Oregon, Inc. Portland, Oregon • Expand Program in Eastern Oregon To provide increased opportunities for disabled athletes	180,000
Sunshine Physically Handicapped Foundation Vancouver, Washington · Van Acquisition To enhance services for disabled youth and adults	33,000
Teen Challenge International Pacific Northwest Centers Lebanon, Oregon • Shedd School Renovation To expand Christian residential addiction recovery program	186,000
Teton Valley Health Care Foundation Driggs, Idaho • New Ultrasound Equipment For expanded diagnostic imaging department	200,000
Union Gospel Mission Portland, Oregon • New Building Construction To expand LifeChange program	450,000
Virginia Garcia Memorial Health Center Cornelius, Oregon • New McMinnville Clinic Facility For low-income residents	200,000
Winston Area Community Partnership Winston, Oregon • Community Center Construction To support local youth and family programs	150,000
Young Life Colorado Springs, Colorado • Malibu Club New Staff Housing and Kitchen/Dining Hall Expansion To accommodate staff and campers	1,000,000

GENERAL SCIENTIFIC RESEARCH 31 Grants / \$6,606,000

Public universities or private colleges and independent research institutes submit institutional priority requests for scientific research, often interdisciplinary, and often requiring sophisticated instrumentation.

	IN DOLLARS
Fred Hutchinson Cancer Research Center Foundation Seattle, Washington • Acquisition of Mass Spectrometer For shared laboratory	496,500
Gonzaga University, Corporation of Spokane, Washington • Start-up Research Package for New Position in Biology	40,000
Gonzaga University, Corporation of Spokane, Washington • Start-up Research Package for New Position in Chemistry	40,000
Linfield College McMinnville, Oregon · Start-up Research Package for New Position in Biology	40,000
Montana State University Bozeman, Montana · Cold Chamber Laboratory Facilities For science and engineering studies in low temperature environments	591,500
Northwest Nazarene University, Inc. Nampa, Idaho · Acquisition of a 300 MHz NMR To support faculty and student research in chemistry	86,500
Oregon State University Corvallis, Oregon · Study of New Kidney Dialysis Technology To develop patient administered therapy	50,000
Prince William Sound Science & Technology Institute Cordova, Alaska • Equipment Purchase and Research Support For studies of the local marine ecosystem	262,000
Rocky Mountain College Billings, Montana • Start-up Research Package for New Position in Geology	30,000
Seattle Biomedical Research Institute Seattle, Washington • Research Staff Expansion For studies of global infectious diseases	400,000
Seattle Pacific University Seattle, Washington • Start-up Research Package for New Position in Biology	40,000
Seattle University Seattle, Washington • Start-up Research Package for New Position in Biology	40,000
Seattle University Seattle, Washington • Start-up Research Package for New Position in Chemistry	40,000
Southern Oregon University Ashland, Oregon • Acquisition of Materials Science Laboratory Equipment To support a new undergraduate major	217,000
University of Alaska-Fairbanks Fairbanks, Alaska • Acquisition of Engineering Research Equipment For a microelectronics packaging research facility	262,500
University of Idaho Moscow, Idaho • Acquisition of Mass Spectrometer For research in proteomics and natural product chemistry	419,000
University of Idaho Moscow, Idaho · Acquisition of Extrusion Equipment To support applied research in bioproducts and food processing	235,500
University of Montana Foundation Missoula, Montana • Acquisition of Human Performance Research Equipment To study human health and metabolism	263,000

GENERAL SCIENTIFIC RESEARCH (Continued)

