

SENATE JUDICIARY COMMITTEE

MINUTES OF MEETING

APRIL 26, 1977

The meeting was called to order at 9:13 a.m. Senator Close was in the Chair.

PRESENT: Senator Close  
Senator Bryan  
Senator Ashworth  
Senator Dodge  
Senator Foote  
Senator Gojack  
Senator Sheerin

ABSENT: None

Senator Close stated that Mr. Vargas has requested that a court reporter be present during the proceedings this morning to take down verbatim the testimony. He has discussed this with the Committee, we see no particular objection to that. We have advised Mr. Vargas that we do not consider that to be the official record or transcript of the Committee hearing. We recognize only our own tape recording, the minutes or summary that we provide. He stated at this time they would take testimony on AB 562 and ACR 28 together.

AB 562 Permits perpetuation or transformation of charitable trusts and foundations.

ACR 28 Memorializes trustees of Max C. Fleischmann foundation of Nevada to reconsider decision to distribute foundation's total assets and to terminate activities.

Paul May, Assembly District 19 stated that first with reference to AB 562 and ACR 28, that these matters are general law. He wanted the record to indicate that these two matters before the Committee, with the exception where it is directed directly to the trustees of the Fleischmann foundation, but 562 is general law and would apply to any trust or foundation falling within its purview, were it to be enacted. AB 562 is an indirect outgrowth of a legislative staff study accomplished over the last two years. Two years ago Assemblyman Lowman and myself ask that a study be done, concerning itself with ways of encouraging private and community foundations in Nevada. The report outlined three possible ways that a foundation, such as the Fleischmann foundation might be preserved for the State of Nevada. Each of the three recommendations required the consent or permission of the trustees. For one reason or another none of the three were quite acceptable in their form. Now he would like to indicate what would happen to a specific trust, taking into account that AB 562 is general in nature. Were it to be enacted, first of all the first two paragraphs on the bill itself, this is merely a policy statement on behalf of the legislature. Section 4

provides that before a trust, such as the Fleischmann foundation may divest itself of the corpus that the trustees or directors shall follow petition with the proper district court, in this case the first judicial court located in Carson City, indicating their intention to begin partial or complete distribution of the trust. He then read through the bill for the Committee to see if they had any problems with the language. He felt that the most important thing was as taking the Fleischmann foundation only as an example, when this was established approximately 19 years ago, it had assets slightly in excess of 15 million dollars and its present worth would be somewhere between 100 million and 114 million dollars. Now it has as of June 1976, given away \$76,393,922, more than the original corpus of the trust as established. He submitted a copy of the Annual Report at this time so that the Committee could see just how much Nevada has benefited from this trust (see exhibit A). He feels that if Major Fleischmann if he were alive today, having adopted Nevada as his home state some years ago, if he could see the need that exists in Nevada today for the continuation of the trust, he feels he would have welcomed this type of legislation and would have personally supported it. He stated in the interest of time, he would leave two clippings with the committee to tell what kind of a man he was. (exhibit B and C). He also wished to leave the research paper that was done on the Major (exhibit D). Also a Report of Study of ways of encouraging Private and Community Foundations (exhibit E).

Lawrence Jacobsen, Assembly District 39 stated that he was probably one of the few that knew the Major, going into the service and coming out of the service and going into business with him as a young man. Some felt it was not right and an injustice to him to try to continue this trust. But knowing him personally he feels it would be within his wishes, because he was that type of a person. He had no crystal ball to see how this thing would materialize or promote itself, so his feeling is that it is proper to continue on with it, if the directors feel it is not too much to administer it. He thinks that this is good legislation as long as the thing does the kinds of things that it has done for Nevada. I know that Douglas County has been a real recipient of some of the awards and especially Carson-Tahoe Hospital.

Senator Close asked why this was expiring, was it the terms of the trust or because of the statutes?

Mr. Jacobsen stated that was the Major's wish. The way he understood it was to terminate it at that time. Because he felt that his wife of course would be deceased by then and that it would just have run out. He had no way of foreseeing it would make money faster than what he had anticipated. I am sure he felt that over that period of time all of the funds would have been dispensed.

Senator Gojack asked if this trust should run out what happens to the funds that are left?

Mr. Jacobsen stated that he knows there are a number of applications in at the moment that would take a good deal of that trust if they allowed them all. But they have been very restrictive trying to comply with the intent that was in the will and the trust itself. It is making money so rapidly however, he is sure there is more than adequate funds for all the applications, and what happens to the remainder he is not sure.

James Joyce, Lobbyist stated that he is here today in a private non-professional capacity to urge the adoption of legislation that would set up mechanics for court review to possibly extend the life of the Fleischmann foundation. He wished to place into the record a petition signed by the representatives of 44 associations and groups ranging from the Nevada Taxpayers Association to the AFL/CIO. (see exhibit F). He feels that here we have an opportunity for a court to review the possibility of extending the life of a foundation that has been one of the finest institutions in Nevada's history. He has seen what it has done at the University of Nevada, Reno as well as a self-help program that is involved with in the ghetto in Las Vegas.

Renny Ashelman, Lobbyist, Lawyer and here voluntarily and not representing any group. He stated that he is in favor of the legislation before the Committee today and in particular AB 562 as amended. He said that the Fleischmann foundation has not only made 52% of it's grants to the State of Nevada, but it has been particularly valuable in the State because it makes grants which he feels would otherwise be very hard to come by. Particularly small grants to institutions in the rural areas. In the fiscal year ending June 1976 the Battle Mountain General Hospital received \$95,000 for X-ray equipment. Boys Club of Clark County \$23,000 and the Carson Valley Historical Society, \$5,000. The Churchill Public Hospital, \$73,000. Eureka County \$50,000 with local participation with the local community in construction of a swimming pool facility. There are 30 or 40 of these items in just that year alone. Now if they have to disperse all their funds by 1980 one of two things will happen. Either they will make larger grants out of necessity to dispose of the funds properly or they will have to rather hastily review an awfully large number of small projects. And we will loose the ability that we have had over the years to have careful funding of small projects, particularly those peculiar to Nevada and those where we have a very small tax base. He then read a letter from Nye County in which they state that it has only been for this trust that they have many of the things that they have today. And the Board unanimously supports the passage of ACR 28. He stated that in testimony given in the Assembly on this that all but one of the trustees goes along with the dissolutionment of

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of the trust, so this is not a bill to perpetuate the bureaucracy, they are taking a different stance. There are five trustees and Mr. Breen was the only one in favor of this. Now in the 69 tax reform act there was extensive attention paid to private foundations. It is now the law in the United States that 5% of the corpus or the income of a private foundation, must be spent in each year. And it is whichever is greater. So it cannot be a piling on of money and a perpetuity operation.

Senator Ashworth interjected what would prevent this trust to giving say \$50,000,000 to another trust to start all over again.

Mr. Ashelman stated that would appear from the report to be somewhat inconsistent with at least the general policies and programs and thoughts of the foundation over the years. This is the only major foundation in Nevada and how do we find a foundation whose great flexibility lets it give to the Desert Research Institute, to build swimming pools and libraries, or the project Jim talked about. I am unaware of any institution that exists whose purpose is broad and general and of the type the Fleishmann foundation has. So we don't have a Nevada foundation that could do this. Now when the Major formed these funds, there was really no legal regulation other than some very general trust law, which basically tended to shield trusts and trustees. Now they have to put out public reports and make sure the Attorney General of the State of Nevada gets a copy. There are criminal provisions preventing self dealing, excessive holdings of any one investment, improper expenditures and they have to trace and see that the funds are used, at least generally for the purpose for which they were asked. Since the forming of the new acts 1,200 new foundations per year were being formed annually in the US. In 1972 the number had dropped down to around 100, in 1968 the number of foundations being dissolved was less than 100. In 1971 the number went up to 800 and it is still going up. So when he states that each generation is to take care of itself, it is quite obvious that these trusts are just not being formed. So it would appear looking at the Major's general intent that we would be carrying out more nearly his intent, had he known these changes would take place by passing this legislation, than we would by terminating it. Now legally we are right in what is proposed, as the attorney's here know the cy-pres doctrine for years has operated to allow some way of curing deficiencies in charitable organizations. Say the American Cancer Society went out of business the courts would intervene to permit the donations to be made to a similar organization interested in cures of cancer and research in cancer and so on. Other states have taken almost identical action with what we are proposing here. In Massachusetts for instance they had a case involving the Benjamin Franklin foundation, which had to do with loaning money to artisans to

allow them to undertake training. Now borrowing by artisans dropped off a long time ago. Now he had a provision that when all else fails he wanted the remainder of the money to go to the people in Boston and Philadelphia. However, he did not foresee the size of Boston and Philadelphia and was not aware that he would be mailing 14¢ to each inhabitant. So with the disolutionment of this foundation the legislature intervened and set up a process so that the foundation could be preserved for the good of the citizens of the state and that was upheld. The Nevada proposal ends when it talks about final accounting, NRS 165.050. The only thing we have is in the case of termination of the trust the distribution of the trust property which the accountant proposes to make has got to be presented to the court. Our court is given no guidance as to whether it should approve this distribution or disapprove it or what grounds it should use and how it should analyze it.

Senator Sheerin asked what we do with the law of perpetuity if we pass this bill?

Mr. Ashelman stated that was of course court created, it is not statutory. It is violated in many ways now be creation of certain kinds of charitable organizations and the gifts to those organizations. This isn't the problem that it used to be because of the tax act of 1969.

Senator Gojack asked how the board of trustees is replaced?

Mr. Ashelman stated his understanding was that the remaining trustees can appoint new ones.

Senator Gojack asked him to again reiterate what the Major's three fears were and why he thinks it has changed.

Mr. Ashelman stated that first was the fear that you would create a self perpetuating, and perhaps at some point irresponsible, bureaucracy. The second one was that perhaps they would tend to sit on this hoard of cash and not spend the money, and again the tax law has cured that problem. And the third was the feeling that each generation take care of its charitable problems. What has happened because of the tax law changes, and other social conditions, the practical effect is that no one is setting them up anymore.

George Vargas, attorney and as of April 15 he stated he was employed and registered as special counsel for the Fleishmann Foundation. Mr. John Sandee who is not registered but he has asked him to appear here because he and Mr. Sandee and his staff have done extensive study on this matter. He stated that there was an inference at least, that the trustees of the Fleishmann foundation really didn't want to terminate this trust but felt that they had too. Their position, four of the five of them, was placed before the Assembly Committee very clearly. He then read a statement from them (exhibit G)



The specific provisions in Major Fleischmann's trust could not be more clearly stated. The trust estate shall be so managed and administered as to insure the complete disposition of the principal and consequent termination of this trust within 20 years after the death of Sarah Hamilton Fleishmann, wife of the grantor. In answer to a question by Senator Close he stated that Mrs. Fleishmann had received benefits from the trust but he did not know the extent of it. Subsequent to her death it all went into the trust subject to the distribution subject to the discretion of the trustees.

Senator Sheerin asked who the original attorney was.

Mr. Vargas stated that the will was drawn by New York attorneys in association with Lester Summerfield in Reno. Mr. Fleishman was a very close friend of Morely Griswold the former Senior partner in my office. As a matter of fact Griswold put together some 8 or 10 ranches that Major Fleishmann bought down on the lower Walker River below Yerrington. They were very close friends.

Senator Sheerin asked what he is trying to get at is that isn't it possible that the attorney's who were involved and advising Major Fleischmann indicated to him, this is a private trust we are creating, we are going to give it to your wife, but the rule of perpetuity says that you as a dead man can only govern this for a life in being to wit your wife, plus 21 years. So isn't it possible that it was a rule of perpetuity that was in the attorney's mind and advising the major of that, and that perhaps is the reason for terminating after the death of his wife?

Mr. Vargas stated that in his opinion that was not a possibility under any circumstances.

Mr. Sandee stated that inter vivos irrevocable trust and it does not provide anything for his wife. His wife got funds from the estate generally and I believe there was a will which poured over more funds than it is provided so in the trust. But the trust is for the charity only and as such the rule of perpetuity is not even applicable. That doesn't even come into play unless you have some non-charitable beneficiaries down the line and this trust specifically states it is devoted only to charitable work and cannot benefit in anyway a private individual.

Senator Close asked if there was a public policy that Nevada should look at to modify the intent of this particular measure in view of the benefits to the State of Nevada over the many years of this particular trust.

