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The Polish-American Freedom Foundation has successfully completed its second year of operation. This was a very important stage for implementation of our mission to strengthen civil society, democracy and the market economy in Poland, and to support the transformation processes in other countries of Central and Eastern Europe. We have focused our activities in three programmatic fields: education, development of local communities and sharing of Polish experiences related to the transformation. In 2001 we initiated a fourth area: the citizen in a democratic state of law. In total, we launched 18 programs within the above fields. Some of the programs are long-term and therefore their results will not be fully visible until later, such as in the case of undertakings to counteract unemployment, or to animate rural areas. Others have been already completed or have reached the stage at which we can clearly evaluate their results.

One can distinguish two leading themes in all of them. The first, is to trigger and reinforce citizens' energy in villages and small towns. The second, is to support educational initiatives targeting mainly the above rural areas, including actions that relate to reforms being currently implemented in Poland.

Experiences gathered in the years 2000–2001 have confirmed our opinion that the Board's decision to focus the Foundation's activities has been correct, particularly our objective to try to equalize educational opportunities of the youth from rural areas and small towns.

Our present corpus of \$120 million is expected to increase in the next years as the Foundation receives further payments to its endowment from the Polish-American Enterprise Fund. Eventually, our endowment is expected to increase to \$180–200 million, and the revenue it produces will be applied to the Foundation's operation – as it has been to date.

This connection it should be mentioned, that PAEF has now returned the last of its planned installments totaling \$120 million to the U.S. federal budget. A ceremony took place in Washington D.C. on 5th November 2001, to celebrate this unprecedented event. At the celebration, U.S. Secretary of State, Colin Powell, expressed his appreciation for the achievements of the Polish-American Enterprise Fund which has provided critical support to the development of a market economy in Poland for the past ten years. He emphasized that PAEF was the most successful of the enterprise funds established by the United States for countries of Central and Eastern Europe. Secretary Powell also commended the establishment of the Polish-American Freedom Foundation, and indicated that it was made possible because of the success of the Enterprise Fund.

During our first two years of operation, we have worked primarily through established non-governmental organizations to manage our individual programs. In the case of grant-giving programs, decisions concerning the allocation of grants have been made by outside expert commissions, which have implemented the Foundation's criteria in their selection process. This method has enabled the Foundation to maintain transparency and objectivity.

Educational initiatives have played a particularly prominent role in PAFF's activity. The Polish Educational Interkl@sa Portal already has 35,000 registered users who regularly benefit from its resources. Thanks to another program, 3,000 teachers from small towns and villages have been able to purchase computers on preferential terms. In addition, some 60 schools, operating with the involvement of parents and local communities, have received our grants to computerize education. Another undertaking, aimed at equalizing educational opportunities in rural areas and small towns, helped more than 8,000 students and teachers. A program to promote teaching of the English language has raised exceptionally high interest. Another program of support to the health sector managers has contributed to the ongoing reform of the Polish health service. We have allocated scholarships to managers from smaller cities, who are being trained to professionally run medical centers, and we have also financed nearly 1,500 scholarships for the best economics graduate students, mainly from rural areas.

The "Act Locally" Program has proved to be an unquestionable success among undertakings aimed at the development and reinforcement of civil society in Poland. Over 3,500 volunteers became involved in our initiatives, and the Program recipients have totaled approximately 200,000 individuals. Our intention is that the best, model projects be replicated in other milieus under round II of the Program. We have continued efforts to support the non-governmental organizations infrastructure in Poland serving NGOs and civic initiatives.

Letter from the PAFF Leadership

We have developed two pilot programs – focusing on unemployment and stimulation on rural areas. The first is addressed mainly to the youth who are seeking jobs as well as to professional groups threatened with structural unemployment. Under the second program, information about potential undertakings was provided to 120 local communities throughout Poland where there are low levels of activity.

In July 2001, Poland suffered a devastating flood. In collaboration with the “Rzeczpospolita” daily, we have made grants to the most affected schools, located mainly in rural areas. Additionally, 176 small businesses have obtained preferential loans to repair damages caused by the flood, provided by the Micro Fund and subsidized by the Foundation. Thanks to the involvement on the part of Klon/Jawor Society a special Internet “Flood” service was established, which has published data concerning needed assistance to those affected by the flood and sources for that assistance.

During this past year the Foundation was particularly attentive to and involved in the activity to transfer Polish transformation experiences to other countries of Central and Eastern Europe. The Lane Kirkland Scholarship Program, organized with assistance from the Center for East European Studies of the Warsaw University, has been a gratifying experience. In the academic year 2000/2001 it was addressed only to Ukrainian citizens. Currently, the Foundation has expanded its activities by hosting political and economic leaders from five neighboring countries. The Polish-U.S. Fulbright Commission is managing the second round of the Program.

In addition, the Foundation has offered support to initiatives that involve cooperation between Polish non-governmental organizations and their partners from Central and Eastern Europe, financing 39 projects aimed at the transfer of Polish experiences in the development of a market economy, civil society and a democratic state of law.

While completing the current stage of the development of our Foundation, we would wholeheartedly like to thank all those who have been involved in the implementation of our programs, as well as those who have kindly supported our initiatives. We very much appreciate all comments, advice and opinions addressed to the Foundation. We express this on behalf of our entire staff and the Polish-American Board of Directors. We particularly regret that, due to his newly appointment as Deputy Prime Minister and Minister of Finance, Prof. Marek Belka has recently had to leave the Board. His knowledge and experience have been particularly helpful to us and we are hopeful that he will return to the Board upon completion of his term of public office. Also, a few months earlier, we welcomed a new member of our group, Prof. Anna Fornalczyk.

While closing this period, it is not possible to sufficiently express the shock caused by the events of September 11th in New York City and Washington D.C. The terrorist attacks were a profound tragedy, and yet they released enormous solidarity among the international community, stimulating its ability to jointly face new threats, to defend and reinforce fundamental values, the very same ones that are also the pillar of the ties between Poland and the United States. In the spirit of these values, being a Polish-American institution, we will continue our mission, based on our devotion to the ideas of freedom, democracy, respect for the rights of the individual, as well as solidarity and ever closer cooperation between the nations.



John P. Birkelund
Chairman



Jerzy Koźmiński
President and Chief Executive Officer

New York, Warsaw, December 2001

INITIATIVES IN EDUCATION

■ THE “EDUCATION ON THE INTERNET-POLISH EDUCATIONAL PORTAL INTERKL@SA” PROGRAM (www.interklasa.pl)

“Education on the Internet” is a joint undertaking by the Polish-American Freedom Foundation and the Initiative “Interkl@sa”. During the first phase of the Program a non-commercial portal was designed and it is now being developed. It works on the basis of advanced technological infrastructure provided by the Poznań Supercomputing and Networking Center at the Polish Academy of Sciences.

