

New Avenues to New Audiences

Annual Report 2019

Samuel H. Kress Foundation

KRESS

Cover and Back Images:
Giotto, (Italian, c. 1265–1337)
Madonna and Child, c. 1310/1315
Samuel H. Kress Collection
National Gallery of Art, Washington, DC

Below:
Sano di Pietro (Italian, 1405–1481)
*The Virgin in Adoration of the Christ Child with
Saints Bernard and Bernardino and Angels*
15th century, Samuel H. Kress Collection
Mead Art Museum, Amherst College
Amherst, MA



ANNUAL REPORT 2019
Ninetieth Year

Samuel H. Kress Foundation



Paolo di Giovanni Fei (Italian, c. 1335/1345–1411)
The Presentation of the Virgin in the Temple
1398–1399, Samuel H. Kress Collection
National Gallery of Art, Washington, DC



CONTENTS

- 4 President's Message
- 8 Summary of Awards

9 Grants

- 10 Summary of Grants
- 11 History of Art
- 18 Conservation
- 20 Digital Resources for the History of Art
- 22 General Program Support

23 Fellowships

- 24 Summary of Fellowships
- 25 History of Art: Institutional Fellowships
- 28 Conservation Fellowships
- 31 Interpretive Fellowships at Art Museums

33 Financial Review

- 34 Independent Auditor's Report
- 36 Statements of Financial Position
- 37 Statements of Activities
- 38 Statements of Cash Flows
- 39 Statements of Functional Expenses
- 40 Notes to Financial Statements

- 49 Trustees and Staff
- 50 Trustees and Terms of Service



PRESIDENT'S MESSAGE

In 2019, we at the Samuel H. Kress Foundation celebrated several significant anniversaries. First and foremost, 2019 marked the 90th anniversary of the establishment of the Kress Foundation in 1929, making the Foundation among the oldest private foundations in the United States. We are proud of Kress's myriad contributions to the nation and humanity over the course of nearly a century.

2019 also marks the 30th anniversary of the founding in 1989 of one of our core programs: the Kress Program in Paintings Conservation at the Conservation Center of the Institute of Fine Arts, New York University (IFA CC). We wish to toast this signature program and the outstanding contributions of its leadership and students over the past three decades. We also wish to express our abiding appreciation and gratitude to the University and the IFA administration for their sustained commitment to this unique program.

The Kress Program at the IFA CC brings together two of the Kress Foundation's key programmatic and mission-driven commitments. First, it provides a wide array of conservation services to the more than eighty municipal art museums, campus museums and other cultural organizations nationwide that collectively steward the former Kress Collection. The Kress Collection includes more than 1,000 European paintings, primarily from the 13th to early 19th centuries and many of its host institutions lack any significant in-house or local conservation capacity. In 1989, in recognition of this need, a pilot course for the conservation of Kress Collection paintings was incorporated into the curriculum of the IFA CC. Through the original pilot program at NYU, a selection of paintings from Kress Regional and Study Collections around the nation came to 14 East 78th Street to be cleaned and treated by graduate students under the supervision of Dianne Dwyer Modestini. Professor Modestini's intimate knowledge of the Kress Collection, combined with her unique experience in training young paintings conservators, enabled her to tailor examinations and treatments to suit each student's evolving capacity. Close collaboration between the Institute's outstanding art history faculty and the

Conservation Center was fostered by the presence of Kress Collection paintings, which lent themselves to object-based study. Participating museums, in return, benefited not only from treatments of the highest caliber, but also as recipients of all supporting documentation, including art historical and technical analyses.

Equally important, the program further provides a unique training opportunity for graduate art conservation students wishing to learn about and potentially pursue careers in the study and conservation of old master paintings. All IFA CC students specializing in paintings conservation take at least one class allowing them to work on a Kress painting in the course of their graduate studies. Depending on the availability of projects and interest, students from other specializations may also enroll in a Kress class. Graduates of the Kress Program in Paintings Conservation have gone on to work successfully in a professional capacity in museums and private studios both throughout the country and abroad. In the United States this has included the Art Institute of Chicago, the Brooklyn Museum of Art, the Fine Arts Museums of San Francisco, the Guggenheim Museum, the J. Paul Getty Museum, the Kimball Art Museum, the Los Angeles County Museum, the Metropolitan Museum of Art, the Museum of Fine Arts, Boston, the Museum of Fine Arts, Houston, the Museum of Modern Art, the National Gallery of Art, the Philadelphia Museum of Art, and the Walters Art Museum. And abroad they include the Fondation Beyeler (Basel), the National Gallery of Victoria (Melbourne), the Öffentliche Kunstsammlung (Basel), and the Rijksmuseum (Amsterdam), among others.