	IN DOLLARS
University of Oregon Foundation Eugene, Oregon • Acquisition of Equipment for Research in Materials Science To support nanoscience studies	512,500
University of Portland Portland, Oregon • Start-up Research Package for New Position in Chemistry/Physics	40,000
University of Washington Seattle, Washington • Acquisition of Research Instrumentation To support studies of metabolomics in chemistry	375,000
University of Washington Seattle, Washington • Acquisition of Engineering Research Instrumentation For support of materials science studies	455,000
Virginia Mason Research Center Seattle, Washington • Acquisition of Core Medical Research Equipment To support extracellular matrix studies	367,000
Washington State University Foundation Pullman, Washington • Acquisition of Engineering Research Equipment To support studies of biomaterials	268,500
Washington State University Foundation Pullman, Washington • Acquisition of Biosciences Research Equipment To support transgenic and targeting studies	475.500
Washington State University Foundation Pullman, Washington • Research Support To develop an infrared brain imaging device	50,000
Washington Technology Center Seattle, Washington • Acquisition of a Wafer Aligner/Bonder System To support microfabrication research and development	280,000
Whitman College Board of Trustees Walla Walla, Washington • Start-up Research Package for New Position in Chemistry	40,000
Whitworth College, Inc. Spokane, Washington · Science Research Initiation To support four new science faculty and their students	109,000
Whitworth College, Inc. Spokane, Washington • Start-up Research Package for New Position in Chemistry	40,000
Willamette University Salem, Oregon • Start-up Research Package for New Position in Chemistry	40,000

MURDOCK COLLEGE RESEARCH PROGRAM FOR LIFE SCIENCES 6 Grants / \$244.450

This program is designed to support research initiation in the life sciences at private, predominantly undergraduate colleges and universities in the Pacific Northwest. Normally awards are for two years, with one renewal possible.

	IN DOLLARS
Gonzaga University, Corporation of Spokane, Washington • Invasive Cheatgrass Encounters a New Seed Pathogen: Strategies to Cope With Infection and	
Consequences of These Relations on Native Co-Occurring Plant Species (Murdock College Research Program for Life Sciences)	36,000
Lewis & Clark College Portland, Oregon • Investigating a Monoclonal Antibody That Recognizes Late-Stage Apoptotic Cells in "Caenorhabditis elegans"	
(Murdock College Research Program for Life Sciences)	26,000
Seattle Pacific University Seattle, Washington • Defining the Role of Newly Identified Virulence-Regulated Genes in the Biotechnology Agent	
"Agrobacterium tumefaciens" (Murdock College Research Program for Life Sciences)	49,200
Seattle University Seattle, Washington • An Investigation of Telomeric Components That Protect Yeast Chromosome Ends	100/400
(Murdock College Research Program for Life Sciences)	43,500
University of Portland Portland, Oregon • Effects of Physical Activity on Contextual Fear Conditioning: Examination of Context Specificity and the Involvement	
of the LC-NE System (Murdock College Research Program for Life Sciences)	50,750
Willamette University Salem, Oregon • Do Reactive Oxygen Species Produced at High Temperatures Activate Thermotolerance and Suppress Auxin Signaling	
in Cultured Guard Cell Protoplasts? (Murdock College Research Program for Life Sciences)	39.000

EXCEPTIONAL OPPORTUNITY GRANTS PROGRAM 3 Grants / \$147,500

A program offered to regional research universities. The vice president (provost) for research may authorize submission of a proposal for a project that has special merit because of unusual circumstances, with a maximum of \$50,000.

	IN DOLLARS
University of Alaska-Fairbanks Fairbanks, Alaska • Understanding Fire Severity Patterns in Alaska's Boreal Forests (Exceptional Opportunity Grant)	48,000
University of Idaho Moscow, Idaho • Preparation of Enzyme Coated Nanoparticles for Environmental Decontamination (Exceptional Opportunity Grant)	49,500
University of Washington Seattle, Washington • Study of a Novel Function for a Protein Important in Alzheimer's Disease (Exceptional Opportunity Grant)	50,000

PARTNERS IN SCIENCE PROGRAM 19 Grants / \$266,000

The program supports collaborative scientific research by high school science teachers with researchers in the Pacific Northwest. A regional and a national conference is provided each year. Each grant provides \$14,000 for two summers of research.