The Portal is addressed for schools, teachers, students, parents, non-government organizations, and educational institutions. It is an educational resources gold mine providing class scenarios, support materials for such subjects as mathematics, the Polish language, geography, and, for example, information about publishers, teaching methods, and professional publications. The Portal has become an information exchange forum used by groups involved in educational upgrading through free e-mail accounts, discussion groups, and news services. It also presents citizens’ initiatives, such as “The Social Educational Library Network” or mass training for teachers “Intel – Teaching for the Future.”

The “Interkl@sa” Portal is built by an editorial team which researches and releases information; much of this work being done by volunteers: students, teachers, and research workers.

The Foundation has allocated \$245,000.

Program Manager: The Foundation for Economic Education

■ THE “COMPUTER FOR A TEACHER 2000–2001” PROGRAM

This Program is aimed at enhancing modern education by providing access to computers (and resources available on the Internet), aiding teachers in purchasing quality personal computers through installments. The initiative is addressed to junior high schools teachers from small towns and villages who have mastered computers or are planning to receive training. The Foundation’s assistance is in the form of underwriting all credit costs; teachers pay only the principal amount borrowed.

The first round of the Program, in 2000, covered 2,000 teachers who could not afford a computer without PAFF’s support. The undertaking was completed before schedule. The Foundation’s grant of \$250,000 allowed the Program beneficiaries to buy computers for a total of more than \$2,000,000. This gave teachers access to Internet resources, including the Polish Educational Portal “Interkl@sa” (see above) and they can now make better use of computer labs in their schools which were organized during the past 3 years and paid for by the state budget. Nearly 1,000 participants of our Program have opened their own e-mail accounts.

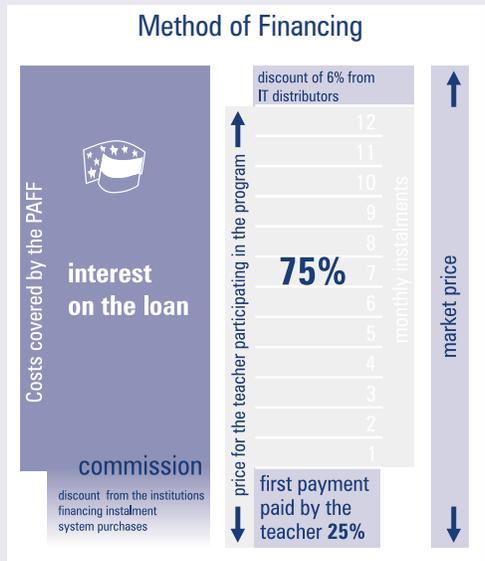
Considering the high degree of interest in the Program, the Foundation decided to carry it on until the end of 2001. A grant of \$140,000 will enable an additional 1,000 teachers to purchase computers and, at the same time, receive computer training.

The Foundation has allocated \$390,000.

Program Manager: The National Foundation for Computer Literacy



During less than a year of operation, the Polish Educational Portal “Interkl@sa” had nearly 8 million entries and over 35,000 registered users. Many partners at home and abroad helped build its contents which guarantees the Portal’s development as well as including Polish schools in the experience exchange network.



The method introduced by PAFF and Program Manager to help teachers buy computers proved to be highly effective because of two things: an accurate estimate of teachers’ needs and their resources as well simplified procedures. The cooperation system established between organizations granting credits, computer hardware vendors, and organizations specializing in computer training is a unique model which can be used by other sectors.



These activities attracted not only schools and non-governmental organizations but also whole communities. An example of this is the project "Village school – a good place for success," carried out by a primary school in Derc. A joint commitment of parents, teachers, and local authorities opened a Club of Anglo-Saxon Culture which now serves children from all schools in the gmina. The theatrical workshops held under this project have been shown to students of the Higher Pedagogical School in Olsztyn as a model solution.



On the occasion of the 10th anniversary of the establishment of the Educational Enterprise Foundation, a ceremony was held in Łódź in May 2001, with the participation of Professor Marek Belka, John P. Birkelund, Professor Zbigniew Brzeziński, Andrzej Olechowski, and other personalities and institutions, with whom the Foundation had cooperated to carry out its mission. The Foundation's achievements include: 18,000 grants for the best students from 66 non-government business schools; co-funding 113 economic publications; organization of 17 rounds of competitions and 16 scientific conferences devoted to the quality of teaching management and economics.

■ THE "ENGLISH TEACHING 2000" PROGRAM

This Program was proposed with the aim of equalizing the opportunities for children and youth living in small towns and villages, to learn English.

An independent grants' committee recommended 58 initiatives (out of the 168 applications) from 15 voivodships for financing. The designers of particular projects addressed their activities to the young people or teachers in rural areas, economically lagging regions, or high unemployment areas (e.g. the warmińsko-mazurskie voivodship). The implemented projects were innovative, of model character, and had the ability to trigger other civic activities. They included, among other measures, opening English language clubs, recruiting volunteers to teach the language to small children and youth, provide methodology classes for English teachers, and tutorial classes for students helping them to catch up with the school's English program. The projects also provided for staging English language plays by children.

The Program "English Teaching 2000" was very well received by the various communities. It directly involved more than 13,000 students and teachers and, indirectly, over 23,000 children, youth, and adult members of small local communities.

The Foundation has allocated \$240,000.

Program Manager: The Polish Children and Youth Foundation

■ THE "MANAGEMENT EDUCATION 2001" PROGRAM

The intention of the Program is to provide support to university-level education in economics and management by offering grants, conferences, competitions, and other initiatives leading to a better access and quality of training, with the view to allow it to live up for the challenges of the contemporary market economy. The Program is a continuation of the activities of the Polish-American Enterprise Fund and the Educational Enterprise Foundation which was established by the Fund in 1991.

The grants are intended primarily for the distinguished students from small towns and villages who are studying at economy-related departments in universities and business schools. Through the Program, in 40 non-governmental schools grant funds were established to provide assistance to nearly 1,500 students. 21 books of the popular series "Enterprise" were published under the Program, among them many Polish translations from American literature. Over 200 students and graduates took part in competitions "Enterprise and Management" and "My studies and the challenges of my future career".

The Foundation has allocated \$350,000.