As part of this ambitious program and in recognition of its early accomplishments and great promise, in 1991 the Board of Trustees of the Kress Foundation approved the establishment of a Post Graduate Fellowship for Advanced Training in Paintings Conservation. This position evolved significantly over the following decade to meet the changing needs of the program. The responsibilities of the Kress Post Graduate Fellows have included: assisting other conservation faculty;

teaching small topical workshops and organizing new curricula; overseeing the mechanics of arrival, uncrating and documenting of Kress Collection paintings; monitoring the condition of the Kress Regional and Study Collections and assisting in the selection of paintings for examination and treatment; and recommending the purchase of essential new technologies to facilitate treatments and ensure the safety of the students. The Fellows also have the opportunity to attend numerous lectures, both in conservation and art history, to gain experience in panel work on selected Kress paintings, and to travel abroad to attend workshops and undertake related studies. Kress Post Graduate Fellows at the IFA CC have included Annette Rupprecht (1991–1995), Jennifer Sherman (1994–2000), Friederike Steckling (1998–2000), Molly March (1999–2002), Sue Ann Chui (2001–2002), Nica Gutman (2002–2015), and Shan Kuang (2016–2019).

In order to better reflect the responsibilities of the Kress Post Graduate Fellow the title of the position has recently been changed to Associate Conservator for the Kress Program in Paintings Conservation, with Ms. Kuang as the first incumbent. Today, under the close supervision of Professor Modestini and Ms. Kuang, graduate conservation students carry out thorough technical examination and materials analysis of Kress paintings prior to their treatment. The more advanced the student, the more challenging the conservation problems the selected pictures present. Paintings with more complicated needs are worked on by the instructors and serve as demonstrations of optimal approaches to formulating and executing particularly challenging treatments. The close proximity and active interest of art historians and conservators at the Metropolitan Museum of Art and other local and regional art museums often results in collaborative examinations and the discovery of new information about attribution, workshop practice, painting technique, original display, and later alterations.

The fruits of the Kress Program in Paintings Conservation at the IFA CC are myriad. In addition to helping groom the next generation of old master painting conservators, the program has resulted in the examination and/or treatment of more than 200 Kress Collection paintings since the inception of the pilot program in 1989. The program has also supported significant publications, of which the anthology *Studying and Conserving Paintings: Occasional Papers on the Samuel H. Kress Collection* (2006) is especially noteworthy. Finally, we are pleased to announce and celebrate the imminent launch of a rich website dedicated to the Kress Program in Paintings Conservation, which will document the achievements of this signal program over the course of the past three decades.

A handwritten signature in dark ink, reading "Max Marmor". The signature is written in a cursive, flowing style with some ink bleed-through visible from the reverse side of the paper.