	IN DOLLARS
Evergreen State College Olympia, Washington • Northwest Christian High School Characterization of Therapeutic Phages and Phage-Mediated Immune Responses	
(Partners in Science)	14,000
Evergreen State College Olympia, Washington • Olympia High School Arterial Blood Gas Measurement in Small Mammals (Partners in Science)	14,000
Idaho State University Pocatello, Idaho • Highland High School Continuous Detection and Monitoring of Cyanide in Drinking Water by Piezoelectric Techniques	
(Partners in Science)	14,000
Lewis & Clark College Portland, Oregon • Cleveland High School Analyses of cDNA Sequences of the Toxic Venom Enzyme "Sphingomyelinase D" From Brown Recluse	
Relatives (Partners in Science)	14,000
Montana State University - Billings Billings, Montana • Billings Senior High School Population Ecology of the Short-Horned Lizard, "Phrynosoma hernandesi"	1
(Partners in Science)	14,000
Oregon Health & Science University Portland, Oregon • Tualatin High School Discovery of Brain Neural Pathways That Relay Information About Metabolic Balance	
to Neurons Regulating Reproductive Function (Partners in Science)	14,000
Oregon Health & Science University Portland, Oregon • Sheridan High School Intraovarian Actions of Androgens in Macaques (Partners in Science)	14,000
Oregon State University Corvallis, Oregon • West Albany High School Development of a Molecular Marker for Identification of Insect Larval Pests (Partners in Science)	14,000
Portland State University Portland, Oregon • Liberty High School Preparation and Characterization of Conductive Porphyrin Polymers for Solar Cells	
(Partners in Science)	14,000
Portland State University Portland, Oregon • Gresham High School Spatial Analysis of Nitrogen Dioxide Levels in the Portland-Vancouver Region (Partners in Science)	14,000
Portland State University Portland, Oregon • Tigard High School Biochemical Studies of tRNA Modification (Partners in Science)	14,000
Portland State University Portland, Oregon • Sam Barlow High School Sandy River Research (Partners in Science)	14,000
Reed Institute DBA Reed College Portland, Oregon • Jefferson High School Biochemistry of Secretory Plasticity in Neuroendocrine Cells (Partners in Science)	14,000
University of Alaska-Fairbanks Fairbanks, Alaska · Howard Luke Academy Wildfire Effects on Subsistence Resources in Rural Alaska: Integration of Western	- Insue
and Traditional Knowledge (Partners in Science)	14,000
University of Oregon Eugene, Oregon · South Eugene High School Quantum Chaos in Electronic Nano-Devices (Partners in Science)	14,000

PARTNERS IN SCIENCE PROGRAM (Continued)

	IN DOLLARS
University of Washington Seattle, Washington • Bainbridge High School Temporal Stability of Genetic Diversity and Population Structure of Coho Salmon	
in the Puget Sound (Partners in Science)	14,000
University of Washington Seattle, Washington • Roosevelt High School Green Chemistry: Making Basic Chemicals via Efficient and Environmentally Friendly Methods	
(Partners in Science)	14,000
Western Washington University Bellingham, Washington • Mount Baker High School Eruptions, Debris Avalanches, and Lahars of the Sherman Crater Eruptive Period	
(AD 1843-Present) at Mount Baker Volcano (Partners in Science)	14,000
Western Washington University Bellingham, Washington • Mount Vernon High School Harbor Seal Abundance and Foraging Within and Adjacent to Candidate	
Marine Reserves in Skagit County (Partners in Science)	14,000

PARTNERS IN SCIENCE PROGRAM - SUPPLEMENTAL 12 Grants / \$71,000

As supplemental program for high school teachers who have completed two summers of research in the Partners in Science Program. Awards of up to \$6,000 are made to the teachers' high schools to implement research ideas in their classrooms.