Mr. Vargas stated he believed the public policy of Nevada would be dead set against the proposal of this piece of legislation. In 1971 this legislature enacted a charitable

Mr. Sandee stated that he wished to make a short presentation at this time. He stated that there was no research done prior to the drafting of this bill and he feels the Assembly passed the bill because it sounded like a good thing. There is a lot of talk about this doctrine of cy-pres, this is a common law term, basically what this is and has been interpreted by all courts, is that if the settlor or trustor's intent cannot be carried out either because it is impractical or it is impossible to carry out. An example would be if you gave a gift to a church in your instrument and the church no longer exists, or you made a gift to a University and the University could not accept anymore funds, then you would go and look at the trust instrument and try to determine whether the settlor had some general donative intent. Perhaps if he gave it to a church it is obvious that he wanted to benefit religion therefore we can give the funds to some other religion. Or if he gave it to a University we can give it to schools, because that was the intent. This is a very limited area of the law and it is done by the judiciary, and it only comes into play when the testators intent cannot be carried out. Here it is obvious that the trustor, Mr. Fleishmann wanted to terminate the trust 20 years after the death of his wife. What this law tries to do is to say we don't care what the testators intent is, whether it is clear he wanted to terminate the trust within 20 years of his wife's death, we mandate that every court before it allows termination must consider other things, including the testators intent, evidence as to any social, economic, or legislative change affecting the foundation or trust which has occurred since its creation or since the death of the original settlor and whether or not the dissolution will have any adverse or beneficial effect on the general health, safety, welfare, comfort of the people of the State of Nevada. There is no other state that has a law that could overturn the testators intent. As to the Franklin case the courts determined that they were trying to determine all the way through this case what the testators intent was. And they say finally "we are not convinced that his charitable objectives have ceased to be in accord with the public interest, or have become so unreasonable under current conditions that we should exercise our undoubted equitable power of termination even if the loan program has ceased all usefulness". And the next area is where he feels this statute would be unconstitutional, he will cite Massachusetts law which is what the Franklin case came under. Where I believe it is unconstitutional is in the impairment of contracts, that is the law that on its face is unconstitutional. Ever since the Dartmouth College case, way back in the 1800's, it has been held that a trust instrument is similar to a contract and it is therefore applicable, the impairment of contracts provision of the United States Constitution is applicable, this is of course the same thing in Nevada. In Nevada this is the same thing in our State Constitution in Article 4, we have a section which inhibits impairment of contracts. The State Legislature cannot pass a law which would impair contracts. The

trust act and that act provides that a court may, upon the request of the trustees make certain modifications, not then the purpose of doing anything other than to maximize the charitable dollars that would be available out of that trust in the event for instance of a change in the federal tax law. It provides that any such amendment shall be affected upon the trustees filing a verified petition. In another section in addition to amending, revising deleting or adding provisions the petition may include a request. So this is left entirely up to the trustees to originate the proceedings. So the revolutionary thing in this proposal is that the trustees have absolutely no say about whether or not their is going to be a hassle in the court room. This forces trustees into court. I would say that there is no policy in the State of Nevada today, which would endorse that sort of a thing.

Senator Dodge asked that is it possible at the time of distribution of the corpus for the trustees to set up some spin-off trusts or dedications of principal amounts of money for certain public uses?

Mr. Sandee stated that he thought by reading the trust instrument that it is certainly not prohibited for them to do that. In the exercise of their discretion the trustees decided this would be in the best interest of the trust estate and for example if they had used up all their funds to charities that they believed were worthy or to foundations they could indeed distribute it, and I would imagine someone could found a new foundation or corporation for the sole purpose of holding assets.

Senator Sheerin said if it is legally possible for them to do that, to take 50 million and put it into another charitable foundation, why then on February 16, 77, as related to in ACR 28, why did the trustees come up with this general policy and general doctrine that they were going to disperse this limiting this to a million dollars apiece? When it is legally possible to give a 50 million dollar grant to someone else.

Mr. Vargas stated that the trustees do have discretion in these matters and they may have in mind today, suitable charities for the distribution on that basis. They have been very careful in protocol in distribution of this fund. The way that they have operated you make a formal proposal, you put it to them, they consider it, you are not allowed to go in and argue. They decide and they either grant it or not grant it. And I would assume they are following this procedure in carrying out the final provision of the trust.

Senator Sheerin asked if he felt that the trustees would be receptive to a resolution from this legislature.

Mr. Vargas stated he felt that they would treat it the way they do any other request, and he could not go beyond that.



Dartmouth decision held that this was applicable to a charitable corporation, and therefore the Legislature could not amend the charter to provide different administration of the charitable corporation. He also cited several other cases in Massachuettas which were found unconstitutional. What the courts have done, they say when a trustee and a trustor get together and the trustor tells the trustee in a trust document what he wants done with his property, that is in the nature of a contract and the Legislature can not come in down the line and impair that contract or change the terms. Another problem that he doesn't feel was consider was that it might violate the Constitution of both the United States and the State of Nevada, in that it may possible take property without due compensation. The final argument that I would like to make is that this is special legislation. The entire focus of the testimony today has been directed to the Fleishmann Foundation. Section 21 and 20 of article 4 of the Nevada State Constitution, specifically describes special legislation. One of the factors they look at is the question of whether this is retrospective in effect. And this is clearly retrospective because it looks back, and if the Major were here today, all he would have to go is go to his trustees and they could go and amend the trust instrument between themselves and say we will put down specific beneficiaries and we would avoid this law. We can't go back and talk to him and say do you want to amend your trust to avoid this law. It has been so structured and redrafted, originally applied to all trusts, that they went and cut it down narrowly so it is only aimed at those very narrow trusts that do not specify specific charities, and in the State of Nevada that is only one trust.

Senator Ashworth asked what the legal costs would be, should this bill pass, with taking it to court.

Mr. Vargas stated that if it were passed and he was the special counsel for the Fleishmann foundation, he would advise them immediately to take the initiative and go into court. 'To attempt to test the constituionality of this bill. They couldn't afford for the responsibilities that they have under that trust to sit there until time to file the petition for final or partial distribution. I would think that litigation could probably go to the United States Supreme Court. It would probably take around 10 years and some millions of dollars. In response to a question by the Committee he stated that each trustee gets \$27,100 as employees and then \$10,000 so that is \$37,100 and Frances Breen gets an additional \$7,500 for filing annual reports. Now the amendment on this was submitted to the Assembly by Mr. Fran Breen (see Assembly minutes 4/14/77 for testimony). He stated that his final point was for everyone to examine their concious and look at this and see whether we can in any degree of honor adopt it.

T. A. Nigro, representing the Trust Division of the Nevada

Bankers Association stated that there were several members of the Committee there with him Mr. Don Brown, Elmer Vacina, John Conkle and they are very definitely opposed to this bill, mainly on the grounds that it changes a persons will. We also want to concur with the testimony given by Mr. Vargas and Mr. Sandee in that it could be unconstitutional.

Elmer Vacina, First National Bank of Nevada, stated they are the agent for the Fleishmann foundation and from that we have obtained very substantial fees for doing the paper work and buying and selling for the foundation. Therefore we would I suppose like to perpetuate the foundation forever also. However, we have the same problem that has been expressed before and I have only had the pleasure of meeting the Major twice, but I don't think there is a person in this state that he was not a man of very fixed ideas. One of his fixed ideas was that this was not to be perpetuated. His concern was that the trustees would perpetuate it, and it seems strange that the Legislature is the ones talking about perpetuating it. So they are very much opposed to this bill.

C. Don Brown, Vice President of the Valley Bank of Nevada stated that he was here to oppose this bill in its entirety. He stated that the reason there are so few of these trusts anymore is the Internal Revenue Service, through the enforcement of the Tax Reform Act of 1969, which among other things made it very difficult for foundations either of a private nature or private charitable trusts to function. Many of them have simply been put out of business by the fact that they simply cannot afford any longer to keep up the paper work, the legal work, all the accounting services, etc. that are now required. He is personally the member of the Board of Trustees of two foundations that have assets currently in the neighborhood of 5 million dollars each. One is in Utah and the other is in Nevada, and as many other testators are they are watching this bill very carefully. He thinks it is very unfortunate that everyone is talking about the Fleishmann foundation and he would urge the Committee to take a little broader view of this matter. He feels it affects many people. Many people are coming into this state because of the favorable tax laws and to set up their estates. It is hard enough to get these people through the Reform Tax Law without laying on top of them the probability that somebody is now going to thwart their wishes.

John Conkle, Sr. Vice President of Nevada National Bank stated that they are presently planning with two wealthy donnors to set up charitable trusts, which would be affected by this legislation. If they believe that their expressed intention will be thwarted by legislation permitting the courts to use some other standard than what they have said in their wills, it is a violation of their intentions and he believes that they will set up their estates and trusts in other states.

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As the Committee had to go into session at this point, the meeting was adjourned.

Respectfully submitted,

Virginia C. Letts, Secretary

APPROVED:

SENATOR MELVIN D. CLOSE, CHAIRMAN

Max C. Fleischmann Foundation

**Annual Report**

July 1, 1975 to June 30, 1976

# *Max C. Fleischmann Foundation*

## BOARD OF TRUSTEES

Julius Bergen..... Chairman of the Board  
Sessions S. Wheeler..... Secretary of the Board  
Francis R. Breen                      Thomas L. Little  
Walter Orr Roberts

## DECEASED TRUSTEES

Hugo A. Oswald..... (1878-1959)  
Served July 28, 1952 to January 21, 1959  
Sarah Hamilton Fleischmann..... (1881-1960)  
Served March 2, 1951 to July 4, 1960  
Lester D. Summerfield..... (1888-1966)  
Served March 2, 1951 to November 7, 1966  
Walter G. Dunnington..... (1891-1971)  
Served March 23, 1951 to May 21, 1971

## OFFICE

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Reno, Nevada

MAILING ADDRESS: Julius Bergen, Chairman  
Max C. Fleischmann Foundation  
P.O. Box 1871  
Reno, Nevada 89505



## GENERAL INFORMATION

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1. On March 23, 1951, by trust agreement, Major Fleischmann established a legal tax-exempt entity which was supplemented and implemented by his will and resulted in the establishment of the Max C. Fleischmann Foundation as a testamentary trust on July 28, 1952, by decree of the First Judicial District Court of the State of Nevada, in and for the County of Douglas. The Foundation was ruled tax exempt under Section 501 (c) (3) and is classified as a private foundation as defined in Section 509 (a) of the IRS Code.

2. The mailing address of the Foundation is: Julius Bergen, Chairman, Max C. Fleischmann Foundation, P.O. Box 1871, Reno, Nevada 89505.

3. The Foundation is operated entirely by its trustees in their dual capacities as trustees and employees and their secretarial staff. Following procedures preferred by Major Fleischmann, the trustees personally carry on all major trust activities, including project study and investigation, investment, and the other responsibilities of Foundation operation. The combined background experience and training of the trustees in such fields as law, investment, accounting, education, science, conservation, etc., provide a variety of technical knowledge to aid them in their work; and the advice of specialized authorities is sought as often as necessary.

4. The Foundation's charter limits its grants-in-aid to projects within the United States and its 50 states. It contributes only to organizations ruled tax exempt by the U.S. Treasury and no grants are made to individuals. No grants are made to carry on propaganda or influence legislation, to influence the outcome of any public election, to carry on any voter registration drives, to engage in subversive activities or for any objectives other than those listed on page 7, with modifications noted.

In addition, the Tax Reform Act of 1969 has injected certain restrictions on program activities, operating methods, and financial practices in accordance with the terms of the Act as it concerns private foundations. While most of the directives outlined in the Act were already incorporated in our procedures, the volume of additional reports, record keeping and expenditure responsibility will necessarily add to the volume and type of information required from applicants, both in making application and accounting for the grant, if made. We suggest all applicants familiarize themselves with the provisions of Section 4945 of the Tax Reform Act of 1969.

5. No applications anticipating the Foundation's termination are being accepted. All such grants will be initiated by the trustees. In the interim, other qualified requests will be honored and processed in the same manner as in the past.

6. The Foundation does not generally contribute to another foundation or organization engaged in multiple activities or which distributes grants to ultimate beneficiaries of its own selection.

7. The Foundation prefers, if it contributes at all, to participate with other donors to a reasonable extent but not to assume a major portion of the amount to be raised. There are no deadlines for the receipt of applications, action on which may require up to 90 days. Requests, regrettably, greatly exceed available funds. Urgency requests are not favored unless they involve natural catastrophies causing human suffering.

8. It is the general policy of the Foundation:

- (a) Not to make grants payable in installments in future years.
- (b) To consider with higher priority the support of projects which are not normally financed by public tax funds.
- (c) Not to favor trustee membership in organizations to which grants are made.
- (d) Not to favor grants for endowments, contingency, deficit financing or ordinary operating expenses.
- (e) Not to make grants which are requested primarily or solely for conferences, seminars, workshops, travel purposes, exhibits, or surveys.
- (f) Not to make grants which are requested primarily or solely for the preparation of and/or publishing books and magazines, producing films or for public or educational radio or television purposes.