Program Manager: The Educational Enterprise Foundation

■ THE "TRAINING FOR HEALTH CARE MANAGERS" PROGRAM

The aim of this Program is to elevate the knowledge of medical center managers, which is required by the health care reform currently going on in Poland.

Twenty health service management training centers have qualified for the Program. An independent grants' committee made a grant of \$60,000 to improve their quality of training. Over 2,000 students benefited from the grant in the academic year 2000/2001. The participating universities raised another \$20,000 in support of the Program.

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As many as 156 health service managers from small towns received grants to pay for their tuition during the second term of the academic year 2000/2001. Another 300 candidates applied for training in the year 2001/2002 thus confirming a high degree of interest in the Program from medical circles.

Three conferences were held to deal with the quality of post-graduate training for health service managers. This enabled the process of identifying problems related to the educational market, the opportunities and scope of training programs' accreditation, as well as the integration of the teaching milieu. Cooperation was established with the Ministry of Health and Social Welfare, the World Bank, and the United Nations Development Program.

The results of the Program "Training for Health Care Managers" were published in a special Polish and English language brochure.

The Foundation has allocated \$250,000.

Program Manager: The Society of Health Care Managers

■ THE "THE LEARNING SCHOOLS" PROGRAM

The Program is aimed at disseminating an effective model for improving the quality of teaching in Polish education, mainly at the junior high school level, through the experience gained by non-governmental organizations. This is enabled through training sessions for teacher groups who will bring back to their schools a new way of defining objectives and responsibility for their implementation, as well as the mechanisms for monitoring of the results.

So far, 50 schools from Warsaw, Wrocław, and Szczecin, and also from such towns as Bolesławiec, Duszniki Zdrój, Miekinia, Michałowice, Będzin and Goleniów have joined the Program. The Program's target is to reach 160 schools to be organized under The "Learning Schools Club".

A group of 30 trainers was established; they have so far trained 274 teachers who have passed their knowledge and skills on to more than 1,500 other teachers. Additionally, packages of training and information materials were produced to promote the latest trends in education worldwide. Diagnostic tools used in evaluating the quality of school work were designed, among them a special program for quick data analysis. Reports on the condition of schools will provide basis for the further process of structuring the objectives and work planning.

The Foundation has allocated \$260,000 for two years.

Program Manager: The Center for Citizenship Education Foundation

■ THE "EQUAL OPPORTUNITIES" PROGRAM

The objective of this Program, which was introduced in May 2001, is to equalize the educational, and thereby the career, opportunities for young people from rural areas and small towns. This goal is served by giving support for good models of work with the youth, aimed at improving the standard of teaching, increasing the studying and creative aspiration of the younger generation, and increasing their public activity. The Program is designed to encourage cooperation between various local partners: young people, teachers, parents, NGOs, and local government bodies, to address important issues in the field of education and parenting.

The announcement of the Program's first stage raised considerable public interest. Altogether 544 applications for the competition were received, 15 of them came from voivodships (mainly from mazowieckie, then kujawsko-pomorskie, małopolskie, and wielkopolskie voivodships);



The Program is managed by The Society of Health Care Managers (STOMOZ), an organization with a membership of over 1,400 persons holding managerial positions in the health service structures, sickness funds, central, and local administration. STOMOZ was established in 1991 and now has 15 branches in Poland. It is a member of the European Forum of Health Service Managers.



Primary School No. 4 in Elk is the first school to win the title of a "Learning School." Its teachers conducted an overall diagnosis of their own work and, on the grounds of conclusions drawn from the report on the school's condition, its Pedagogical Council defined three priority goals: better security of students at school, strengthening cooperation with parents, and providing additional extra-curriculum classes. The council also adopted appropriate methods for implementation of these objectives.



"May My Poetry Bloom" is a project initiated by the Literary Confraternity operating at the Public Junior High School in Tuplice and supported by the first stage of the "Equal Opportunities" Program. The aim of this project is to help students develop their literary, visual, and social talents and also to help young people who live far from the major cultural center to create and learn about art.



The project "Neighborhood Watch" – one of the 12 model initiatives implemented in Wąlczy by the Local Activation Center, "Dialogue", has created a higher involvement of the local community in problems of security. Six neighborhood watch groups were set up, 14 workshops were held to discuss children's safety and personal security, narcotics control, home and vehicle protection. The workshops were attended by more than 400 residents. The project implementation was carried out in close cooperation with the police, municipal guards, and the local government.



The contents of the Portal www.ngo.pl includes currently updated data bases of Polish and international organizations, foundations, publications, news services, legal and accounting advice, information on cooperation between NGOs, cooperation with local and central government, and EU structures. Between January and August 2001, the portal was used by over 230,000 visitors and it received 4.6 million hits.

126 had regional and 418 had local character. An independent grants' committee selected 40 projects to be financed and implemented. This category included a project education about the European Union to the people of Klucze, a project of cooperation and integration of young people from rural areas and large towns to be localized in Godzisz and Poznań, and a project of opening broad access to information sources, primarily the Internet, to the young people at Czyże. Most of them were proposed by schools (17) and NGOs (14) and by informal youth groups, community centers, psychological and pedagogical consulting centers, and parenting centers.

The Foundation has allocated \$250,000.
Program Manager: The Polish Children and Youth Foundation

SUPPORT FOR LOCAL COMMUNITIES

THE "ACT LOCALLY" PROGRAM

The aim of "Act Locally" is to support citizens' initiatives which mobilize local partners; where small funds are able to quickly help solve problems, and stimulate new initiatives among the local communities in the country and in small towns. The need for this Program was confirmed by the large number of applications (531) from all parts of Poland. An independent grants' committee selected 69 local projects from 15 voivodships. The projects covered such areas as: activation of residents in their work for the benefit of local development, advancement of women, restoration of regional cultural heritage and identity, building grant funds, education, the social recovery of children and youth threatened by social pathologies, establishing and developing food banks and nature conservation.

The applicant organizations and local government bodies provided an additional \$200,000 from their own resources or from donations of other organizations and they recruited nearly 3,500 volunteers.

The Program has reached more than 200,000 people, 26 new organizations were established alongside 39 public coalitions and 136 task groups; 52 agreements were concluded to start cooperation between local authorities and the non-governmental sector in order to solve local problems.

The Program was concluded with a competition at which prizes were awarded to 12 model local initiatives which merited replication in other areas suffering serious problems.