	IN DOLLARS
Bozeman High School Bozeman, Montana • Spectral Analysis of the Sun and Stars in Open Clusters (Partners in Science Supplemental Award)	6,000
Bozeman High School Bozeman, Montana • Principles of Atomic Structure and Analysis of Compounds Through Spectrophotometry (Partners In Science	
Supplemental Award)	6,000
Charles M. Russell High School Great Falls, Montana • Inquiry Science: Gel Electrophoresis and Restriction Digests (Partners in Science Supplemental Award)	6,000
Hermiston High School Hermiston, Oregon · Bioinformatics: The 21st Century Classroom (Partners in Science Supplemental Award)	6,000
$ \textbf{J.M. Weatherwax High School} \ \textit{Aberdeen, Washington} \ \boldsymbol{\cdot} \ \textit{Investigating the Potential Applications of Bacteriophage-Based Control of Pathogens in Both the Aquaculture } $	
and Horticulture Industries (Partners in Science Supplemental Award)	5,000
J.M. Weatherwax High School Aberdeen, Washington • Student Research Using Bacteriophages to Fight Fish Pathogens (Partners in Science Supplemental Award)	6,000
Mariner High School Everett, Washington · Biotechnology: A Novel Approach to Science in the 21st Century (Partners in Science Supplemental Award)	
North Central High School Spokane, Washington • Student Driven Exploration of the Pinecroft Natural Area Preserve (Partners in Science Supplemental Award)	
Oregon City High School Oregon City, Oregon • Aquatic Toxicity Testing for Student Driven Research of Local Watersheds (Partners in Science Supplemental Award)	
Washington High School Tacoma, Washington • Oceanography as a Theme to Expand on Biotechnology Labs (Partners in Science Supplemental Award)	
Westview High School Portland, Oregon · Solving Crimes: The Use of Forensic Science (Partners in Science Supplemental Award)	6,000
Wood River High School Hailey, Idaho · Visualizing Biological Processes with Vernier Sensors and Community-Based Bird Studies with Binoculars	
(Partners in Science Supplemental Award)	6,000

TRUST MATCHING GIFTS 1 Grant / \$200,023

Promoting and encouraging charitable giving, the Trust matches gifts made to eligible organizations by Trust employees and Trustees.

IN DOLLARS
200,023

Trust Matching Gifts Vancouver, Washington

2005 SUMMARY OF GRANTS PROGRAM

Total Grants / Arts & Culture (18)	\$3,547,000
Total Grants / Education (37)	\$6,938,050
Total Grants / Health and Human Services (70)	\$10,895,500
Total Grants / Scientific Research (71)	\$7,334,950
Trust Matching Gifts (1 Grant Equivalent)	\$200,023
Grant Total (197 grants)	\$28,915,523

FROM THE CHIEF INVESTMENT OFFICER

As can be seen from the graph below, Trust assets have grown from \$91 million at inception in 1975 to \$701 million at December 31, 2005. This accomplishment is due to the conviction the Trustees have had in employing a long-term strategic asset allocation. In 2005 our assets increased by approximately \$60 million net of grants paid and operating costs.

As can be seen by the graph at right, we divide the investment world into three risk buckets — low (capital preservation), medium (global equities and value-added real estate) and high (alternatives) — if you will. We openly consider all types of investment products for any of our buckets. We have no preconceived ideas or built-in bias that prevent us from considering all possibilities. Overriding consideration is given to the people managing the product. Are they people we trust and are we comfortable entertaining the possibility of a long-term relationship? New opportunities must be compelling either to add to our mix or displace an incumbent. Opportunities can be compelling from either a return or risk reduction perspective. In order to displace an incumbent, a product must have a potential to generate an absolute return greater than our existing managers in each bucket. We are not interested in comparisons to benchmarks or indices or to short-term performance (periods less than three years) for that matter.

We are fortunate to have many long-term relationships with "best in class" investment managers — we strive hard to be our managers' best client. We believe our commitment to a long-term plan and to long-term relationships with managers has served us well in the past and will continue to do so in the future. We are fortunate to be governed by a group of three Trustees that possess the courage to think "outside the box" and do what makes sense, as evidenced by our simple asset allocation structure.

As can be seen by the graph below, since 1975 the Trust has provided approximately \$457 million to grantees in the Pacific Northwest. Every foundation receives many more requests for "resources" than can be funded. Needs are infinite; resources are finite.