9. If an applicant is unclear as to the Foundation's current fields of activities, a letter of inquiry directed to it describing the applicant's project may save the trouble or expense of preparing and submitting a formal application.

10. Foundation policy discourages personal interviews with the trustees collectively or individually either before or after the filing of an application. If the formal application needs amplification, the trustees themselves will request it either orally or in writing. Experience has shown that it is much more satisfactory to have as much of the record as is possible in writing. Any discussions or indication of interest prior to or after submission of a written application or on-site investigation shall not be construed as a commitment by the Foundation in any way. Each application will be accepted or rejected in writing only.

11. A new application should not be submitted with a report on a prior grant. They should be separate documents.

12. Written requests are given thorough individual study by each trustee, and, if held for further consideration, are usually investigated by a committee of one or more trustees. A final decision is reached by discussion and majority vote of the Board.

In investigating and considering an application, the trustees attempt to determine:

- (a) The value of the project to the community, state, nation, or all mankind.
- (b) The soundness of the sponsoring organization.
- (c) The ability and integrity of the organization's personnel.
- (d) The sources of other financial support for the project.
- (e) The assurance of future maintenance of the project, when maintenance is involved.
- (f) The assurance that the project and its maintenance will not add an undesirable financial burden to the taxpayer.

#### APPLICATION REQUIREMENTS

13. There is no set form of application for grants. However, the application should comply with the following requirements as concisely as is practicable, preferably on 8½x11-inch paper and not to exceed 8½x13 inches.

- (a) State the amount requested and a complete explanation of the necessity therefor.
- (b) State whether aid has been sought during the preceding three years from other foundations and sources and, if so, the names of such foundations and sources and the amount received from each, if any.
- (c) State whether aid is presently sought from other foundations and sources or whether such solicitation is contemplated and, if so, naming them. (This is for informational purposes only and not to be construed to mean we discourage aid from other sources; rather we prefer to participate with other donors.)
- (d) All applications must be executed by persons authorized to make the same on behalf of the tax-exempt organization. Applications should be approved and countersigned by the over-all head of the institution or organization rather than by a department head.
- (e) Letters of support from authorities and/or organizations in applicant's field are encouraged.
- (f) Applications and covering letters should be submitted in seven (7) copies except for accompanying printed material.
- (g) If applicant wishes material returned in the event of rejection, the application should so state.

14. Applicant should furnish one copy each:

- (a) A photocopy of current U.S. treasury tax-exempt letter.
- (b) A photocopy of the organization's classification under Section 509(a) of the Code.
- (c) Its latest audited Balance sheet (1 copy).
- (d) Its latest audited Income Account (1 copy).

15. When an application has been acted on by the trustees, such action is final upon the application as presented and it cannot be carried over for future consideration. The applicant is not, however, precluded from making new applications in the future.

16. A NEW application should not request reinstatement of a prior request but should be a newly **updated** application.

17. The Foundation requires the organization to which a grant is made to report, in detail, how the funds have been expended, and to return to the Foundation any unused or unspent part of its grant. Such report of the expenditure of the funds granted must be made at least annually and in seven copies until the entire grant has been accounted for. Further use of a balance may be requested.

18. The past few years have been notable for a great increase in the number of applications due to the nation-wide reduction in the amount of support previously available to nonprofit organizations from other sources. Inflated building and operating costs have notably increased the average dollar requests for aid without comparable increases in the Foundation's available funds for distribution. The combination of these factors has required the rejection of many exceptionally worthwhile projects within the Foundation's fields of interest but beyond our fiscal ability to consider.

19. It is requested that no plaques or memorials relating to this Foundation be used without the same having been first submitted to the Chairman of the Board of Trustees for approval. It is also requested that when publicity is given to any grant, the names of the trustees not be used therein.

The trustees consider the Foundation a public responsibility of earning and spending money for the benefit of mankind, an endeavor which exists because of Major Fleischmann's vision and concern for his fellow man.

**CONTRIBUTIONS PAID (CUMULATIVE)  
BY FIELD CLASSIFICATION  
To June 30, 1976**

Education .....	\$18,439,019.	24.2%
Research:		
Medical .....	9,002,252.	
Other than medical .....	<u>5,085,820.</u> (1)	
	<u>\$14,088,072.</u>	18.5%
Hospitals .....	11,059,183.	14.5%
Law .....	6,709,050. (2)	8.8%
Conservation .....	6,228,758. (3)	8.2%
Youth .....	6,110,770.	8.0%
Libraries .....	5,131,749.	6.8%
Health, Relief & Social Agencies .....	4,439,415.	5.9%
Museums & historical projects .....	2,278,626. (4)	3.0%
Religion .....	<u>1,909,350.</u> (5)	<u>2.1%</u>
GRANT TOTAL to date .....	<u>\$76,393,992.</u>	100%

- (1) Includes desert research, atmospheric, earth and oceanographic sciences.
- (2) Includes continuing judicial education, delinquency, crime and law enforcement, as well as construction.
- (3) Includes water pollution studies; fish and game management and preservation; land acquisition for parks, environmental studies, etc.
- (4) Currently limited to Nevada.
- (5) Outside current fields of activity.

CONTRIBUTIONS PAID — BY STATES

(CUMULATIVE)

To June 30, 1976

Nevada .....	\$39,742,464.	52.0%
California .....	17,221,392.	22.6%
New York .....	7,538,021.	9.9%
Massachusetts .....	1,193,532.	1.5%
Colorado .....	1,161,838.	—
Ohio .....	1,148,900.	—
District of Columbia .....	1,118,070.	—
Utah .....	833,033.	—
Illinois .....	797,352.	—
Arizona .....	710,018.	—
Maryland .....	630,000.	—
Georgia .....	341,600.	—
Idaho .....	318,426.	—
Pennsylvania .....	288,000.	—
Kentucky .....	284,466.	—
Hawaii .....	271,000.	—
Minnesota .....	260,000.	—
Oregon .....	249,250.	—
New Hampshire .....	244,250.	—
Virginia .....	230,000.	—
Mississippi .....	229,726.	—
New Mexico .....	225,900.	—
Washington .....	218,438.	—
Iowa .....	191,070.	—
New Jersey .....	135,000.	—
Montana .....	90,000.	—
Missouri .....	84,783.	—
Connecticut .....	83,500.	—
Texas .....	70,000.	—

Alaska .....	61,700.	—
West Virginia .....	60,000.	—
Kansas .....	57,000.	—
Florida .....	50,000.	—
South Dakota .....	49,500.	—
Indiana .....	49,060.	—
Vermont .....	40,000.	—
Alabama .....	30,250.	—
Louisiana .....	25,000.	—
Maine .....	22,885.	—
Arkansas .....	15,000.	—
Rhode Island .....	10,000.	—
Tennessee .....	10,000.	—
North Dakota .....	3,000.	—
<hr/>		
GRANT TOTAL .....	\$76,393,994.*	100%

\*Figures rounded to nearest dollar.

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**BALANCE SHEET  
SECURITIES AT MARKET VALUE**

June 30, 1976

**ASSETS**

		% Invested Capital
Cash .....	\$ 278,070.	
<b>Bonds:</b>		
U.S. Government .....	9,956,375.	8.69%
Public Utility .....	14,201,516.	12.39%
Industrial & Misc. ....	<u>6,070,148.</u>	<u>5.30%</u>
Sub-total .....	\$ 30,228,039.	26.38%
Preferred Stock .....	\$ 1,463,947.	1.28%
<b>Common Stock:</b>		
Standard Brands Incorporated .....	\$ 38,248,296.	33.38%
Public Utility .....	8,975,379.	7.83%
Railroad .....	1,503,000.	1.31%
Industrial .....	30,039,025.	26.21%
Bank & Insurance .....	3,821,576.	3.34%
Miscellaneous .....	<u>315,179.</u>	<u>.27%</u>
Sub-total .....	\$ 84,366,402.	73.62%
<b>TOTAL ASSETS</b> .....	<b>\$ 114,872,511.</b>	<b>100.00%</b>

**LIABILITIES AND NET WORTH**

Grants Payable (conditional) .....	\$ 3,850,991.	(1)
Principal Fund Balance .....	<u>111,021,520.</u>	
<b>TOTAL LIABILITIES AND NET WORTH</b> .....	<b>\$ 114,872,511.</b>	

(1) See SCHEDULE OF GRANTS, page 15

NOTE: This foundation neither controls nor is controlled by any business enterprise.

The following condensed statements have been prepared from the Foundation's audited books of account.

Being a testamentary trust, the Foundation is supervised in its operation by the court in which the trust was established. To this court, the trustees make an annual, detailed audited report of all receipts, grants and other expenditures.

Form 990-AR, containing a list of the Foundation's securities, is available for inspection at the Foundation offices, pursuant to the requirements of the Tax Reform Act of 1969.



**INCOME ACCOUNT**

For Year Ended June 30, 1976

**INCOME**

Net interest received.....	\$1,801,748.
Dividends.....	3,315,170.
Contributions refunded.....	11,013.
Other income.....	6,249.
<b>TOTAL INCOME</b> .....	<u>\$5,134,180.</u>

**EXPENDITURES**

Administration.....	\$ 349,857.
Grants and contributions paid.....	6,427,257.
Federal excise taxes.....	196,819.
<b>TOTAL EXPENDITURES</b> .....	<u>\$6,973,933.</u>
<b>EXCESS OF EXPENDITURES AND GRANTS AND CONTRIBUTIONS OVER REVENUE</b> .....	<u>\$1,839,753.</u>

**SCHEDULE OF GRANTS**

Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
American Cancer Society, Reno, Nev., toward community program .....	—	2,000.00	2,000.00	—
American National Red Cross, Sierra Nevada Chapter, Reno, Nev., emergency flood relief in Idaho and Oklahoma ..	—	50,000.00	50,000.00	—
Appalachian State University, Boone, N.C., conditional grant toward establishment of Washington, D.C. campus .....	—	50,000.00	—	50,000.00
Arkansas College, Batesville, Ark., challenge grant toward construction of College Union Building .....	—	50,000.00	—	50,000.00
Aspen Center for Physics, Aspen, Colo., matching grant toward library-seminar room-office building .....	40,000.00	—	—	40,000.00
Bates College, Lewiston, Maine, toward equipping a Visual/Interactive com- puter classroom .....	—	12,885.00	12,885.00	—
Battle Mountain General Hospital, Battle Mountain, Nev., for X-ray equipment .....	—	95,000.00	95,000.00	—
Berea College, Berea, Ky., toward 1-year program in Appalachian Center ...	—	20,966.00	20,966.00	—
Berkeley Y.M.C.A., Berkeley, Calif., modernization of residence section .....	—	54,796.00	54,796.00	—

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Berry College, Mount Berry, Ga., toward expanding Memorial Library .....	50,000.00	—	50,000.00	—
Boy Scouts of America, Buttes Area Council, Marysville, Calif., to construct "Food Service Building" at Glacier Trails Scout Ranch .....	—	32,000.00	32,000.00	—
Boy Scouts of America, Snake River Area Council, Twin Falls, Idaho, (1) toward construction of multipurpose dining hall at Camp Bradley .....	—	10,500.00	—	10,500.00
(2) toward retiring bank loan .....	—	27,500.00	—	27,500.00
Boy Scouts of America, Sonoma-Mendocino Area Council, Petaluma, Calif., equipment for Camp Noyo .....	—	6,000.00	6,000.00	—
Boys' Club of Clark County, Inc., Las Vegas, Nev., for year 9/15/75-9/15/76 toward providing programs .....	—	23,007.00	23,007.00	—
Boys' Club of Flagstaff, Flagstaff, Ariz., to complete new facility .....	—	15,000.00	15,000.00	—
Boys' Club of Fullerton, Fullerton, Calif., toward repairs to facility and equipment ....	—	20,000.00	—	20,000.00
Boys' Club of Murray, Murray, Utah, matching grant for gymnasium addition .....	—	20,000.00	—	20,000.00