The Foundation has allocated \$420,000.
Program Manager: The Academy for the Development of Philanthropy in Poland

THE "MUTUAL INFORMATION SOCIETY" PROGRAM

Through the Klon/Jawor Society, a professional information system for non-governmental organizations was set up. The system comprises a non-profit portal for NGOs (a unique project in Europe), a reference source named Informatory, and an Info line 0-801-646-719 which offers access to current information, abstracts from works on legal matters, and information about local organizations supporting citizens' initiatives.

Experts' reports on subjects important to the NGO sector are also produced under the Program. Since the beginning, 9 publications on relevant law have been published and 60,000 copies circulated.

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The Program has also created a new forum for cooperation between organizations which offer support to various forms of local initiatives.

The Foundation has allocated \$250,000.

Program Manager: Klon/Jawor Society

■ THE “UNDOING UNEMPLOYMENT” PROGRAM

This is a pilot-program, designed to encourage grass-roots initiatives and induce local structures to undertake measures to address the unemployment issue, which has reached 17% in Poland. The Program utilizes the experience of outplacement – method which consists of providing career advice and training with an emphasis on the psychological aspects of the problem.

More than a 1,000 people will be covered by the direct action of the Program. Another group of beneficiaries will include local institutions and organizations that will receive experience and tested models ready for replication.

Projects selected by the grants' committee, from more than 160 applications, are addressed to young people who are just about to join the labor market as well as to occupational groups which are particularly suffering the consequences of restructuring in their sectors: e.g., railway workers and nurses. Participants in 5 large projects implemented under the Program have access to professional consultancy and can take part in training tailored to meet their individually diagnosed needs. Skills acquired in this way will help them plan for their future careers, change of qualifications, or making decisions regarding starting their own businesses prior to being laid off from their present positions.

The Foundation has allocated \$550,000.

Program Manager: The Enterprise Development Foundation in Suwałki

■ THE “VILLAGE IN TRANSITION” PROGRAM

The objective of this Program is to inspire citizens' initiatives in rural areas where the level of civic activity is low. The majority of the Program is comprised of projects involving four steps: an information campaign, training and consultancy, implementation of specific initiatives, and distribution of the new experience among organizations and institutions operating in rural areas. These purposes will be served, among other things, by the Program's "Internet Atlas of Rural Initiatives" (<http://www.fww.org.pl/piw/atlas.htm>).

The Program's implementation consists of cooperation between 4 non-governmental organizations with substantial experience in rural communities: The Foundation for the Development of Polish Agriculture, the Foundation Idealna Gmina, the Foundation of Social-Economic Initiatives, and the Foundation Partnership for Environment.

The information-related phase of the Program covered 120 local communities in the Bieszczady, Polesie, Middle Pomerania, and Mazowsze regions. The second phase brings training and consultancy to several dozen of these communities. Local communities taking part in the Program may apply for grants under the competition. A key aim of the Program will be the implementation of projects serving the needs of local development which, in the future, can become models to be duplicated in other regions.

The Foundation has allocated \$500,000.

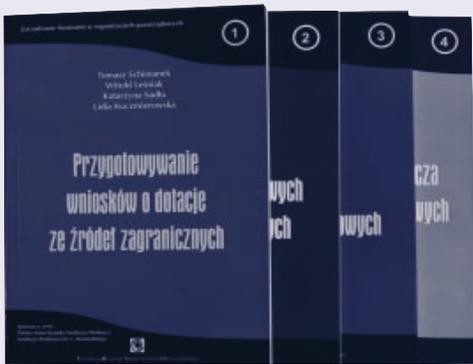
Program Manager: The Rural Development Foundation



One of the Program's goals is to build a plan for cooperation between local organizations working labor and the employers. An example is the project of the Small Business Support Association in Dobięgniew in which 32 program participants obtained jobs at a local supermarket. Photo: project coordinators.



A 26-person informal group “Between Ourselves” was established in Smokowo, a village of some 350 population where a state-run farm used to be. The village has no public facilities, hence the initiative to have a community center was welcomed by the local people, local government, and the housing cooperative. A grant for the organization of the community center, offered under the “Village in Transition” Program, had an inspiring effect on further projects proposed by the residents of Smokowo.



Guide-books for financial personnel of the third sector were also published on electronic carriers. A special CD-ROM carries the relevant sets of legal, tax, and accounting documents.



Gmina Cmolas Development Association received first prize in the category for the benefit of the environment and region, involving cooperation with non-governmental organizations and local governments.

Jan Nowak Jeziorański – Honorary President of the Competition Chapter – said during the award distribution ceremony about the Gmina Cmolas: “I do not know where it is, but what I have read about you is inspiring. Examples like this should be shown to the world. Let it know how vast are the changes going on in Poland.”

■ THE “FINANCIAL MANAGEMENT FOR NGOs” PROGRAM

The Program is aimed at improving financial management of non-governmental organizations and, consequently, at their higher efficiency.

The Program’s implementation started with a survey inquiring about the financial training needs of some 500 organizations. Based on the survey’s results, easy-to-comprehend manuals were produced. A group of 297 NGOs representatives took part in several-day conferences held to educate NGOs on keeping their account books and on how to apply for financial support available in Poland and abroad, which was of special importance in the context of Poland’s integration with the European Union.

The Program received altogether \$120,000 and it is co-financed by the Leopold Kronenberg Banking Foundation in the amount of \$30,000.

The Foundation has allocated \$90,000.

Program Manager: The Civil Society Development Foundation

■ THE “PRO PUBLICO BONO” AWARD

The Nationwide Competition for the Best Civil Initiative Pro Publico Bono was launched in 1999 under the patronage of the Polish Prime Minister. It had its third round in 2001, this time held under the auspices of the Ombudsman Office.

The aim of the Competition is to award the most desirable activities undertaken by the NGOs in the field of education, culture, national heritage, health protection, social aid and charity, environmental protection, regional development, and public diplomacy.

When evaluating the applications, an independent, public jury (the Chapter) looks at the social role of the initiative, its impact on the development and competitiveness of the locality, the effectiveness and transparency of spending public funds, innovativeness, the institutional stability of the nominee, and ethics.

As many as 243 non-governmental organizations of various profiles were competing for the awards. The Chapter gave awards to 20 initiatives; all of which can provide a source of inspiration to others.

As in previous years, the awards’ ceremony was held in Cracow on November 11, Poland’s Independence Day.

The Polish-American Freedom Foundation extended financial support to the Competition for the first time one year ago and the present round was a joint project of PAFF and the newly-established “Pro Publico Bono” Competition Foundation.

The Foundation has allocated \$155,000.