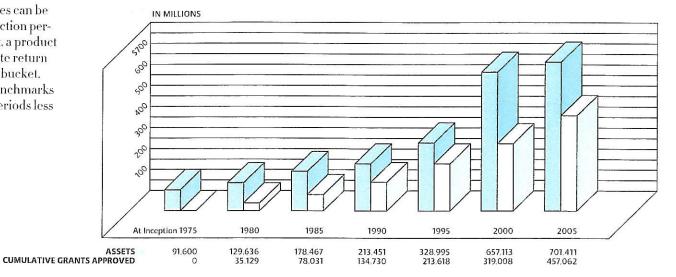
Foundations must continually seek out, encourage and support the best people with the most creative ideas for solving important problems. Our goal is to strategically allocate our resources to people who will make good use of them. Trustees and staff continue to re-examine the Trust's long-term investment strategy in order to continually improve the probability of achieving investment returns necessary to help promote new and better means of serving the public good.

James R. Martin

James R. Martin

Chief Investment Officer

ASSETS/CUMULATIVE GRANTS APPROVED



INVESTMENT MANAGERS BY ASSET CLASS

CAPITAL PRESERVATION - (RISK BUCKET I) Common Sense Investment Management, LLC; Hoisington Investment Management Company; Metropolitan West Asset Management, LLC; Oaktree Capital Management, LLC; Pacific Alternative Asset Management Company

GLOBAL EQUITIES AND VALUE-ADDED REAL ESTATE —

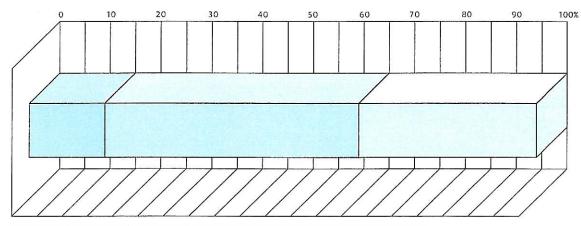
(RISK BUCKET II) Blackrock Realty Advisors, Inc.;

Brandes Investment Partners; Capital Guardian Trust
Company; Capital International, Inc.; Chartwell
Investment Partners; Chinook Capital Management;
Gardner Lewis Asset Management; KSL Capital Partners, LLC; Nicholas Applegate Capital Management;
Oaktree Capital Management, LLC; Pinnacle Associates Ltd; Primecap Management Company; VEF
Advisors, LLC; W.P. Stewart & Co., Ltd; Zevenbergen
Capital Investment LLC

ALTERNATIVE INVESTMENTS – (RISK BUCKET III) Abbott Capital Management, LLC.; ABRY Partners, LLC; Acorn Investors, Inc.; AXA Private Equity; Coller Capital, Inc.; Endeavor Capital; First Reserve Corporation; Keyhaven Capital Partners, Ltd.; Knightsbridge Advisers Incorporated; Medical Innovation Partners; New Venture Partners, LLC; Oaktree Capital Management, LLC; Resource Capital Funds; Sequoia Capital; Spur Capital Partners, LLC; Standard Life Investments; Technology Partners; The TCW Group, Inc.

Please see our audited financial statements on our website: www.murdock-trust.org

STRATEGIC ASSET ALLOCATION



CAPITAL PRESERVATION – (RISK BUCKET I) Alternative Cash: Long US Treasuries; Hedge Funds: Mezzanine (15%)

GLOBAL EQUITIES AND VALUE-ADDED REAL ESTATE — (RISK BUCKET II) Diversified Style Disciplines: Domestic & Global Mandates: Long/Short: Specialized Equity Portfolios: Value-Added Real Estate (50%)

ALTERNATIVE INVESTMENTS – (RISK BUCKET III) Venture Capital: Buyouts: Special Situations, Distressed Securities: Energy & Natural Resources: International Private Equity: Mezzanine (35%)

General purpose grant application guidelines

These guidelines apply to all requests other than scientific research or formal Trust programs. To make an application to the Trust for financial support, the following FOUR steps should be taken in the following order:

- Determine your organization's eligibility to apply for Trust support.
- 2. Determine the match of your project or program with Trust interest and limitations.
- 3. Submit a Letter of Inquiry.
- 4. Submit a completed formal application.

This document will lead you *through Step 3*. Step 4 can only be taken if the project you proposed in Step 3 is determined by the Trust to be eligible for a formal application.

Step I: Is Your Organization Eligible to Apply for a Grant?