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Boys' Club of New York, New York City, toward evaluative summer education enrichment program (for Eastside tenement area) .....	—	5,000.00	5,000.00	—
Boys' Club of Port Hueneme, Port Hueneme, Calif., toward construction of facility .....	—	35,000.00	—	35,000.00
Boys' Club of Waltham, Waltham, Mass., renovating and enlarging facility .....	—	20,000.00	20,000.00	—
California State University at Fullerton, Fullerton, Calif., continue mobile environmental education pro- gram in southern California .....	—	8,565.00	8,565.00	—
Carnegie Institution of Washington, Washington, D.C., renovation of and equipment for conversion of laboratories for use by Department of Embryology .....	—	250,000.00	250,000.00	—
Carson Valley Historical Society, Minden, Nev., toward Genoa Courthouse restoration .....	—	5,000.00	—	5,000.00
Case Western Reserve University, Cleveland, Ohio, studies concerning solutions to world food crisis	—	100,000.00	100,000.00	—
Center For Independent Living, Berkeley, Calif., toward cost of special vans for transportation of handicapped .....	—	57,146.00	—	57,146.00
Charles Cruse Memorial Boys' Club, Fort Totten, N.D., toward bringing facility up to health standards	—	3,000.00	3,000.00	—
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**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Churchill Public Hospital, Fallon, Nev., for equipment .....	—	73,661.00	73,661.00	—
Claremont Colleges, The, Claremont, Calif., for research equipment .....	—	99,978.00	99,978.00	—
College of Great Falls, Great Falls, Mont., toward roof repairs of buildings .....	—	25,000.00	25,000.00	—
Crime Prevention Association of Philadelphia, Philadelphia, Pa., equipment and furnishings for South Philadelphia Community Center .....	—	25,000.00	25,000.00	—
Cumberland College, Williamsburg, Ky., toward furnishing women's residence hall.	50,000.00	—	50,000.00	—
Dakota Wesleyan University, Mitchell, S.D., toward renovation of Science Building .....	—	25,000.00	25,000.00	—
Dartmouth College, Hanover, N.H., toward support of doctoral program in Socio-Technical Systems (Thayer School of Engineering) .....	44,250.00	—	44,250.00	—
One-half the cost of gas chromatograph/mass spectrometer for Environmental Measurements Lab in Physical Sciences Center	—	85,000.00	—	85,000.00
Davis & Elkins College, Elkins, W. Va., matching grant toward new service and maintenance building .....	—	50,000.00	—	50,000.00

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Douglas County Recreation Committee, Minden, Nev., matching grant toward development of George Whittell Park at Lake Tahoe .....	—	15,000.00	—	15,000.00
East Oakland Youth Development Center, Oakland, Calif., toward construction of neighborhood youth center to serve disadvantaged minority youths .....	200,000.00	—	200,000.00	—
Easter Seal Society for Crippled Children & Adults of Nevada, Inc., Reno, Nev., to pay off mortgage on Sparks facility and minor revisions in building to qualify for certification .....	—	72,000.00	72,000.00	—
Eureka County Board of Commissioners, Eureka, Nev., for participation with local community in construction of swimming pool facility .....	50,000.00	—	50,000.00	—
Foundation Center, The, New York, N.Y., grant for current year .....	—	5,000.00	5,000.00	—
Four Seasons Outdoor Center, Westfield YMCA-YWCA, Westfield, N.J., matching grant toward land acquisition; development of programs to revitalize the family unit; provide constructive outlets for youth; and utilize 150-tract land for environmental education and conservation .....	—	10,000.00	—	10,000.00
Franconia College, Franconia, N.H., matching grant for support .....	—	100,000.00	—	100,000.00

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
George Fox College, Newberg, Ore., matching grant toward new Academic Building	—	100,000.00	—	100,000.00
Gompers Rehabilitation Center, Phoenix, Ariz., for additional services to handicapped children	—	20,000.00	20,000.00	—
Hampton Institute, Hampton, Va., toward Educational Resources Center	50,000.00	—	—	50,000.00
Harvard University, Boston, Mass., training, guiding and auditing of paramedical personnel	—	100,000.00	100,000.00	—
Henderson Boys' Club, Henderson, Nev., toward gymnasium addition to facility	—	120,000.00	120,000.00	—
Henry Street Settlement Urban Life Center, New York, N.Y., for experimental program as an alternative for institutionalization of juvenile delinquents	—	38,063.00	38,063.00	—
Institute for Congress, The, Washington, D.C., conditional grant as a 1-time, non-renewable contribution to create Institute to facilitate rational public policy by providing Congress with independent, objective and systematic analysis of public issues and programs	—	750,000.00	—	750,000.00
Joslin Diabetes Foundation, Inc., Boston, Mass., toward construction of immuno-assay laboratory in Pacific Research Center of Howard F. Root Wing	—	50,000.00	50,000.00	—

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Junior Achievement of Washoe County, Reno, Nev., toward additional construction at Center	10,000.00	—	10,000.00	—
Lincoln County Hospital, Caliente, Nev., new ambulance with heart monitoring equipment and EKG unit	—	23,316.86	23,316.86	—
Lyon County Library, Yerington, Nev., for participation in construction of library building	225,000.00	—	225,000.00	—
Martinez Early Childhood Center, Inc., Martinez, Calif., toward purchase of present facilities serving children of low-income families	—	27,500.00	27,500.00	—
Massachusetts Institute of Technology, Cambridge, Mass., toward "Work in Technology and Science"	—	13,000.00	—	13,000.00
McGeorge School of Law, University of the Pacific, Sacramento, Calif., for land acquisition	—	80,443.00	80,443.00	—
National Association of State Universities & Land-Grant Colleges, Atlanta, Ga., to Office of Advancement of Public Negro Colleges for expansion of public relations, research and development programs	—	20,000.00	20,000.00	—
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**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
National Federation of the Blind, Washington, D.C., to purchase two models of Kurzweil reading machines, which directly translate the printed page into comprehensible synthetic speech .....	—	100,000.00	100,000.00	—
National Jewish Hospital & Research Center, Denver, Colo., complete and equip teaching area in Therapy and Learning Center .....	—	164,000.00	164,000.00	—
National Medical Fellowships, Inc., New York, N.Y., to assist Mexican-American and American Indian students attending U.S. medical schools, 1976-77 school year .....	—	50,000.00	50,000.00	—
National Multiple Sclerosis Society, Nevada Central Chapter, Reno, Nev., toward 1976 program .....	—	2,000.00	2,000.00	—
Nevada Council on Economic Education, Reno, Nev., acquisition of economic education materials .....	—	25,125.00	25,125.00	—
Nevada County Library, Grass Valley, Calif., for library equipment for first library building in Truckee, California .....	30,000.00	1,432.00	31,432.00	—
Nevada Heart Association, Reno, Nev., toward 1976 program .....	—	2,000.00	2,000.00	—
Nevada Lung Association, Reno, Nev., toward 1976 program .....	—	2,000.00	2,000.00	—

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
New Alchemy Institute East, The, Woods Hole, Mass., toward construction of solar-aquaculture facility and equipment .....	—	60,732.00	60,732.00	—
New York City Fire Department, New York City, toward Emergency Medical Technician Training program .....	—	15,000.00	15,000.00	—
Northland Pioneer College, Holbrook, Ariz., to purchase and equip one mobile laboratory to offer vocational instruction to Indians on Arizona reservations .....	—	47,370.00	47,370.00	—
Novato Boys' Club, Novato, Calif., for gymnasium equipment for new clubhouse .....	10,500.00	—	10,500.00	—
Nyc General Hospital, Tonopah, Nev., (1) equipment to up-grade X-ray department .....	23,142.00	—	19,593.00	3,549.00
(2) equipment for two treatment rooms .....	—	2,483.10	—	2,483.10
Operation Life, Inc., Las Vegas, Nev., toward renovation of building for a community center for the disadvantaged .....	—	64,000.00	64,000.00	—
Optimist Boys Home and Ranch, Los Angeles, Calif., to complete building fund .....	—	14,000.00	14,000.00	—
Pacifica Boys' Club, Pacifica, Calif., to complete construction of building .....	—	25,252.00	25,252.00	—

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**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
<b>Pershing General Hospital,</b> Lovellock, Nev.; for fire sprinkling system .....	5,300.00	—	5,300.00	—
<b>Phelps-Stokes Fund,</b> New York, N.Y., for African Student Aid Fund for unsponsored African students in the U.S. ....	—	25,000.00	25,000.00	—
<b>Pocatello Railroad Y.M.C.A.,</b> Pocatello, Idaho, matching grant toward new facility .....	—	50,000.00	—	50,000.00
<b>Prescott Center for Alternative Education,</b> Prescott, Ariz., down payment on building and classroom, field and office equipment .....	—	23,000.00	23,000.00	—
<b>Primary Children's Medical Center,</b> Salt Lake City, Utah, continue services to needy children ....	—	150,000.00	150,000.00	—
<b>Public Library of Cincinnati &amp; Hamilton County,</b> Cincinnati, Ohio, toward expansion .....	—	150,000.00	150,000.00	—
<b>Rand Corporation,</b> Santa Monica, Calif., for planning assistance in mental health and mental retardation fields in Nevada (final payment) .....	—	26,000.00	26,000.00	—
<b>Recording for the Blind,</b> New York, N.Y., toward free tape recorded textbooks .....	—	20,000.00	20,000.00	—
<b>Regis College,</b> Denver, Colo., Workshop Center to provide jobs for students. .	—	25,000.00	25,000.00	—

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
<b>Rural Advancement Fund,</b> Washington, D.C., toward expansion of Frank P. Graham Experimental Farm & Training Center for young people .....	—	25,000.00	25,000.00	—
<b>Sacramento Concilio, Inc.,</b> Sacramento, Calif., toward support of education service center for Spanish speaking students .....	—	39,980.00	39,980.00	—
<b>St. John's College,</b> Santa Fe, N.M., matching grant toward 1976-77 academic year operation .....	—	154,500.00	—	154,500.00
<b>St. Jude's Ranch for Children,</b> Boulder City, Nev., matching grant toward expansion program to provide complete child care and treatment facility .....	—	100,000.00	—	100,000.00
<b>St. Louis University,</b> St. Louis, Mo., matching grant toward improvement of academic transition from Junior College system to upper division work .....	—	54,000.00	—	54,000.00
<b>Saint Mary's Hospital,</b> Reno, Nev., (1) automatic clinical analyzer .....	—	84,000.00	84,000.00	—
(2) toward Xeroradiography 125 System and accessories and housing .....	—	10,000.00	—	10,000.00
<b>St. Michael's Farm for Boys,</b> Picayune, Miss., for gymnasium and equipment .....	—	87,000.00	87,000.00	<b>928</b>

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
San Antonio Area Youth Project, Oakland, Calif., to complete facility; install basketball court and other recreation areas on grounds .....	—	30,538.00	30,538.00	—
Santa Barbara Cottage Hospital, Santa Barbara, Calif., toward equipment .....	—	150,000.00	150,000.00	—
Schenectady Boys' Club, Inc., Schenectady, N. Y., toward purchase of building .....	25,000.00	—	25,000.00	—
Seattle Pacific College, Seattle, Wash., toward completion of Science Learning Center .....	—	100,000.00	100,000.00	—
Smithsonian Institution, Washington, D.C., toward Sun & Sun-Earth Environmental Research .....	—	20,000.00	20,000.00	—
Southern Nevada Independent Youth Athletic Association, Las Vegas, Nev., toward completion of gymnasium .....	—	100,000.00	100,000.00	—
Southern Nevada Memorial Hospital, Las Vegas, Nev., special monitoring equipment for Coronary Care unit .....	—	38,725.00	38,725.00	—
Sparks Bicentennial Y.M.C.A., Sparks, Nev., matching grant for 25% of cost for new Community Center YMCA .....	360,000.00	—	—	360,000.00

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Stanford University, Stanford, Calif., Institute for Plasma Research, "Influence of Solar Activity on Earth's Weather and Climate" .....	—	150,000.00	75,000.00	75,000.00
State of Nevada: Department of Education, for various scholarship programs for Nevada high school graduates, including general, Indian, medical, dental, and community college .....	133,969.71	212,000.00	**	345,969.71
Division of Forestry, matching grant toward solar greenhouse in Las Vegas .....	—	25,000.00	—	25,000.00
Division of Mental Hygiene and Mental Retardation, (1) provide an educational and recreational 1976 summer camping experience for retarded children and adults throughout Nevada .....	—	26,934.50	26,934.50	—
(2) toward treatment oriented group home for emotionally disturbed adolescents of Washoe County .....	—	28,516.63	28,516.63	—
Fish & Game Commission, for student 1976 summer work scholarships .....	—	5,000.00	5,000.00	—
Historical Society, Reno, toward purchase of historic photographs .....	6,250.00	—	6,250.00	—
**1975-76 prepaid in previous year, \$235,232.51				
Tuskegee Institute, Tuskegee Institute, Ala., matching grant for modernization of School of Veterinary Medicine .....	—	100,000.00	—	100,000.00