Program Manager: “Pro Publico Bono” Competition Foundation

CITIZEN IN A DEMOCRATIC STATE OF LAW

■ THE “SUPPORTING LEGAL REFORMS – TRAINING & COMPUTERS” PROGRAM

The aim of this Program is to extend support to measures undertaken by the justice community to utilize advanced computer technologies for purposes of self-education and access to information.

Because of the grant, the Manager of the Program – Foundation Center for the Training of Judges “Iustitia” – continues to improve its training

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infrastructure by purchasing computers, hiring trainers, and developing the Program's Web site. Three training centers were opened, in Warsaw, Wrocław, and Białystok, which help 500 district courts employees to learn advanced computer techniques and provide access to law-related data bases.

In order to enable self-education, participants in the training were assisted in buying personal computers in installments under a program similar to PAFF's program "Computer for a Teacher 2000."

The Foundation has allocated \$190,000.

Program Manager: The Foundation Center for the Judges Training "Iustitia"

■ "THE CITIZEN AND LAW" PROGRAM

The aim of this Program is to support non-governmental initiatives which help citizens gain access to legal advice, especially those who live in small towns and rural communities. The Program will be launched in January 2002.

An independent grants' committee will allocate grants to projects which propose model solutions, mobilize civic activity, carry an educational messages and, at the same time, lead to equalizing access to legal help in difficult areas of Poland. Preference will be given to projects which can sustain themselves after the Foundation's assistance is phased out. Support will go to actions which strengthen civil consultation and legal information services provided by public administration, mobilizing the world of lawyers to do "pro bono" work in local communities, and organization of apprenticeships for law students in non-governmental organizations.

The Foundation will allocate \$350,000.

Program Manager: The Institute of Public Affairs

SHARING OF POLAND'S EXPERIENCES IN THE TRANSFORMATION

■ THE LANE KIRKLAND SCHOLARSHIP PROGRAM

The Foundation launched a long-term scholarship Program intended to share the Polish transition experience with other countries of Central and Eastern Europe. The Program, modeled on the experience of the U.S. Fulbright Program, was named after the late Lane Kirkland, a great supporter of Poland, longtime leader of the AFL-CIO, and member of the Board of Directors of the Polish-American Enterprise Fund.

Persons receiving the scholarship – young leaders from public administration structures, academic circles, business world, media, and politics – are selected every year in a three-stage competition process. The main component of the Program is a two-term education project and apprenticeship, tailored to the individual needs of each fellow and now implemented by Polish university-level schools. Each fellow can study and work under the supervision of a tutor who is an expert in the relevant discipline. The Foundation provides the Program participants with living stipends and covers their accommodation and travel costs.

The Manager for the program's pilot-phase during the academic year 2000/2001 was the Center for East European Studies of Warsaw University. 12 participants from Ukraine were studying the problems of Polish economic, social, and political transition at selected university-level schools in Warsaw. The Foundation's grant was



September 2001 – inauguration of the computer training center for administration of justice personnel in Wrocław.



INSTYTUT SPRAW PUBLICZNYCH
INSTITUTE OF PUBLIC AFFAIRS

The Program Manager is the Institute of Public Affairs – a non-governmental and supra-party research institution established in 1995 to provide scientific and intellectual support for the debate and transformation going on in Poland.

The Center of Constitutionalism and Legal Culture which operates under its auspices deals with the broadly understood problems of constitutional culture, the application of the Constitution, and the impact of constitutional norms on the regulation of various segments of the law.



The closing ceremony of the first year of the Lane Kirkland Scholarship Program was held at the Warsaw University's Senate Room on July 16, 2001. The ceremony was attended by the Minister of Foreign Affairs Władysław Bartoszewski, Deputy Minister of Education Jerzy Zdrada, Ambassador of the United States Christopher R. Hill, Ukraine Dmytro Pawlyczko, Poland's Ambassador to Ukraine Marek Ziółkowski, Chairman of the Parliament Foreign Affairs Committee Czesław Bielecki, and President of the Polish Confederation of Private Employers Henryka Bochniarz.



The "RITA" Program drew very high interest among Polish NGOs. Nearly 300 applications were submitted proposing cooperation with NGOs in 12 countries, most of them from neighboring states: Ukraine (159), Belarus (78), Lithuania (61), Russia (51), Slovakia (25), and the Czech Republic (16).

\$240,000. In the academic year 2001/2002, 30 participants from neighboring countries – Ukraine (12), Belarus (10), Lithuania (4), Russia/Kaliningrad District (3), and Slovakia (1) – qualified for the second round of the program.

The Foundation has allocated \$519,000.

The Program Manager is now the Polish-U.S. Fulbright Commission.

■ THE "REGION IN TRANSITION" PROGRAM (RITA)

The aim of the Program is to share the Polish experience in systemic transition with other Central and Eastern European countries by way of supporting the relevant initiatives of Polish non-governmental organizations.

The grants' committee selected 39 applications from nearly 300 which were received. These applications concerned projects leading to, among other things: building a civil society, improving the performance of local government, educational reform, social aid and minority rights, macro-economic reforms, and support for small business. The proposed topics covered local initiatives (e.g., cooperation between schools in Gorlice and Bardiów) as well as nationwide projects (e.g., one proposed by the Foundation Our Earth concerning a campaign "Clean Up the World" in Ukraine for which the Polish experience could be used).

The project initiatives came from organizations with considerable experience in the East (Foundation IDEE, Foundation Nowy Staw, the Youth Parliament in Przemyśl) as well as those doing projects with Ukrainian or Belarussian partners for the first time ever (Medical Junior High School in Sosnowiec, associations: "Green Pomerania" and "Share What We Have"). Some of them are nationwide organizations (Polish Humanitarian Action, the Foundation in Support of Local Democracy) and local organizations (such as, the Centrum "Poświętne" in Płońsk, the Foundation Happy Childhood, and the Integration Sports Club in Lublin). Part of the Program includes meetings of Polish and foreign organizations "Sharing the Polish Experience" which are intended to help establish new contacts; two of them were held in Kaliningrad and Lviv.

The Foundation has allocated \$500,000.