Applications for grants are considered from organizations which have been ruled to be tax-exempt under Section 501(c)(3) of the Internal Revenue Code and which are not private foundations as defined in Section 509(a) of the Code. Charitable organizations applying for support must have in hand such IRS documentation of status. If tax exempt as a government entity, the Trust will provide a generic letter to use in certifying such status. This will be made available for those reaching Step 4.

Priority is given to applications for the support of projects and programs conducted by qualified organizations within five states of the Pacific Northwest: Alaska, Idaho, Montana, Oregon, and Washington. Of major interest are organizations and projects which are not primarily or normally financed by tax funds.

STEP II: IS THE PROJECT FOR WHICH YOU SEEK SUPPORT WITHIN TRUST INTERESTS?

While the Trust supports a wide variety of projects and programs in the region, there are limitations in Trust interest. Some brief guidelines follow to assist you in determining if your project is clearly out of the question or perhaps only of marginal interest.

The Following Kinds of Applications ARE NOT Considered:

- 1. For the benefit of specific individuals.
- 2. By individuals acting on behalf of, but without the authority of, qualified tax-exempt organizations.
- 3. For grants to conduit organizations; i.e., to taxexempt organizations for passing funds on to organizations not tax-exempt in their own right.
- 4. For propagandizing or for influencing legislation and elections.
- 5. By institutions which in policy or practice unfairly discriminate against race, ethnic origin, sex, creed, or religion.
- By sectarian or religious organizations whose principal activity is for the benefit of their own members or adherents.
- 7. For loans, debt retirement, or operational deficits.
- 8. For grants to organizations which are organized and operated outside any state or territory of the United States.

The Following Kinds of Applications USUALLY ARE NOT Considered:

- 1. For normal ongoing operations or their extension.
- 2. For contributions to general fund drives or annual charitable appeals.
- 3. For continuation of programs previously financed from other external sources.

- For emergency funding, such as in filling gaps between grants or for crash programs.
- For granting of funds to an organization for distribution to ultimate beneficiaries of its own choosing.
- 6. For endowment.

A recommended way to test the fit of your project with Trust interests is to review lists of recently awarded grants. These may be found on our website (murdock-trust.org) or in our annual reports.

STEP III: SUBMIT A LETTER OF INQUIRY

If your organization and project appear to pass these first two steps, the only way to find out for sure whether your anticipated request is appropriate is to submit a Letter of Inquiry to the Trust. This letter should carefully address all items outlined below.

In order to avoid unnecessary work, both for a potential applicant and for the Trust, it is important to determine as early as possible the degree to which a proposed project coincides with areas of Trust interest. To determine this, it is essential to submit a Letter of Inquiry before submitting a formal application to the Trust. This letter, no longer than two pages, should minimally address the following:

What To Address

- 1. A brief background on your organization, including an abbreviated mission statement, a history of its existence, the size of staff and board, the constituency and geographic region served, and the type of service provided.
- 2. A description of the project for which support is being requested. Include a discussion of how the decision was reached to mount the project, the factors that contribute to the need or oppor-

GENERAL PURPOSE GRANT APPLICATION GUIDELINES (Continued)

- tunity for the project, the importance of the project for your organization and your constituency, and the level and nature of commitment of staff and board to the project.
- 3. A proposed budget for the total cost of the project and for the amount you intend to request from the Trust. If possible, identify the budget items for which you would be requesting Trust support. Indicate potential or real sources of support for the project in addition to the Trust.
- 4. A discussion as to why you are approaching the Trust for the project. Indicate any past history with the Trust or any contacts you have made with Trust staff or others leading to your decision to approach the Trust. Add anything else you believe would help the Trust understand your situation and request.

The Trust will provide a written response to your Letter of Inquiry indicating if Step 4 is appropriate for you. If so, you will receive instructions on how to proceed. After completing Step 4 and submitting a completed formal application, the Trust requires an additional 6-9 months to process, evaluate, and make a decision on your request.

Timing Considerations

A Letter of Inquiry may be submitted to the Trust at any time. Once the Trust has it in hand, it will be reviewed and you can expect a response within about three weeks. The response is likely to be one of three types.