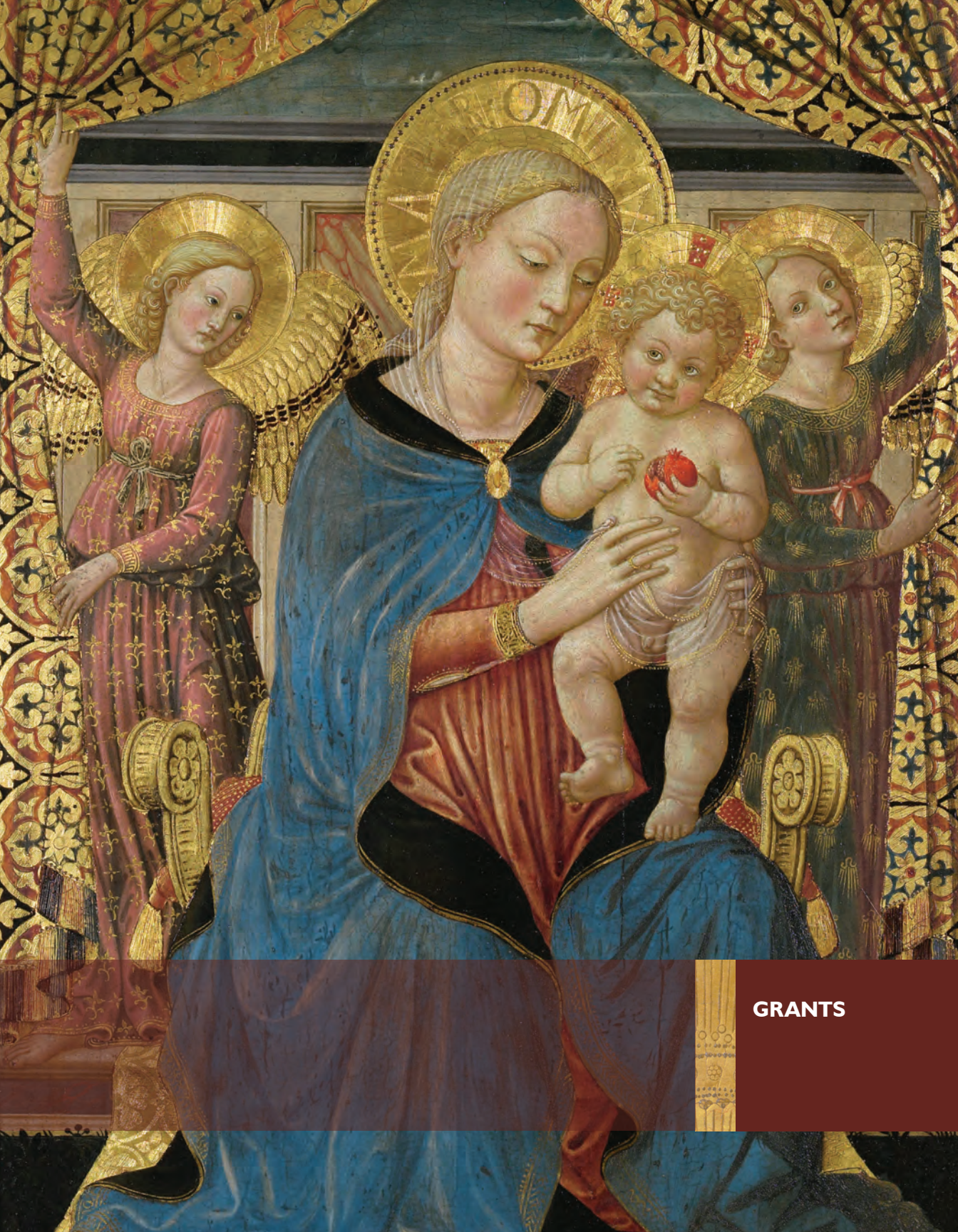
Max Marmor
President



SUMMARY OF AWARDS

Grants	\$ 1,530,500
Fellowships	1,499,258
<i>Grand Total Awards</i>	<i>\$ 3,029,758</i>

Following Page:
Follower of Benozzo Gozzoli
(Italian, c. 1421–1497)
Madonna and Child with Angels
mid-15th century, Samuel H. Kress Collection
Honolulu Museum of Art, Honolulu, HI



GRANTS





SUMMARY OF GRANTS

History of Art	\$ 1,018,300
Conservation	60,425
Digital Resources for the History of Art	390,125
General Program Support	16,250
Other — Matching Gifts	45,400
<i>Grand Total Grants</i>	<i>\$ 1,530,500</i>



American Academy in Rome NEW YORK, NY	In ongoing support of the conservation and digitization of the Photographic Archive of the American Academy in Rome	50,000
American Federation of Arts NEW YORK, NY	In support of the traveling exhibition <i>The Princely Collections, Liechtenstein: Five Centuries of European Painting and Sculpture</i>	15,000
Antiquities Coalition WASHINGTON, DC	In support of a workshop to educate collections professionals about the provenance challenges surrounding antiquities and to foster ethical acquisition policies	7,000
Archaeological Institute of America BOSTON, MA	In support of the Kress Lectureship in Ancient Art awarded to Troels Myrup Kristensen, Filomena Limão, and Hazel Dodge	64,000
Art Libraries Society of North America OAK CREEK, WI	In support of participation by art librarians in international conferences in order to promote the exchange of ideas and information	15,000
Association of Academic Museums and Galleries NASHVILLE, TN	In support of the development of a prototype curriculum for a new MA program in Museum Practice to train the next generation of art museum professionals	36,000
Association of Art Museum Curators NEW YORK, NY	In support of participation by curators in the 2019 Association of Art Museum Curators Annual Meeting in New York, NY	11,000
Association of Art Museum Curators NEW YORK, NY	In support of the 2019-2020 short-term residential fellowship at the American Academy in Rome for a member of the Association of Art Museum Curators	16,250