Program Manager: Foundation Education for Democracy

INITIATIVES IN EDUCATION

■ **The "Education on the Internet – Polish Educational Portal "Interkl@sa" Program**

Program Manager: The Foundation for Economic Education

<http://www.interklasa.pl>

■ **The "Computer for a Teacher 2000–2001" Program**

Program Manager: The National Foundation for Computer Literacy

<http://www.ofek.waw.pl>

■ **The "English Teaching 2000" Program**

Program Manager: The Polish Children and Youth Foundation

<http://www.pcyf.org.pl>

■ **The "Training for Health Care Managers" Program**

Program Manager: The Society for Health Care Managers

<http://www.stomoz.pl>

■ **The "Learning Schools" Program**

Program Manager: The Center for Citizenship Education Foundation

<http://www.ceo.org.pl>

■ **The "Management Education 2001" Program**

Program Manager: The Educational Enterprise Foundation

<http://www.fep.lodz.pl>

■ **The "Equal Opportunities" Program**

Program Manager: The Polish Children and Youth Foundation

<http://www.pcyf.org.pl>

CITIZEN IN A DEMOCRATIC STATE OF LAW

■ **The "Supporting Legal Reforms – Training & Computers" Program**

Program Manager: The Foundation Center for the Judges Training "Iustitia"

<http://www.iustitia.pl>

■ **The "Citizen and Law" Program**

(The Program will be launched in 2002)

Program Manager: The Institute of Public Affairs

<http://www.isp.org.pl>

SUPPORT FOR LOCAL COMMUNITIES

■ **The "Mutual Information Society" Program**

Program Manager: Klon/Jawor Society

<http://www.ngo.pl>

■ **The "Act Locally" Program**

Program Manager: The Academy for the Development of Philanthropy in Poland

<http://www.filantropia.org.pl>

■ **The "Financial Management for NGOs" Program**

Program Manager: The Civil Society Development Foundation

<http://www.free.ngo.pl/csdff/>

■ **The "Undoing Unemployment" Program**

Program Manager: The Enterprise Development Foundation in Suwalki

<http://www.frp.pl>

■ **The "Village in Transition" Program**

Program Manager: The Rural Development Foundation

<http://www.fww.org.pl>

SHARING OF POLAND'S EXPERIENCES IN THE TRANSFORMATION

■ **The Lane Kirkland Scholarship Program**

Program Manager: Polish-U.S. Fulbright Commission

<http://www.fulbright.edu.pl>

■ **The "Region in Transition" Program (RITA)**

Program Manager: Foundation Education for Democracy

<http://www.edudemo.org.pl>

EDUCATION

- Portal Interkl@sa: **8 million** unique entries, over **35,000** users
- "COMPUTER FOR A TEACHER 2000-2001": **3,000** teachers, **1,000** e-mail accounts
- "ENGLISH TEACHING 2000": **58** initiatives, over **13,000** students and teachers, over **23,000** members of local communities,
- "TRAINING FOR HEALTH CARE MANAGERS": **20** training centers, **2,000** trainees, **156** scholarships,
- "MANAGEMENT EDUCATION 2001": **40** schools, **1,500** scholarships, **21** books, **200** participants in competitions
- "LEARNING SCHOOLS": **274** teachers trained, **50** schools – members of the "Learning Schools Club"
- "EQUAL OPPORTUNITIES": **40** implemented projects

LOCAL INITIATIVES

- "MUTUAL INFORMATION SOCIETY": **1,500** advices, **9** publications in the total number of **60,000** copies
- Portal WWW.NGO.PL: **230,000** users, **4,6 million** unique entries
- "ACT LOCALLY": **69** implemented projects, **3,500** volunteers, over **200,000** beneficiaries, **12** model local initiatives
- "UNDOING UNEMPLOYMENT": **1,000** people covered by the Program, **5** pilot projects
- "VILLAGE IN TRANSITION": **120** local communities covered by the Program so far
- "FINANCIAL MANAGEMENT FOR NGOS": **300** persons trained, **4** guide-books, CD-ROM
- "PRO PUBLICO BONO" AWARD: **20** awarded NGOs in the 3-rd round

FLOOD

- **176** loans
- **50** assisted schools

SUPPORTING LEGAL REFORMS

- "TRAINING & COMPUTERS": **500** persons trained



* Kaliningrad District

SHARING OF POLAND'S EXPERIENCES

■ **THE LANE KIRKLAND SCHOLARSHIP PROGRAM:**

42 fellows from **5** countries (Ukraine, Russia, Lithuania, Belarus, Slovakia)

■ **"REGION IN TRANSITION" (RITA):**

39 implemented projects, cooperation with NGOs from **12** countries (Ukraine, Belarus, Lithuania, Russia, Slovakia, Romania, Yugoslavia, Georgia, Azerbaijan, Armenia, Kazakhstan, Mongolia)

● Locations of projects implemented under the „RITA” Program

■ Countries, in which projects under the „RITA” Program have been implemented.

🎓 Fellows of the Lane Kirkland Scholarship Program

STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2001

ASSETS

ASSETS:

| | |
|---------------------------------------|----------------|
| Cash and cash equivalents (Note 6) | \$ 110,347,441 |
| U.S. Government Agency Bonds (Note 6) | 5,839,260 |
| Corporate commercial paper (Note 6) | 3,999,685 |
| Accrued interest receivable | 476,564 |
| Fixed assets, net (Note 7) | 80,431 |
| Prepaid expenses and other assets | 41,686 |
| | <hr/> |
| Total assets | \$ 120,785,067 |

LIABILITIES AND NET ASSETS

LIABILITIES:

| | |
|-------------------------|-----------|
| Grants payable (Note 5) | 1,449,000 |
| Accrued expenses | 147,446 |
| | <hr/> |
| Total liabilities | 1,596,446 |

NET ASSETS:

Unrestricted:

| | |
|---|-------------|
| Cumulative excess of income over expenses | 4,564,072 |
| Cumulative grant disbursements | (3,933,784) |
| Cumulative translation adjustment | 7,333 |
| | <hr/> |
| | 637,621 |

| | |
|-------------------------|-------------------|
| Grants payable (Note 5) | <hr/> (1,449,000) |
|-------------------------|-------------------|

| | |
|---------------------|-----------|
| Total unrestricted: | (811,379) |
|---------------------|-----------|

| | |
|---------------------------------|-------------------|
| Permanently restricted (Note 4) | <hr/> 120,000,000 |
|---------------------------------|-------------------|

| | |
|---------------------------|-------------------|
| Total net assets (Note 5) | <hr/> 119,188,621 |
|---------------------------|-------------------|

| | |
|----------------------------------|----------------------|
| Total liabilities and net assets | <hr/> \$ 120,785,067 |
|----------------------------------|----------------------|

The accompanying notes are an integral part of this statement.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2001

CHANGES IN UNRESTRICTED NET ASSETS:

INCOME:

| | |
|-----------------|--------------|
| Interest income | \$ 4,262,641 |
| | <hr/> |
| Total income | 4,262,641 |
| | <hr/> |