- 1. What you propose is eligible for formal consideration by the Trust.
- What you propose is eligible, but some advice is provided to help in the development of a formal request.

3. What you propose is not eligible for formal consideration by the Trust.

A positive response will include instructions to follow in submitting a formal request to the Trust.

STEP IV: SUBMIT A COMPLETED FORMAL APPLICATION

You will be given instructions on how to download the application form from our website, with a provided password, and complete the proposal on electronic application forms. Following directions, hard copies of the completed application form should be submitted to the Trust.

There are no specific deadlines for receipt of formal applications for general purposes. Applications may be submitted at any time when sufficient information is available for the applicant to thoughtfully address the questions outlined in the application form. In general, a proposal should be submitted early enough to allow staff sufficient time to thoroughly study the proposal and, if appropriate, conduct a site visit to meet with the principals of the project.

The thorough nature of the review process and considerations of fairness to all applicants precludes responding to crisis situations.

The Review Process

Letters of Inquiry are reviewed to determine if a proposed project sufficiently fits Trust interests and guidelines to warrant submission of a full proposal. A positive response to the Letter of Inquiry will include directions for application completion. Completed formal application forms are reviewed initially to determine whether all required materials have been submitted. Each proposal is assigned to a Program Director who will take the lead in preparing the request for submission to the Board of Trustees for action. The Program Director may request additional

information, an interview with the applicant, or a visit to the applicant's organization. The full proposal, including staff summary and analysis, is made available to the Trustees for their consideration and decision.

The applicant is notified promptly when a decision has been reached. While some level of merit is evident in nearly every proposal received by the Trust, only a fraction of the requests reviewed can result in awards. When an application has been declined, it will not be carried over for future consideration. Under normal circumstances, resubmission of a proposal that was declined is not encouraged.

Each proposal becomes the property of the Trust and will not be returned. It will be treated as a privileged communication with the understanding, however, that it may be peer reviewed.

All Letters of Inquiry and completed formal applications should be mailed in hard copy to:
John Van Zytveld, Ph.D.
Senior Program Director
M. J. Murdock Charitable Trust
P.O. Box 1618
Vancouver, WA 98668

For More Help

If your questions have not been answered by this document or you need some additional information, please call us at 360-694-8415.

TRUSTEES

STAFF



Lynwood W. Swanson Trustee Trustee

John W. Castles

Neal O. Thorpe Trustee and Executive Director



John B. Van Zytveld Senior Program Director





Christopher (Kit) J. Gillem Program Director

Terry L. Stokesbary Program Director







Janice W. Kennedy Program Director Bart A. Hadder Program Director Dave Coleman Program Director



James R. Martin Chief Investment Officer



















Julie D. Cieloha Chief Financial Officer Jennifer M. Larson Investment and Finance Specialist Chimene Welch

Assistant Controller





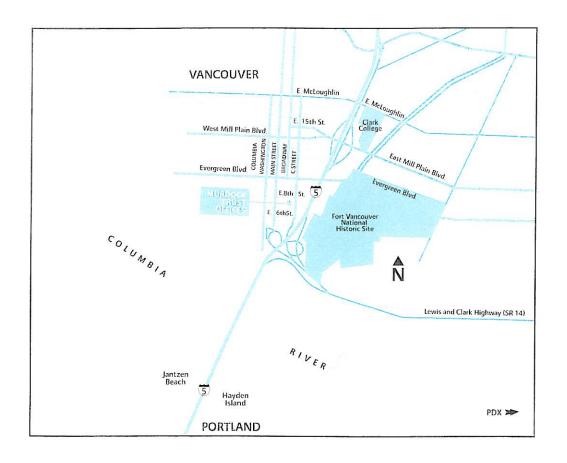


Colleen D. Allbee Grants Manager and Computer Specialist

Sheila J. Flannigan Grants Program Assistant and Events Coordinator

Mary E. Hill Program Assistant for Christian Leadership

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Mailing Address M.J. Murdock Charitable Trust P.O. Box 1618 Vancouver, Washington 98668

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