Association of Research Institutes in Art History FARMINGTON, CT	In ongoing support of a program to enable staff exchanges between the Association of Research Institutes in Art History (ARIAH) and the International Association for Research Institutes in the History of Art (RIHA)	12,000
Bank Street College of Education NEW YORK, NY	In support of fellowships for the Leadership in Museum Education Masters Program, awarded to Daniel Atkinson and Jamie Bowers	25,000
Case Western Reserve University CLEVELAND, OH	In support of participation by international scholars in the symposium <i>Abstraction Before the Age of Abstract Art</i> , held at the Index of Christian Art, Princeton University	4,000
Cleveland Museum of Art CLEVELAND, OH	In support of public programs associated with the exhibition <i>Michelangelo: Mind of the Master</i>	4,100
Colgate University HAMILTON, NY	In support of participation by scholars in a symposium on “orphaned” antiquities, held at the Center for Art and Cultural Policy Studies at the Woodrow Wilson School, Princeton University	10,000
College Art Association NEW YORK, NY	In support of participation by international scholars in the 2019 College Art Association Annual Conference in New York, NY	4,500
Columbia Museum of Art COLUMBIA, SC	In support of the development of a traveling exhibition of 30 Renaissance and Baroque masterworks from the Columbia Museum of Art’s Kress Collection	57,000
Columbia University NEW YORK, NY	In support of participation by scholars in the symposium <i>Competing Truths: Art and the Objects of History After the Council of Trent</i> , jointly held at the Italian Academy, Columbia University and the Frick Art Reference Library	2,800
Council of Independent Colleges WASHINGTON, DC	In support of the faculty development project Teaching Pre-Modern European Art in Context, held at the Yale Center for British Art, New Haven, CT in the summer of 2019	120,000
Council on Library and Information Resources ARLINGTON, VA	In support of one-year Digital Library Federation memberships for art museums	5,000

Fairfield University FAIRFIELD, CT	In support of a series of educational initiatives to increase academic and public engagement with Fairfield University Art Museum's Kress Collection	19,750
Fine Arts Museums of San Francisco SAN FRANCISCO, CA	In support of <i>Early Rubens: A Symposium</i> , held in conjunction with the <i>Early Rubens</i> exhibition at the Legion of Honor, Fine Arts Museums of San Francisco	8,700
Flemish Art Collection (Vlaamse Kunstcollectie) GHENT, BELGIUM	In support of participation by American graduate students in the 2020 Summer Course for the Study of the Arts in Flanders: The Age of Van Eyck in Context	5,000
French Regional & American Museum Exchange PORTLAND, OR	In support of participation by FRAME members from the United States in the 2019 Giverny Conference, held in Giverny, France	5,000
Frick Collection NEW YORK, NY	In support of educational programming associated with the exhibition <i>Bertoldo di Giovanni: The Renaissance of Sculpture in Medici Florence</i>	10,000
Frick Collection NEW YORK, NY	In support of short-term fellowships at the Center for the History of Collecting at the Frick Collection	10,000
Friends of the Artibus et Historiae and IRSA MANASSAS, VA	In support of the publication of a Festschrift dedicated to Professor Mauro Lucco in <i>Artibus et Historiae</i>	5,000
Frist Art Museum NASHVILLE, TN	In support of the exhibition <i>Medieval Bologna: Art for a University City</i>	25,000
Graduate Center Foundation NEW YORK, NY	In support of participation by art history graduate students nationwide in the City University of New York intensive summer Latin / Greek Institute	12,000
Institute of Museum and Library Services WASHINGTON, DC	In support of IMLS participation in the Qualitative and Quantitative Methods in Libraries International Conference, held in Florence, Italy	3,200
International Center of Medieval Art NEW YORK, NY	In support of the ICMA-Kress Exhibition Development Grant	5,000

Venetian 14th Century
*Virgin of the Annunciation &
Angel of the Annunciation*, c. 1340
Samuel H. Kress Collection
National Gallery of Art, Washington, DC



International Center of Medieval Art NEW YORK, NY	In support of participation by members of the International Center of Medieval Art in select international scholarly conferences	10,000
International Center of Medieval Art NEW YORK, NY	In support of Mid-Career Research and Publication Fellowships awarded to Joseph S. Ackley, Kristen Strehle, Alice Isabella Sullivan, and Sabina Zonno	16,000
Italian Art Society HARTFORD, CT	In support of the annual Italian Art Society / Kress Lecture in Italy	3,300
Italian Art Society HARTFORD, CT	In support of participation by members of the Italian Art Society in IAS-sponsored sessions at scholarly conferences in 2019	6,000
Ithaca S+R NEW YORK, NY	In support of a national survey of art museum directors in order to better understand the critical issues facing art museums today, in partnership with the Association of Art Museum Directors	50,000
Joslyn Art Museum OMAHA, NE	In support of the creation of a catalogue of the Joslyn Art Museum's European painting and sculpture collection	8,500
King Baudouin Foundation NEW YORK, NY	In support of participation by American graduate students in the 2019 Summer Course for the Study of the Arts in Flanders: The Age of Bruegel in Context	5,000
Kunsthistorisches Institut, Florence FLORENCE, ITALY	In support of participation by scholars based in the United States in the <i>Photo Archives VII: The Majority World</i> conference	10,000
Medici Archive Project NEW YORK, NY	In support of short-term research and paleography training fellowships for advanced students of Renaissance art history	17,000
Miami University OXFORD, OH	In support of the scholarly symposium associated with the exhibition <i>Illuminating the Past: Utilitarian Ceramics of the Ancient World</i> at the Miami University Art Museum, Oxford, OH	5,000
Middlebury College MIDDLEBURY, VT	In support of participation by art history graduate students in intensive summer European language study	55,000
Mint Museum of Art CHARLOTTE, NC	In support of the scholarly symposium associated with the exhibition <i>Classic Black: The Basalt Sculpture of Wedgwood and His Contemporaries</i> at the Mint Museum of Art	10,000