EXPENSES:

| | |
|------------------------------------|-----------|
| Employee compensation and benefits | 562,673 |
| Other operating costs | 223,477 |
| Occupancy | 124,440 |
| Depreciation | 48,865 |
| Other | 156,232 |
| | <hr/> |
| Total expenses | 1,115,687 |
| | <hr/> |

EXCESS OF INCOME OVER EXPENSES EXCLUDING GRANTS DISBURSED
AND CHANGE IN GRANTS PAYABLE

3,146,954

| | |
|-------------------------|-----------|
| Grants disbursed | 3,408,784 |
| Grants payable (Note 5) | 249,000 |
| | <hr/> |

NET DECREASE IN UNRESTRICTED NET ASSETS

\$ (510,830)

CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:

| | |
|-----------------|---------------|
| Grants received | \$ 40,000,000 |
| | <hr/> |

| | |
|---|------------|
| INCREASE IN PERMANENTLY RESTRICTED NET ASSETS | 40,000,000 |
| | <hr/> |

| | |
|---------------------------------|---------------|
| INCREASE IN NET ASSETS (Note 5) | \$ 39,489,170 |
| | <hr/> |

The accompanying notes are an integral part of this statement.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2001

| | |
|---|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Increase in net assets | \$ 39,489,170 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities: | |
| Increase in permanently restricted net assets | (40,000,000) |
| Depreciation | 48,865 |
| Changes in operating assets and liabilities: | |
| Decrease in accrued interest receivable | 272,552 |
| Increase in prepaid and other | (24,700) |
| Increase in liabilities | 259,921 |
| Net cash provided by operating activities | 45,808 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Endowment Fund investment portfolio activity: | |
| Sales of debt investments | 75,461,842 |
| Purchases of debt investments | (45,210,750) |
| Purchases of fixed assets | (29,509) |
| Net cash used by investing activities | 30,221,583 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Proceeds of permanently restricted grant contributions received: | 40,000,000 |
| Net cash provided by financing activities | 40,000,000 |
| EFFECT OF EXCHANGE RATE CHANGES EQUIVALENTS | (876) |
| Net increase in cash and cash equivalents | 70,266,515 |
| CASH AND CASH EQUIVALENTS, beginning of year | 40,080,926 |
| CASH AND CASH EQUIVALENTS, end of year | \$ 110,347,441 |

The accompanying notes are an integral part of this statement.

1. ORGANIZATION

The Polish-American Freedom Foundation (the "Foundation") is an U.S. not-for-profit corporation established on August 11, 1999 pursuant to an agreement between the Polish-American Enterprise Fund (the "Fund") and the U.S. Government. The Foundation was created to advance the purposes of the Support for East European Democracy Act of 1989 by building upon the successful assistance programs and sound practices established by the Fund and to undertake other developmental initiatives designed to solidify Poland's successful transition to democracy and free markets.

With the permission of the Minister of Foreign Affairs of Poland, the Foundation has opened a Representative Office in Poland whose purpose is to engage in activities to promote the Foundation and to provide information and consultation to the Foundation with respect to its activities.

2. BASIS OF PRESENTATION

In accordance with accounting principles generally accepted in the United States for not-for-profit organizations the Foundation is required to report information regarding its financial position and activities according to the following classes of net assets:

Permanently restricted net assets are those that may never be spent by the Foundation. As of September 30, 2001 the Foundation had \$120 million of permanently restricted net assets.

Unrestricted net assets are the net assets of the Foundation that are not permanently restricted. Unrestricted net assets are expendable by the Foundation for operating costs and grants. As of September 30, 2001 the Foundation had \$(811,379) of unrestricted net assets (see note 5).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes. Actual results could differ from those estimates.

Investments

U.S. Government agency obligations and corporate commercial paper are carried at fair market value in the accompanying statement of financial position.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid financial instruments with a maturity of three months or less to be cash equivalents.

Grants

Grants are recorded as Grants payable when the grant is approved in accordance with policies set by the Board of Directors, negotiations have been finalized with the grantee and the grant agreement has been signed between the parties.

Translation of Foreign Currency

The functional currency of the Polish representative office is the Polish zloty. Expenses transacted in Polish zlotys are translated into U.S. dollars at the average exchange rates in effect during the period. There were no revenues transacted in Polish zlotys. Polish zloty denominated assets (fixed assets, rent deposit) are translated at historical exchange rates. There were no investments denominated in Polish zloty. Polish zloty denominated liabilities (accrued expenses) are translated at the year-end spot currency rate.

Translation differences are not reported in the statement of activities but are charged directly to net assets.

Donated Services

Members of the Board donate significant amounts of their time to the Foundation's programs. The Foundation's directors receive no compensation or fees for serving as directors. No amounts have been reflected in the accompanying financial statements for such donated services, inasmuch as no objective basis is available to measure the value of such services. The Foundation's Polish directors receive a fee for providing advice and assistance to the Foundation. For the year ended September 30, 2001 the total fee paid to all Polish directors amounted to \$20,000.

Depreciation and Amortization

Computer hardware, furniture, equipment and automobiles are depreciated on a straight-line basis over their estimated useful lives. Leasehold improvements are amortized on a straight-line basis over the lesser of their useful lives or the term of the lease.

Other Operating Expenses

Professional services, expenses of Board of Directors meetings and expenses for travel, lodging, meals, etc., incurred in connection with the Foundation's operations are classified as other operating expenses.

4. POLISH-AMERICAN ENTERPRISE FUND GRANT

Pursuant to an agreement signed in 1999 between the Fund and the U.S. Government and in consultation with the Government of Poland, the Fund has returned \$120 million of the Fund's assets to the U.S. Treasury and intends to use substantially all of the remaining balance of its assets to endow the Foundation (the "Endowment Amount").

According to the terms of the grant agreement between the Fund and the Foundation (the "Grant Agreement") the Foundation may finance its activities from interest on or other earnings generated by the Endowment Amount.

The Grant Agreement prohibits the disbursement of any part of the Endowment Amount received from the Fund therefore the Endowment Amount is classified as a permanently restricted net asset.

According to the terms of the Grant Agreement, the Fund has the right to require repayment or transfer of all or any portion of the Endowment Amount paid or transferred to the Foundation together with any interest thereon if there exists foreign policy grounds described in Section 801 of the SEED Act.