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**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
United Negro College Fund, New York, N.Y.,				
(1) toward 1975-76 scholarships .....	—	100,000.00	100,000.00	—
(2) premedical Summer Institute at Fisk University .....	—	50,000.00	} 150,000.00	—
(3) general distribution to colleges .....	—	60,000.00		—
(4) toward 1976-77 scholarships .....	—	40,000.00		—
United States Department of Agriculture — U.S. Forest Service, Reno, Nev., 1976 forestry summer student work scholarships .....	—	8,700.00		8,700.00
University Corporation for Atmospheric Research, Boulder, Colo., conditional grant for joint program among UCAR, American Meteorological Society and universities to enlarge number of minority students in atmospheric sciences .....	—	50,000.00	—	50,000.00
University of California at Davis, Davis, Calif., continuation of leukemia research .....	—	250,000.00	250,000.00	—
University of California (University Hospital), San Diego, Calif., matching grant toward remodeling intensive care unit for artificial lung activities .....	—	75,000.00	—	75,000.00
University of Colorado, Boulder, Colo., to Mountain View Center toward special teacher training program .....	—	15,000.00	15,000.00	—
University of Colorado Medical Center, Webb-Waring Lung Institute, Denver, Colo., expansion of Immunology Division .....	—	20,000.00	—	20,000.00

**SCHEDULE OF GRANTS**  
Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
University of Idaho, Moscow, Idaho, matching grant toward electron microscopy equipment for new Veterinary Sciences Building .....	—	90,000.00	—	90,000.00
University of Kentucky, Albert B. Chandler Medical Center, Lexington, Ky., for research equipment .....	—	38,000.00	38,000.00	—
University of Nevada:				
Atmospherium-Planetarium, Reno, matching grant toward equipment and operating fund .....	—	450,000.00	—	450,000.00
Desert Research Institute, for general research support .....	—	405,000.00	135,000.00	270,000.00
Learning Resources Centers (Community Colleges) at Clark County (Las Vegas) and Western Nevada (Carson City), to assist in development .....	66,713.10	—	39,369.83	27,343.27
On Campus Projects (Reno):				
School of Medical Sciences, matching grant toward new building .....	375,000.00	—	375,000.00	—
University of Nevada and American Bar Association, balance of 10-year grant for law books and library supplies .....	37,284.79	—	37,284.79	—
University of Nevada and American Bar Association, law library fund for 1975-76 .....	55,000.00	—	55,000.00	—
University of Nevada and American Bar Association, program support for National College of the State Judiciary for 1975-76 .....	325,000.00	—	325,000.00	—

**SCHEDULE OF GRANTS**

Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
University of Nevada, University of Nevada and National Juvenile Court Foundation, Inc., program support for National Council of Juvenile Court Judges for 1976-77 .....	—	250,000.00	250,000.00	—
University of Notre Dame, Notre Dame, Ind., to develop a computer program that will allow colleges and other institutions with "minicomputers" to take advantage of the latest teaching methods in modeling and simulation .....	—	49,060.00	49,060.00	—
University of Utah, Salt Lake City, Utah, continuation of Neuroprostheses Program .....	—	178,000.00	178,000.00	—
Western Idaho Training Company, Inc., Nampa, Idaho, audio-visual equipment to be used in service to handicapped .....	—	5,163.00	5,163.00	—
White Pine County Board of Commissioners, Ely, Nev., for ambulance .....	—	20,000.00	20,000.00	—
William B. Ririe Hospital, Ely, Nev., cardiac monitoring equipment .....	—	18,000.00	18,000.00	—
Wistar Institute, Philadelphia, Pa., renovate laboratory areas .....	—	89,000.00	89,000.00	—
Woodrow Wilson National Fellowship Foundation, Princeton, N.J., toward Visiting Fellows program .....	—	50,000.00	50,000.00	—

**SCHEDULE OF GRANTS**

Fiscal Year ended June 30, 1976

PROJECTS	Grants Payable July 1 1975	Grants Authorized during year	Payments made during year	Grants Payable June 30 1976
Worcester Polytechnic Institute, Worcester, Mass., funding of plan for awarding B.S. degrees on other than traditional basis .....	—	53,000.00	53,000.00	—
Xavier University, Cincinnati, Ohio, matching grant toward Sports Center for therapeutic and recreational programs for children and handicapped .....	—	50,000.00	—	50,000.00
Y.M.C.A. of Sioux City, Sioux City, Iowa, matching grant toward capital improvement plan .....	—	50,000.00	—	50,000.00
Y.W.C.A. of the USA, New York, N.Y., cost of one of 18 Learning Centers for Executive Management Development Training program .....	—	80,000.00	80,000.00	—
Y.W.C.A. Building Fund, Clinton, Iowa, toward construction of new facility .....	75,000.00	—	75,000.00	—
<b>TOTALS</b>	\$2,247,409.60	\$8,030,838.09	\$6,427,256.61	\$3,850,991.08

1948-1949 WHO'S WHO

FLANNERY

Lee U. 1907; m. Frances Deel Pruner, Sept. 25, 1910; children—John William III, Mrs. J. Rosser Murray, Jr., Francis Wills, Haskins (dec.). Began practice at Appalachia, Wise County, Va., 1907, settled in Bristol, Va.; mem. Morrison, Rouse & Flannery; pres. Dickenson County Bank, Clintwood, Va., 1917-30. Mem. 72d to 80th Congresses (1931-49), 9th Va. Dist.; chmn. House Com. on Agriculture, Mem. Va., Bristol and Dickenson County bar assns. Democrat, Presbyterian, Mason (Shriner), Odd Fellow, Modern Woodman, Moose, Club: Westmoreland (Richmond). Home: Bristol, Va.

FLANNERY, Harry William, news reporter and analyst; b. Greensburg, Pa., Mar. 13, 1900; s. John V. and Catherine (Flynn) F.; Ph.B. in Journalism, U. of Notre Dame, 1923; m. Ruth Carmody, July 5, 1937; 1 dau., Patricia Ann. Reporter Hagerstown (Md.) Mail, Baltimore Sun, Chicago City News Bur. and Albany Evening News, 1916-25; sec. to J. P. McEvoy, 1925-28; editor Hoosier Observer, Ft. Wayne, Ind., 1931-32; radio news editor WOWO, Ft. Wayne, 1932-33; news editor and analyst KMOX, St. Louis, 1934-40; Berlin corr. Columbia Broadcasting System, 1940-41; followed armies into Yugoslavia, Greece, Belgium, Netherlands, France; 40,000 miles trip A.T.C. to Europe, Far East and Near East, 1945; news analyst, Columbia Broadcasting System, Los Angeles, 1942. Mem. Council on Foreign Relations, Archdiocesan Com. on Papal Peace Proposals, Nominated for Peabody Award, radio news analysts, South Calif. region, 1948. Roman Catholic, Knight of Columbus, Club: Hollywood Athletic. Author: Assignment to Berlin, 1942; "Off Mike," chapter on Analyzing Analysts, 1944. Lecturer. Contrb. to mags. Home: 2601 N. Gramercy Pl., Los Angeles 23. Office: Columbia Broadcasting System, Los Angeles 23, Calif.

FLANNERY, John Rogers, mfr.; b. Pittsburg, Pa., Nov. 3, 1879; s. James Joseph and Harriet (Rogers) F.; A.B., Mt. St. Mary's Coll., Emmitsburg, Md., 1899; A.M., 1902; LL.D., 1916; LL.B., U. of Pittsburgh, 1902; m. Adelaide Naomi Friday, Oct. 24, 1907; children—John Rogers, Adelaide Elizabeth, Hilda Adelaide. Admitted to Pa. bar, 1902; investigating rubber and mineral concessions, Nicaragua, 1903; began in-bolt manufacturing, 1904, vanadium metals manufacturing, 1909; president Flannery Bolt Company, American Vanadium Company, Collier Bolt Company. In 1914 was sent by Herbert Hoover into Belgium to assist in organizing Belgian Relief Commission operations and was first American to return from war torn Belgium to United States; active throughout country in securing funds and was decorated by Belgium. Director of service and supplies, American National Red Cross in Washington, May-October 1917; assistant to chairman U.S. Shipping Board, dir. housing, October 1917-May 1918; dir. ry equipment and supplies, War Industries Bd., May-Nov. 1918; lt. col. ordnance, U.S. Army, 1918. Pres. Mercy Hosp.; trustee Duquesne U., De Paul Inst., St. Barnabas Free Home, St. Paul's Orphan Asylum, Republican, Catholic, Club: Pittsburgh Athletic Assn. Home: 1544 Beechwood Blvd. Office: Flannery Bldg., Pittsburg, Pa.

FLANNERY, John Spalding, lawyer; b. Baltimore, Md., May 16, 1870; s. John A. and Margaret E. (Reilly) F.; LL.B., Georgetown U., 1894; LL.M., 1895; m. Isabel Gaultier Gregory, June 23, 1909; children—Virginia M. Early, Fontaine F. de Geofroy, Anne Dudley. Admitted to Dist. Columbia bar, 1895, and practiced since at Washington; member firm of McKenney, Flannery & Craighill; gen. counsel F. A. Delano, federal receiver of Red River Valley in boundary suit of Oklahoma vs. Texas, 1920-26; counsel Pennsylvania R.R. System, American Security and Trust Company; special master in Texas versus Florida, 1938. Member American Bar Association, Society International Law, Democrat, Roman Catholic, Clubs: Metropolitan, Chevy Chase, Lawyers. Home: 2411 California St. Office: Hibbs Bldg., Washington, D.C.

FLANNERY, Vaughn, painter; born 1898; son of James Benjamin and Nancy Kent (Maddox) F.; student Art Institute of Chicago; and private study; married Elizabeth Anderson Ettinger; children—Kent Vaughn, Liza Maddox. Permanently represented in Carnegie Museum, Pittsburgh, Pa.; Baltimore (Md.) Museum; Phillips Memorial, Washington, D.C.; Whitney Gallery, Metropolitan Museum and Kraushaar Galleries, New York City; Toledo, (Ohio) Museum, and private collections. Club: Maryland Jockey (dir.). Home: Cuckale Farms, Harford County, Md.

FLANSBURG, Leonard A., lawyer; b. Alma, Neb.; s. Claude C. and Clara (Wilkinson) F.; A.B., U. of Neb., 1904; LL.B., 1906; m. Frances C. Westervelt, June 8, 1910; children—Clarissa, Charles Harlan. Began practice at Lincoln, 1906, as jr. mem. Flansburg, Williams & Flansburg, later Halmer & Flansburg; deputy city atty., Lincoln, 1910-11; mem. Neb. Ho. of Rep., 1917; mem. Lincoln Charter Cour., 1917; apptd. judge Dist. Court, 2d Jud. Dist. of Neb., Jan. 8, 1918, and elected to same office, Nov. 1918; mem. Supreme Court Comm., Oct. 8, 1919-Apr. 1920; apptd. Justice Supreme Court of Neb., term Apr. 11, 1920-Jan. 1, 1922 (did not seek reelection); now mem. Flansburg & Flansburg, President Lancaster County Bar Assn., 1927; president Lincoln Lions Club, 1922. Member Chi Phi, Phi Delta Phi.

Home: 2929 S. 27th St. Office: Sharp Bldg., Lincoln, Neb.

FLATH, Earl Hugo (Aith), elec. engr., educator; b. Dayton, O., June 5, 1895; s. Andrew Jackson and Cora Helen (Sigler) F.; E.E., U. of Cincinnati, 1919; M.S., Georgia Sch. of Tech., 1926; m. Ruth Lovertia Biley, June 5, 1920; children—Earl Hugo, Joseph Clarence Andrew. Began as office boy Nat. Cash Register Co., Dayton, 1915; university apprentice same company, 1914-19, asst. elec. engr., 1919; asso. prof. elec. engrng., U. of Ala., 1919-20; development and research engr., Bell Telephone Labs., 1920-22; asso. prof. elec. engrng. and dir. coop. courses, Georgia Sch. Tech., 1922-23; dean of engrng., Southern Meth. U. since 1925. Served as 2d lt. inf., U.S. Army, 1918; 1st lt. Ordnance Reserve to 1933. Rep. for Instns. Engrng., Science, Management, War Training Program; mem. science adv. com. for Smaller War Plants Corp. Trustee Highland Park Ind. Sch. Dist., 1933-44. Fellow Am. Inst. Elec. Engrs. (chmn. N. Texas sect., 1944); member Am. Soc. for Engrng. Edu., Dallas C. of C., Sigma Tau, Phi Kappa Phi, Tau Beta Pi, Alpha Tau Omega, Democrat, Methodist, Clubs: Dallas Technical, Town and Gown. Author: (textbook) Electric and Magnetic Circuits, 1944. Contrb. to tech. Jours. Home: 3220 Rosedale Av., Dallas, Tex.

FLATHER, Frederick Arthur (Aith'er), textile mfr.; b. Nashua, N.H., Mar. 21, 1867; s. Joseph and Caroline Drusilla (Drake) F.; ed. Bryant & Stratton's Commercial Coll., Boston, and Lowell (Mass.) Textile Inst., 1933-44. Fellow Am. Inst. Elec. Engrs. (chmn. N. Texas sect., 1944); member Am. Soc. for Engrng. Edu., Dallas C. of C., Sigma Tau, Phi Kappa Phi, Tau Beta Pi, Alpha Tau Omega, Democrat, Methodist, Clubs: Dallas Technical, Town and Gown. Author: (textbook) Electric and Magnetic Circuits, 1944. Contrb. to tech. Jours. Home: 3220 Rosedale Av., Dallas, Tex.

FLAVIN, Martin (fla'vin), playwright, novelist; b. San Francisco, Calif., Nov. 2, 1888; s. Martin J. and Louise (Archer) F.; student U. of Chicago, 1905-05; m. Daphne Virginia Springer, Nov. 14, 1914; 1 dau., Flavia Louise; m. 2d, Sarah Keese Arnold, Sept. 2, 1919 (died Dec. 6, 1937); children—Martin, Sean. Mem. Dramatists Guild, Sigma Chi. Clubs: Family, Olympic (San Francisco); Players (New York). Author: (plays) Children of the Moon, 1923; Lady of the Rose, 1925; Service for Two, 1928; The Criminal Code, 1929; Crossroads, 1929; Broken Dishes, 1929; Spin-drift, 1929; Dancing Days, 1930; Achilles Had a Heel, 1931; Amaco, 1932; Sunday, 1933; Tapestry in Gray, 1935; Around the Corner, 1936; Blue Jeans, 1937; (novels) Mr. Littlejohn, 1940; Corporal Cat, 1941; Journey in the Dark, 1943 (\$10,000 Harper prize, winner Pulitzer Prize); The Enchanted, 1947; also 1-act plays, Casualties, A. Question of Principle; Brains; The Blind Man; Caleb Stone's Death Watch; An Emergency Case. Home: Carmel Valley Route, Monterey, Calif.

FLEBBE, Beulah Marie Dix (Mrs. George H. Flebbe) (fleh'be), author, playwright; b. Kingston, Mass., Dec. 25, 1876; daughter Henry S. and Maria Louise Dix; B.A., Radcliffe College, 1897, M.A., 1898 (Phi Beta Kappa); m. George H. Flebbe, May 5, 1910; 1 daughter Evelyn (Mrs. David Scott). Began literary work in 1895, writing plays, 1898, photo-plays, 1916. Author: Hugh Gwreth, 1899; Soldier Rigdale, 1899; The Making of Christopher Ferringham, 1901; The Bean's Comedy with Carrie A. Harper, 1902; A Little Captive Lad, 1902; Blount of Breckenhow, 1903; The Fair Maid of Graystones, 1905; Merry-lips, 1908; Allison's Lad, 1910; Friends in the End, 1911; Betty-Bide-at-Home, 1912; Fighting Blade, 1912; Gate of Horn, 1912; Mother's Son, 1913; Little God Ebiisu, 1911; Maid Medicent, 1911; Across the Border, 1915; Blithe McBride, 1916; Battle Months of George Desur-lab, 1916; Kay Danforth's Camp, 1917; The Turned About Girls, 1922; Pity of God, 1922; Life of Jamie Dolan (with B. Millhauser), 1923; The Wedding Eve Murder, 1911, etc. Plays: Across the Border, 1914; Moloche, 1915; also (with late Evelyn Greenleaf Sutherland) A Host of Plymouth Town, 1902; The Road to Yesterday, 1906; The Lilac Room, 1906; Young Fernald, 1906; The Breed of the Treashams, 1902; Boy O'Carroll, 1906; Matt of Merrymount, 1908; The Substitute, 1908; The Arctot Will; also (with B. Millhauser); Ragged Army. Original photo-plays and adaptations for the screen: Borderland, (with B. Millhauser) Country Doctor, Silence, Ever in My Heart, Callous.

FLECK, Wilbur H., educator; b. Tyrone, Pa., Feb. 4, 1874; s. Abram L. and Martha (Cryder) F.; pres. edn., Grove City Acad. and Gettysburg Acad., until 1898; B.A., Gettysburg Coll., 1902; M.A., U. of Pa. 1909; LL.D., Lafayette Coll., Easton, Pa., 1931; L.H.D., Syracuse U., 1940; m. Evelyn Helway, June 14, 1905. Vice prin. Hazelton (Pa.) High Sch., 1902-07; teacher Latin, William S. Blight Sch. and De Lancey Sch., Phila., 1907-11; with Wyoming Sem., Kingston, Pa., since 1911, successively as teacher, dean, and since Apr. 1936, pres. and teacher of Latin, psychology and Bible. Served as mem. The Sheridan Troop N.G. Pa. Mem. bd. dirs. Hoyt Library, Nesbitt Wee Side Hospital, Kislyin Sch. for Boys. Regent and dep. pres. gen. Cum Laude Society; member Phi Beta Kappa, Methodist, Mason, Club: Kiwanis. Address Wyoming Seminary, Kingston, Pa.

FLEESON, Doris, correspondent; b. Sterling, Kans.; d. William and Helen (Tobbe) Fleeson; A.B., Univ. of Kans.; m. John O'Donnell (divorced); 1 dau., Doris O'Donnell. Polit. reporter and Washington corr., New York Daily News, 1927-42; was corr., Woman's Home Companion, 1943-44; Washington corr., Bell Syndicate (Washington Star, Boston Globe, Kansas City Star, St. Louis Post-Dispatch, Chicago Daily News, Portland Oregonian etc.), since 1945. Twice awarded N.Y. Newspaperwoman's Club prize for distinguished reporting. Mem. Woman's Nat. Press Club (pres. 1937), Chi Omega, Episcopalian. Home: 2344 P St. N.W., Washington 7, D.C. Office: Nat. Press Bldg., Washington 4, D.C.

FLEET, John Seddon, ednl. administr.; b. Lexington, Mo., May 11, 1873; s. Alexander Frederick and Belle (Seddon) F.; A.B., U. of Va., 1901; student U. of Chicago, 1903; Harvard 1912, Am. Acad. at Rome, Italy, 1923, Cornell U., 1923; LL.D., DePaul U., 1940; m. Ludis Lewis Bibb, Sept. 5, 1905. Instr. in Greek and Latin, Culver Mil. Acad., 1907-08; brain-master, Peacock Fleet Day Sch., Atlanta, Ga., 1909-14, Fleet Sch., Flat Rock, N.C., 1911-13; chmn. Latin dept., Culver Mil. Acad., 1913-30, lang. dept., 1930-40, Faculty, 1940-42; acting supt., 1941-43. Dir. The Culver Ednl. Foundation. Mem. Classical Assn. of Middle W. and S., Am. Classical League, Assn. of Latin Teachers of Ind. (pres., 1924), Phi Kappa Psi, Lambda Pi. Retired. Address: 7232 Monte Vista Av., La Jolla, Calif.

FLEET, Reuben Helms, aircraft mfr.; b. Montesano, Wash., Mar. 6, 1887; s. David Walker and Lillian (Waite) F.; student Culver Mil. Acad., Culver, Ind., 1902-06; m. Elizabeth Gilton, Apr. 29, 1903; children—Phyllis (Mrs. Albin S. Nelson), David Gilton; m. 2d, Dorothy Mitchell, July 7, 1931; children—Preston Mitchell, Dorothy Lillian, Nancy. Began as real estate operator, specializing in timber, 1907; organized Consolidated Aircraft Corp., May 29, 1923, pres. and gen. mgr., 1923-41, senior consultant since Jan. 1, 1942. Served as major, U.S. Army Air Forces, 1917-22; officer Nat. Guard of Wash., 1907-17. City clk. and president Chamber of Commerce, Montesano, Wash., 1907; mem. Wash. State Legislature, 1915. Mem. Soc. Automotive Engrs., Inst. Aeronautical Sciences, Republican, Mason, K. P., Elk, Clubs: Cuyamaca, San Diego Country (San Diego). Home: 560 San Gonzalo St., San Diego, Calif.

FLEGER, Philip Arthur (fla'ger), utilities; b. Chicago, Ill., June 3, 1903; s. Phillip and Marie (Becker) Flegger; student U. of Ill., 1921-22; LL.B., U. of W. Va., 1926; m. Margaret Rodgers, June 22, 1933; children—Louise, Luda. Admitted to Pa. bar, 1928; law clerk Phila. Co. and subsidiary companies, 1928-29, atty., 1929-36, asst. gen. atty., 1936-39, gen. attorney since 1939; v.p. Phila. Co., 1940-42, sr. v.p., 1942-46, executive vice president since April 23, 1946; president Equitable Real Estate Company since Mar. 1942; pres. Kentucky, West Virginia Gas Co., Member American, Allegheny County, and Pa. bar assns., Pa. Natural Gas Men's Assn., Pa. Electric Assn., Phi Delta Phi, Alpha Chi Rho, Clubs: Duquesne University (Pittsburgh, Pa.); Fox Chapel Golf (Pa.); Rolling Rock (Ligonier, Pa.). Home: Woodland Lane, Allison Park, Pa. Address: 435 6th Av., Pittsburgh 19, Pa.

FLEISCHMANN, Max C. (fish'man), mfr.; b. Riverside, O., Feb. 26, 1877; s. Charles and Henriette (Robertson) F.; ed. pub. schs. and Ohio Mil. Inst.; m. Sarah Hamilton Sherlock, Dec. 20, 1905. Entered mfg. dept. of the Fleischmann Co., Cincinnati, at 13, became chmn. bd.; on acquisition of co. by Standard Brands, Inc., became dir. of latter; dir. Security Nat. Bank, Dir. gen. div. State Mus.; v.p., trustee Santa Barbara Museum of Natural History; trustee Save-the-Islands League. Served in Ohio Nat. Guard 6 yrs. (2d lt.); 1st lt. Ohio Vol. Cav. Spanish-Am. War; maj. comd. Ballou Corps, A.E.F., 1917-18. Fellow Royal Geog. Soc. Republican, Mason (32°). Clubs: New York Yacht, Explorers (life); Santa Barbara, Valley Club of Montecito. Author: After Big Game in Arctic and Tropics (part. circulation), 1909. Home: Glenbrook, Douglas County, Neb. Office: 505 Madison Av., New York, N.Y.; and 1st Nat. Bank Bldg., Reno, Nev.

Exhibit B 332 Ischl, 883, s. Prince



# FLEISCHMANN FORTUNE GOES TO HELP MANKIND

Bulk of Estate Exceeding \$50 Million Placed in Foundation for Distribution

One of the few great personal fortunes remaining in the United States is to be spent for the "well-doing or well-being of mankind."

That was the will of multi-millionaire Max C. Fleischmann who ended his life at Santa Barbara, Calif., last week after learning he was incurably ill with cancer.

The Fleischmann fortune, founded upon yeast and distilleries, is known to total many millions of dollars. Some friends say the estate will be in excess of \$50,000,000.

The will has not been filed, but Fleischmann's attorney, Lester Summerfield of Reno, has said the bulk of the estate will go to the Max C. Fleischmann Foundation of Nevada.

The trust agreement drawn by Fleischmann last March stipulates that the vast fortune—both interest and principal—is to be entirely spent within 20 years after the death of the major's widow, Mrs. Sarah Hamilton Fleischmann.

The major had many favorite philanthropies during his life, but his foundation has vast leeway in which to use the money.

Under the trust agreement, the foundation shall distribute money:

"Exclusively in aid of such religious, educational and charitable and scientific uses and purposes as . . . shall be in furtherance of the public welfare and tend to assist, encourage and promote the well-doing or well-being of mankind, or of the inhabitants of any community."

Fleischmann made only two restrictions:

1. No money shall be given to any organization, the earnings of which would go to the benefit of any shareholder or private individual.

2. None of the money shall be used either by the recipients or by the trustees themselves for carrying on propaganda or otherwise attempting to influence legislation.

Trustees named by Fleischmann are Mrs. Fleischmann; Attorney Summerfield; Julius Bergen, the major's confidential secretary for years; and Walter G. Dunnington, a New York Corporation attorney. Two others are designated in his will and will become known when that is filed. Each of the trustees will receive \$10,000 yearly during the life of the foundation.

The foundation carries Nevada in its name and has been operating in this state, but Attorney Summerfield said there are no geographical limitations on where the money is to be used.

"The major set it up here because this has been his home for more than 15 years, but his philanthropies were scattered all over the country," said Summerfield.