Through September 30, 2001 the Foundation had received the following Endowment Amounts from the Fund (dollars in millions):

| | |
|--------------------|-----------------|
| October 8, 1999 | \$ 40.0 |
| September 29, 2000 | 40.0 |
| September 27, 2001 | 40.0 |
| | <u>\$ 120.0</u> |

5. NET ASSETS AND GRANTS PAYABLE

In accordance with accounting principles generally accepted in the United States, the Foundation is required to classify a grant as a grant payable at the time the grant agreement is signed. Grants payable are required to be recorded as a reduction of net assets and a liability of the Foundation. For purposes of compliance with the Grant Agreement, this reduction in net assets is not considered a disbursement of any part of the Endowment Amount. At September 30, 2001 the Foundation had \$1.449 million in Grants payable. In the normal course of operations this amount will be disbursed to grantees from future income only to the extent that no part of the Endowment Amount is spent.

In addition, as of September 30, 2001 the Foundation had approved 4 grants totaling \$915,000 that, as of that date, were subject to the completion of grant negotiations and the signing of grant agreements to the satisfaction of all parties. Subsequent to September 30, 2001 the Foundation signed 1 of these grant agreements totaling \$115,000.

6. INVESTMENTS AND CASH AND CASH EQUIVALENTS

The Foundation engages a professional investment manager who makes all investment decisions according to the Foundation's investment policy and monitors the Foundation's investments.

As of September 30, 2001, the Foundation's cash and cash equivalents consisted of \$110.3 million in cash (principally money market funds) that was deposited at one high quality U.S. financial institution.

The Foundation's investment manager invests in multiple issuers of corporate commercial paper investments and multiple issues of U.S. Government Agency Bonds. As of September 30, 2001, the Foundation's investments in U.S. Government Agency Bonds amounting to \$5.8 million and Corporate Commercial Paper amounting to \$4.0 million had maturities of less than one year.

7. FIXED ASSETS

As of September 30, 2001, fixed assets consisted of:

| | |
|---------------------------------|------------------|
| Computer equipment and software | \$ 59,895 |
| Furniture and equipment | 53,976 |
| Automobiles | 36,444 |
| Leasehold improvements | <u>2,275</u> |
| | 152,590 |
| Less – Accumulated depreciation | <u>(72,159)</u> |
| Net book value | <u>\$ 80,431</u> |

8. LEASE COMMITMENTS

The Foundation is committed to make minimum annual rental payments for office space under an operating lease entered into in December 1999, which expires as of December 31, 2002. Lease commitments for the fiscal years subsequent to September 30, 2001 are approximately \$33,000 in the period from October 1, 2001 to December 31, 2001 and \$132,000 for the twelve months ending December 31, 2002.

9. CHANGE OF FISCAL YEAR

On January 19, 2001 the Board of Directors approved a change in the Foundations year-end from September 30 to December 31. This change will be effective on December 31, 2001. The period from October 1, 2001 to December 31, 2001 will be subject to a separate audit.

10. TAX STATUS

United States

The Foundation is exempt from U.S. Federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code"), and has been classified as an organization that is not private a foundation as defined in Section 509(a)(1) of the Code. In addition, the Foundation is exempt from payments of state and local income taxes.

Poland

The Foundation's Representative Office in Poland is not subject to Polish corporate income taxation.

Report of Independent Public Accountants

To the Board of Directors of
Polish-American Freedom Foundation:

We have audited the accompanying statement of financial position of Polish-American Freedom Foundation as of September 30, 2001, the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Polish-American Freedom Foundation as of September 30, 2001, the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Arthur Andersen LLP

*New York, New York
November 21, 2001*

Board of Directors

| | |
|---|--|
| John P. Birkelund – Chairman | <i>Chairman of the Board of Directors of the Polish-American Enterprise Fund, Senior Advisor UBS Warburg LLC</i> |
| Marek Belka (<i>till November 2001</i>) | <i>Economic Advisor to the President of the Republic of Poland, former Polish Deputy Prime Minister and Finance Minister</i> |
| Joseph C. Bell | <i>Senior Partner at Hogan & Hartson</i> |
| Michał Boni | <i>Former advisor to Polish Deputy Prime Minister and Labour Minister, former Minister of Labour and Social Policy</i> |
| Zbigniew Brzeziński | <i>Former National Security Advisor to the U.S. President, Counselor at the Washington Center for Strategic and International Studies, Member of the Board of Directors of the Polish-American Enterprise Fund</i> |
| John H. D’Arms | <i>President of the American Council of Learned Societies</i> |
| Robert G. Faris | <i>President & Chief Executive Officer of the Polish-American Enterprise Fund</i> |
| Anna Fornalczyk (<i>from May 2001</i>) | <i>Former President of the Polish Office for Competition and Consumer Protection</i> |
| Christopher R. Hill | <i>U.S. Ambassador to Poland, ex-officio participating in the work of the Board of Directors</i> |
| Aleksander Koj | <i>Professor at the Molecular Biology Institute at the Jagiellonian University, former Rector of the Jagiellonian University</i> |
| Jerzy Koźmiński | <i>President and Chief Executive Officer of the Polish-American Freedom Foundation, former Polish Ambassador to the United States</i> |
| Krzysztof Pawłowski | <i>Rector of the High School of Business-National Louis University in Nowy Sącz, former Polish Senator</i> |
| Nicholas A. Rey | <i>Former U.S. Ambassador to Poland, Member of the Board of Directors of the Polish-American Enterprise Fund</i> |

| | |
|----------------------------------|--|
| Jerzy Koźmiński | <i>President and Chief Executive Officer</i> |
| Ryszard Kruk | <i>Administrator of the Representative Office, Vice President of the Polish-American Enterprise Fund</i> |
| Norman E. Haslun III | <i>Chief Financial Officer</i> |
| C. Douglas Ades | <i>Secretary to the Board of Directors</i> |
| Jacek Michałowski | <i>Program Director</i> |
| Radostaw Jasiński | <i>Program Director</i> |
| Anna Wojakowska | <i>Program Director</i> |
| Małgorzata Rurewicz-Rzesoś | <i>Chief Accountant</i> |
| Mira Osiecka | <i>Financial Analyst</i> |
| Przemysław Zaroń | <i>Information and Public Relations</i> |

POLISH-AMERICAN FREEDOM FOUNDATION

375 Park Avenue, Suite 1902
New York, NY 10152, USA
tel.: (212) 339-83 30
fax: (212) 339-83 59

REPRESENTATIVE OFFICE IN POLAND

72 Dobra St., 00-312 Warsaw, Poland
tel.: (48 22) 828-43-73
fax: (48 22) 828-43-72
e-mail: paff@pafw.pl, <http://www.pafw.pl>