*Editorial* \* 10/26/51

THE SUICIDE of Maj. Max Fleischmann surprised many, but not those familiar with his flair for the dramatic. It was a natural way for the Major to go. It followed the pattern of those enjoyable days when the Major wore the big badge of the Nevada State Police (honorary), fitted his car with a siren, actually hauled in speeders, wore a gun strapped at his side, and loved the thrill of manhunt and roadblock. That was real sport. And, when Gov. Vail Pittman fired Lester Moody as superintendent of the state police, the Major immediately went to Moody's defense. Lester had been good to Max. He'd let him in on a lot of good action. The Major's letter to the governor was combustible, and the Governor's reply was no less. Pittman relieved Fleischmann of his "post" on the state police, also. But, Sen. Pat McCarran came ridin' to the rescue for numerous reasons. Pat had Max made a deputy U. S. marshal! So Maj. Max Fleischmann not only got to keep his siren, and gun, but he added a Stetson and a BIGGER BADGE . . . Major Fleischmann was one of the greatest benefactors and philanthropists Nevada ever had. It would be difficult to add up all he gave. In other ways, though, he was very frugal. He gave notoriously small tips, borne out by generations of caddies—one, especially, who remembers after 18 holes of golf, a tip of—one penny Hershey bar. Luckily, the caddy fared better in later years. He won a scholarship at the University of Nevada . . . one of many given the university by the Major.

\* \* \*

MAJOR MAX C. FLEISCHMANN

Max C. Fleischmann was born in Riverside, Ohio on February 26, 1877. He was the son of Charles and Henrietta (nee Robertson) Fleischmann. Charles Fleischmann was an Hungarian immigrant who invented a process for compressing yeast which revolutionized the baking industry, and resulted in the formation of the Fleischmann Yeast Company.

Max C. Fleischmann was educated within the Riverside, Ohio public school system, and at the Ohio Military Institute. He started his business career at the age of eighteen by going to work in the manufacturing department of the Fleischmann Yeast Company.

Due, to his training at the Ohio Military Institute, Fleischmann was commissioned a second lieutenant in the Ohio National Guard, and served in the Spanish-American War where he reached the rank of First Lieutenant of cavalry. At the conclusion of the Spanish-American War, Fleischmann returned to the manufacturing department of the Fleischmann Yeast Company. There is no indication that he was granted any special consideration by his father's firm since he remained in a subordinate position until after World War I. On December 20, 1905, he was married to Sarah Hamilton Sherlock (Daughter of John C. and Margaret Sherlock of Cincinnati, Ohio).

An early aviation enthusiast Fleischmann won the Lahn Cup in 1909 for balloon flight from St. Louis, Missouri to the Atlantic Coast. He held Hydroaeroplane Pilot Certificate #46, dated April 12, 1916, and Spherical Balloon Certificate #67, dated July 11, 1917. During World War I, he was commissioned as a major in the Balloon Section of the U.S. Air Service, with the First Division, American Expeditionary Force, and also served as commandant of the AEF Balloon School.

After World War I, he returned to the Fleischmann Yeast Company, and again served in the manufacturing division. In 1920, he was made superintendent of manufacturing, and in 1923 he became a vice president of the firm. Upon the death of his brother Julius, in 1925, he became Chairman of the Board of Directors of the Fleischmann Yeast Company.

In 1929, Major Fleischmann sold the Fleischmann Yeast factories to the J.P. Morgan banking house, in a merger which was to result in the establishment of Standard Brands Company. Major Fleischmann received 20 million dollars in Standard Brands Stock.

In 1930, Major Fleischmann moved to Santa Barbara, California, where he expended hundreds of thousands dollars in philanthropic works. He helped to build a breakwater for a yacht harbor and beach playground, three polo fields, endowed a museum and provided many scholarships.

Exhibit 284 1



In 1935, Major Fleischmann moved to Glenbrook, Nevada where he built one of the most impressive homes in the State on the shores of beautiful Lake Tahoe. The Major continued his philanthropy in Nevada. One of his pet projects was the conversion of the old U.S. Mint in Carson City, Nevada into a museum. In collaboration with his friend, Judge Clark J. Guild, Major Fleischmann was responsible for the creation of the Nevada State Museum. He helped to create the State Museum, supported it during his lifetime, and made provision for future support by the establishment of the Max C. Fleischmann Foundation. During the time he lived in Nevada he provided financial support for many worthwhile projects. He provided funding for the Carson-Tahoe Hospital, established 178 scholarships at the University of Nevada, and gave the University a 283 acre dairy farm, plus enough Standard Brands stock to endow it.

The Major likewise poured thousands of dollars into scouting and established Camp Fleischmann for the Boy Scouts of the Nevada Area Council. The entire state of Nevada owes the Major a debt of gratitude for his philanthropic endeavors which provided Nevada with cultural facilities and educational and research opportunities which, without him, would never have been undertaken.

In 1945, at the 55th annual commencement exercises, the University of Nevada awarded Major Fleischmann an honorary Doctor of Laws degree. He was also made an honorary member of the University of Nevada student body, and of the university's chapter of the Blue Key, a national honorary service fraternity.

Major Fleischmann was a big game hunter and had made scientific expeditions to Greenland, British East Africa, Abyssinia, Rhodesia, the Sudan, the White Nile, Alaska, British Columbia, Outer Mongolia, Annam, Cambodia, and Indo-China.

He was a director of the Nevada State Museum, a Director of Ducks Unlimited of Canada, as well as a Nevada trustee for Ducks Unlimited of Nevada. He was a member of the Nevada Area Council of Boy Scouts, and of the National Council of Boy Scouts. He was an associate of the Carson-Tahoe Hospital at Carson City and a director of the Nevada Humane Society.

Major Fleischmann was one of the few 50 year members of the New York Yacht Club, his membership dating from May 16, 1901. He was a life member of the Explorer's Club, a fellow of the Royal Geographic Society of London, and, as one of the nation's early aviation enthusiasts, a member of the Early Birds. He was a member of many fraternal and service clubs, both in the East and in the Reno, Carson City and Gardnerville area.

On October 16, 1951, after being informed that he had an incurable malignant disease, Major Fleischmann took his own life at his residence near Carpenteria, California.

In addition to being one of the giants of the business world, Major Fleischmann, was a soldier, aviator, hunter, yachtsman, fisherman, polo player, and rancher. Every place he visited, and every project in which he took an interest was benefited and prospered. Nevada owes him a continuing debt of gratitude.

17.2.NV  
LCB 77-21  
1976

REPORT OF STUDY OF WAYS OF  
ENCOURAGING PRIVATE AND  
COMMUNITY FOUNDATIONS



*Bulletin No. 77-21*

LEGISLATIVE COMMISSION  
OF THE  
LEGISLATIVE COUNSEL BUREAU  
STATE OF NEVADA

*December 1976*

LEGISLATIVE COUNSEL BUREAU

Exhibit E1

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Assembly Concurrent Resolution No. 67—Assemblymen Lowman and May

FILE NUMBER 150

**ASSEMBLY CONCURRENT RESOLUTION**—Directing the legislative commission to study and explore courses of action which the Nevada legislature could take to encourage the creation and retention of private and community foundations in our state.

WHEREAS, Since the beginning of our history, private foundations and charitable associations have generously contributed to public morals and welfare in diverse fields such as medicine, education, agriculture and in other eleemosynary pursuits; and

WHEREAS, Philanthropies occupy a unique position as private organizations which promote the public welfare in our society; and

WHEREAS, The growth trend for private foundations has slowed in recent years and the termination rate of existing foundations has quickened; and

WHEREAS, In a time when financial crisis is causing the Federal Government and the State of Nevada to curtail spending, society can ill afford to see its private organizations of charity weakened; and

WHEREAS, The relationship between government and private foundations is based on the reciprocity of benefits which accrue to each in the form of additional social services provided for the public benefit in return for tax benefits to foundations; and

WHEREAS, Nevada taxpayers sacrifice tax revenues so that charitable associations and foundations can devote funds to the service of the people of our state; and

WHEREAS, Private foundations in Nevada expend millions of dollars each year in grants for higher education, medical research, conservation efforts and for many other meritorious civic and educational projects; and

WHEREAS, It is important to Nevadans to assure the continuation of private foundations and charities which bring goodwill, expertise and financial assistance to bear on many of the problems of our state; and

WHEREAS, The tax laws of the State of Nevada have, in a great measure, been responsible for attracting persons of wealth to the State of Nevada as residents; and

WHEREAS, This situation has been of great advantage to the State of Nevada, its institutions and citizens as a result of charitable contributions from such persons and the creation of private foundations; and

WHEREAS, It is of great importance to the State of Nevada to continue to encourage such persons to come to our state and become Nevada residents; and

WHEREAS, It is essential that the State of Nevada encourage the creation and retention of private and community foundations; now, therefore, be it

*Resolved by the Assembly of the State of Nevada, the Senate concurring,* That the legislative commission is hereby directed to study and explore possible courses of action which the legislature of the State of Nevada could take to encourage the creation and retention of private and community foundations in our state; and be it further

*Resolved,* That the legislative commission shall report the results of its study, with any recommended legislation, to the 59th session of the legislature.

REPORT OF STUDY OF WAYS OF ENCOURAGING  
PRIVATE AND COMMUNITY FOUNDATIONS

I. INTRODUCTION AND BACKGROUND

Pursuant to the directive of A.C.R. 67, the study of possible courses of action which the legislature could take to encourage the creation and retention of private and community foundations in Nevada was assigned to the legal division of the legislative counsel bureau. The findings and recommendations of the legal division are presented in this report.

The term "foundation" encompasses a wide variety of charitable endeavors and may be defined as a nongovernmental, nonprofit organization having a principal fund of its own, managed by its own trustees or directors, and established to maintain or aid social, educational, charitable, religious or other activities serving the common welfare. The only types of foundations considered in this study were private and community foundations. Such organizations as the Red Cross, United Fund and other operating charities and fundraising organizations, as well as endowment funds of educational and religious institutions were excluded.

For the purposes of the study, private foundations were deemed to be those defined as such in the Internal Revenue Code and NRS 81.610 and 163.470, and which are characterized by relatively large endowed funds derived from a single source or a limited number of sources such as a principal founder and his family. The Max C. Fleischmann Foundation of Nevada is a prime example.

Community foundations were considered to be those which qualify as such under the Internal Revenue Code, principally by reason of public support and participation. A community foundation is organized to serve as a community agency or resource for a wide variety of charitable purposes, is designed to attract gifts and bequests for general or specific purposes from many persons in the community, provides responsive centralized administration of pooled funds for investment and management purposes, and is operated primarily for the benefit of the community. Use of the word "community" does not imply any limitation on the size of the geographic area in which a community foundation may operate. A single community foundation could serve the entire State of Nevada as well as areas of adjacent states.

To the best of our knowledge the Fleischmann Foundation is the only large private foundation now operating in Nevada, and apparently there are no existing community foundations in the state. A private foundation created as an inter vivos trust by the late E. L. Cord is the beneficiary of a substantial sum under the terms of his will which is presently in probate. It is possible that other private foundations may exist which are presently inactive but have the potential for future activity.

II. FORMATION AND OPERATION OF PRIVATE AND  
COMMUNITY FOUNDATIONS UNDER NEVADA LAW

Foundations are created under state law and may be formed as charitable corporations or as charitable trusts. A review of Nevada law applicable to private and community foundations is contained in this section.

A. Charitable Corporations:

Either a community foundation or a private foundation may be created under the provisions of NRS 81.290, et seq., relating to nonprofit corporations for educational, scientific, charitable or eleemosynary activities, which govern the procedures to form the corporation, its powers, the exercise of corporate powers by a board of trustees and their selection, and examination of its affairs by the attorney general.

The Charitable Corporation Act of 1971 (NRS 81.550, et seq.) applies to both community and private foundations organized as charitable corporations. In general, its purpose is to assure compliance with certain Internal Revenue Code provisions and regulations necessary to minimize federal income and excise taxes on foundations. NRS 81.660 also permits conversion of a private corporate foundation to a community foundation.

It appears that existing statutory provisions relating to charitable corporations are adequate; and that at present no additional legislation is necessary to foster the creation and retention of private or community foundations in corporate form.

## B. Charitable Trusts:

Creation of a charitable trust is largely a matter of common law rather than statutory law, although subsequent administration of the trust is governed by both statutes and common law rules. There are two principal types of trusts: (1) testamentary trusts, which are created under the will of a decedent and become operative after his death, and (2) inter vivos trusts, created by a written trust indenture or other document executed by the trustor and which become operative during his lifetime and continue thereafter. Since community foundations are usually formed by groups rather than individuals, they are more commonly of the inter vivos type.

Nevada statutes relating to trusts in general apply to foundations which are charitable trusts. These include NRS chapters 162 (Fiduciaries), 163 (Trusts), 164 (Administration of Trusts) and 165 (Uniform Trustees' Accounting Act). Chapter 153 of NRS, relating to administration of testamentary trusts, would seem to apply to testamentary charitable trusts although, unlike chapter 165, there is no specific mention of charitable trusts in chapter 153.

The Charitable Trust Act of 1971 (NRS 163.420, et seq.) applies to both community and private foundations organized as charitable trusts. As in the case of charitable corporations, the general purpose of the Act is to assure compliance with certain Internal Revenue Code provisions and regulations necessary to minimize federal income and excise taxes on foundations. NRS 163.550 also permits conversion of a private foundation trust (such as the Max C. Fleischmann Foundation of Nevada) to a community foundation.

A significant difference in the statutory treatment of testamentary and nontestamentary trusts occurs in NRS ch. 165 with respect to inventories and accountings required of trustees, and court approval of such accounts. In brief, testamentary trustees are required to file an initial inventory of the trust estate as well as annual accountings with the court and seek court approval of the latter at least every 3 years (NRS 165.030, et seq.). The provisions of NRS 165.120, concerning the effect of court approval, apply to testamentary trust accountings only. Nontestamentary trustees are not required to file an inventory nor to file regular accountings with any court. NRS 165.135 provides for furnishing annual accountings to each beneficiary and to the attorney general in the case of charitable trusts (NRS 165.230); but, under



NRS 165.160, the provisions of chapter 165 are made inapplicable to all nontestamentary trusts unless specifically made applicable by the trust instrument. Thus, it appears that trustees of nontestamentary trusts (including charitable trusts) have no statutory duty to render accountings unless the trust instrument so provides, but are not relieved of their common law duties and responsibilities in this regard.

Also, under NRS 165.120, trustees of nontestamentary trusts are not afforded the benefits accorded to testamentary trustees. Research indicates that the exemption of nontestamentary trustees from a statutory duty to render periodic accountings was intentional; and it does not seem necessary to change this policy to foster formation of inter vivos charitable trusts in the future. If the founders of such a trust desire to do so they could, by appropriate provisions in the trust instrument, require the trustees to account in the same manner as trustees of testamentary charitable trusts, and NRS 165.120 could then be amended to apply to such accountings.

With the exception noted *infra* concerning possible clarification of NRS 163.550, no changes in statutes relating to charitable trusts are recommended.

#### C. Other Statutes:

NRS 86.190, which requires annual financial reports to be filed with the secretary of state by charitable organizations which receive "major" support from public donations, would no doubt be applicable to a community foundation because of the public support requirements necessary to its qualification under federal laws and regulations. The reporting requirement is not onerous and should not impede formation of a community foundation.

Under the provisions of NRS 86.100, et seq., it is possible for an existing charitable association to incorporate; but those provisions are limited in scope and do not appear to be intended for use in formation of the types of foundations which are the subject of this report.

### III. IMPACT OF FEDERAL TAX LAWS

Although foundations are creatures of state law, federal tax laws exert virtual life or death control over their formation and continued existence. This situation exists because

foundations are dependent almost wholly upon charitable contributions and income from endowed funds to support their operations, and the amount of money available for charitable giving is governed to a high degree by whether or not a gift qualifies as a charitable contribution deductible by the donor for federal income and estate tax purposes. The deductibility of a gift to a foundation depends upon the foundation's classification as a tax-exempt organization.

Changes in the Internal Revenue Code effected by the 1969 Act, which ostensibly were necessary to correct previous abuses by private foundations, have tended to discourage formation and continued existence of private foundations and, conversely, to encourage formation of community foundations. The restrictions on private foundations, which necessitated enactment of the Charitable Corporation Act of 1971 and the Charitable Trust Act of 1971 (discussed in section II), are such that it is highly unlikely that any new private foundation of significant size will be formed in Nevada while they remain in effect. The possibility of the restrictions being lifted is so remote as to be virtually nonexistent because of firmly established nationwide fiscal and social policies which the people of Nevada are powerless to change even if a majority of them wished to do so.

#### IV. METHODS TO ENCOURAGE FORMATION AND RETENTION OF FOUNDATIONS IN NEVADA

##### A. Private Foundations:

As previously noted, the Max C. Fleischmann Foundation of Nevada is the only sizable private foundation presently operating in Nevada, and it is extremely unlikely that any new private foundations will be formed. The benefits which the State of Nevada and adjacent areas of California have received from the Fleischmann Foundation are so numerous and so widely known that no further discussion of them is required in this report.

The Max C. Fleischmann Foundation of Nevada is a private foundation trust established for general charitable, scientific or educational purposes of strictly eleemosynary nature and is managed by a board of trustees as a testamentary trust under the jurisdiction of the First Judicial District Court of the State of Nevada. The trustees have absolute discretion in the selection of beneficiaries. In terms of assets and income it is one of the largest private foundations in the United States.

The trust instrument provides that the "trust estate shall be so managed and administered as to insure the complete disposition of the principal and consequent termination of this trust within twenty (20) years after the death of Sarah Hamilton Fleischmann, the wife of the Grantor." The 20th anniversary of the death of Sarah Hamilton Fleischmann will occur in 1980.

The Nevada legislature cannot legally take any direct action to prevent termination of this trust in accordance with the terms of the trust instrument without the consent of the trustees. Any statute which attempted to do so would be violative of the provision of the United States Constitution forbidding the states to impair the obligation of contracts. See Trustees of Dartmouth College v. Woodward, 4 Wheat. 518, 4 L.ed 629 (1819).

A general statute having retroactive application to all charitable trusts would be subject to the same attack and probably would be opposed by settlors and trustees of existing or potential charitable trusts.

There are three possible ways in which the benefits of the Fleischmann Foundation might be preserved for the State of Nevada, any of which would require acquiescence, concurrence, or affirmative action on the part of some or all of the trustees.

1. The Fleischmann trustees or the attorney general, under his common law powers to represent the state as *parens patriae*, could seek judicial reformation of the trust instrument to extend the term of the trust or provide for its perpetual existence, which is permitted by the Nevada constitution (Art. 15, § 4). However, the legal basis for reforming the trust instrument in this regard is questionable since it would involve a somewhat tortuous application and extension of the *Cy Pres* doctrine which could be considered to set a dangerous precedent applicable to charitable trusts in general.
2. The Fleischmann trustees, in the exercise of their absolute discretion in the selection of beneficiaries, could distribute all or any portion of the trust estate to a Nevada community foundation organized for the specific purpose of receiving such assets and administering their

application in accordance with existing policies and procedures of the Fleischmann Foundation. A community foundation for such purpose could not be established by a special act as an agency of the state because, by definition, a community foundation is a nongovernmental organization. However, in order to meet the "public support" requirements of the Internal Revenue Code for qualification as a community foundation, it could be necessary in the future for the state to provide direct financial support in case the response from private donors was insufficient.

3. The Fleischmann trustees, with the concurrence of the attorney general, could, under the provisions of the Charitable Trust Act of 1971, seek judicial modification of the trust instrument to effect termination of the private foundation status of the trust and its conversion to community foundation status as is permitted by the Internal Revenue Code. Such modifications could include a provision for the trust to have perpetual existence as a community foundation. NRS 163.550 specifically authorizes "any modifications, revisions, deletions or additions to the term, (emphasis added) or to the conditions and provisions of the articles of any trust \* \* \*, for the trust to conform with the requirements for termination of private foundation status \* \* \*." The quoted language appears to be sufficient for the above purposes. However, the authority of the court could be further clarified by amending the last quoted phrase to read "appropriate for the trust to conform with the requirements for termination of private foundation status \* \* \*." if interested persons so desire.

It should be noted that under this alternative as well, the possible need for future direct financial support from the state would exist.

#### B. Community Foundations.

The community foundation concept offers the best hope for continued charitable foundation activities in Nevada and the attendant benefits to the state.

Since community foundations are nongovernmental organizations and the concept is based on private philanthropy rather than government operation of charitable programs, the initiative for formation of a community foundation

must come from private donors rather than from state government. The necessary legal machinery is available, and it remains only for interested private citizens to come together and establish an appropriate community foundation. Until that is done, there is little state government can do but lend moral support.

It appears that the community foundation concept and its potential for benefit to the state is not widely known nor understood by the general public or even among community leaders. One way in which state government might foster establishment of a community foundation would be formation of a broadly based governor's committee representative of both public and private organizations to arouse interest in creation of an appropriate community foundation and to coordinate efforts to that end.

RESOLUTIONS IN SUPPORT  
OF A.C.R. 28 AND A.B. 562

WHEREAS, The State of Nevada, its political subdivisions, municipal corporations, educational and charitable institutions and organizations have over the years been the fortunate beneficiaries of substantial grants of money from the Max C. Fleischmann Foundation of Nevada for necessary and worthwhile projects which could not have realities without such financial assistance; and

WHEREAS, It is believed that the people of the State of Nevada will further benefit from the continued existence of such foundation; now, therefore, be it

RESOLVED BY THE UNDERSIGNED REGISTERED LOBBYISTS that the Assembly and the Senate adopt A.C.R. 28 and unanimously pass A.B. 562 which would make the foregoing possible.

Steven F. Stricker  
Mike Terry  
Fred A. [unclear]  
Deborah A. Sheltra  
Rick [unclear]  
[unclear]  
Jane Milligan  
[unclear]  
Richard S. Pugh  
[unclear]  
[unclear]  
[unclear]  
[unclear]

Bob L. Kern  
Julius Longford  
R. J. Ragin  
Doris Peterson  
Robert Z. Petroni  
Raha E. Nolan  
Shirley A. Wadlow  
[unclear]  
[unclear]  
C. A. [unclear]  
Virgil B. Anderson  
Marcia Stapleton  
Harold A. Jacobson

EXHIBIT:

Thomas Parkman  
L. O. O'Connell

Carl Bishop  
W. B. B. B.  
L. O. O'Connell

Henry Hancock

Gayle Smookler

Reverend W. W. W.

Jayce L. Woodhouse

Paul J. Row

James Shields

Robert E. Harris

Alfred

Richard

Richard L. Garrett  
W. B. B. B.

John A. Payne



MAX C. FLEISHMANN FOUNDATION  
SUITE 309, SECURITY NATIONAL BANK OF NEVADA BUILDING  
ONE EAST LIBERTY STREET  
RENO, NEVADA

TRUSTEES:  
JULIUS BERGEN, CHAIRMAN  
FRANCIS R. BREEN  
THOMAS L. LITTLE  
WALTER ORR ROBERTS  
SESSIONS S. WHEELER

April 13, 1977

Mr. Robert Barengo  
Chairman of the Assembly Committee  
on Judiciary  
Nevada State Legislature  
Carson City, Nevada 89710

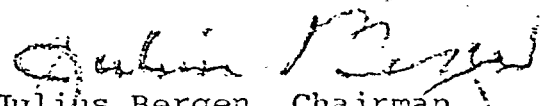
Dear Mr. Barengo:

I understand that a hearing on Assembly Resolution 28 and Assembly Bill 562 will be held before the Committee on Judiciary on Thursday, April 14th. If the above is correct, I would like to make the following statement:

I firmly believe that Major Fleischmann is entitled to have his Foundation terminated as he so clearly specified. In my conversations with him in the 1930's and 1940's, when he was thinking about establishing his Foundation, he stated his belief that each generation can be and should be relied upon to provide for its own needs as they arise in each generation. His clearly stated intent was that all of his assets go to the benefit of the people throughout the United States while some of his appointees and associates were still alive.

Mr. Barengo, I respectfully request that this and the following statements be read to the Committee on Judiciary during the hearing.

Signed:

  
Julius Bergen, Chairman  
Max C. Fleischmann Foundation

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We, the undersigned trustees of the Max C. Fleischmann Foundation, wish to express opposition to any legislation

949  
Exhibit 61


April 13, 1977

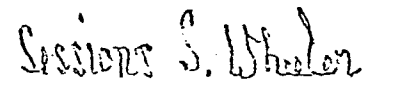
intended to alter what we believe was Major Fleischmann's intent, as stated in the Trust Agreement, to terminate the Foundation in 1980.

We are proud of the quality and careful procedures followed in arriving at the total of some \$80 million in grants we have made. Over 50% have been made directly to grantees in the State of Nevada. Other substantial grants, such as for research, both medical and scientific, indirectly benefited Nevadans.

In termination we expect to make grants with the same care and with the aid and advice of recognized authorities in their fields so that the end result will be in accordance with the donor's directive and with the welfare of Nevadans and the residents of all other states.

Signed:

  
Thomas L. Little

  
Sessions S. Wheeler

  
Walter Orr Roberts

Trustees, Max C.  
Fleischmann Foundation