Morgan Library & Museum NEW YORK, NY	In support of pre-doctoral fellowships at the Drawing Institute at the Morgan Library & Museum	21,000
Museum Trustee Association BALTIMORE, MD	In support of the 2019 Museum Trustee Association Forums held in Phoenix, AZ and Cleveland, OH	7,000
National Gallery of Art WASHINGTON, DC	In support of the exhibition catalogue <i>A Superb Baroque: Art in Genoa, 1600-1750</i>	10,000
New Orleans Museum of Art NEW ORLEANS, LA	In support of the scholarly symposium <i>The Orléans Collection: Tastemaking, Networks, and Legacy</i> , held at the New Orleans Museum of Art	10,000
Newberry Library CHICAGO, IL	In support of public programs associated with the exhibition <i>Renaissance Invention: Stradanus's "Nova Reperta"</i>	5,000
Newberry Library CHICAGO, IL	In support of a series of seminars focused on European art history	8,500
Princeton University PRINCETON, NJ	In support of the Digital Cicognara Library, a project to make the early literature of the arts, found in the collection of Count Leopold Cicognara (1767-1834), accessible online	54,000
Renaissance Society of America NEW YORK, NY	In support of Mid-Career Research and Publication Fellowships awarded to Caroline Fowler, Andrew Horn, Christopher Nygren, Andrea Pearson, Douglas Brine	17,000
Renaissance Society of America NEW YORK, NY	In support of the Kress Short-Term Research Library Fellowships for Art Historians at Independent Research Libraries awarded to Maria Aresin, Erin Campbell, Katherine Reinhart, Jakub Koguciuk, Ivo Raband, Kristen Strehle, Giuliana Mosca	21,500
Rijksmuseum AMSTERDAM, NETHERLANDS	In support of participation by American graduate students in the 2019 Summer School in Dutch Art at the Rijksmuseum	6,000
Smarthistory PLEASANTVILLE, NY	In support of the creation of AP Art History curriculum in PDF and eBook formats available for free download on the Smarthistory platform	7,400

Syracuse University SYRACUSE, NY	In support of participation by American students in the Syracuse University Masters Program in Renaissance Art in Florence, Italy	25,000
Tate LONDON, UNITED KINGDOM	In support of educational programming associated with the exhibition <i>British Baroque: Power and Illusion</i>	10,000
University of Georgia ATHENS, GA	In support of the 2019 Emerging Scholars Symposium <i>Illustrating Love: From Myth to Manual</i> , held at the Georgia Museum of Art	7,500
University of Tennessee KNOXVILLE, TN	In support of the symposium associated with the exhibition <i>Apocalypse: Visions of the End</i> at the McClung Museum of Natural History & Culture, University of Tennessee	15,000
Visual Resources Association Foundation ALBUQUERQUE, NM	In support of a graduate student internship in Visual Resources and Image Management	4,000
Visual Resources Association Foundation ALBUQUERQUE, NM	In support of participation by graduate students and art information professionals in the 2019 Summer Education Institute for Image Management, a joint program with the Art Libraries Society of North America (ARLIS/NA)	5,000
Visual Resources Association Foundation ALBUQUERQUE, NM	In support of the Visual Resources Association's Regional Workshop Program	6,000
Wallace Collection in America WILMINGTON, DE	In support of an international conference on eighteenth-century French painting technique, to be held in New York, NY	6,000
Willamette University SALEM, OR	In support of a project to determine the provenance of the marble used in the Naxian Colossus at the Sanctuary of Apollo on Delos	9,300
Total—History of Art		\$1,018,300



CONSERVATION

Buffalo State College BUFFALO, NY	In support of participation by Mexican conservators in the 2019 Association of North American Graduate Programs in the Conservation of Cultural Property (ANAGPIC) Student Conference, hosted by the UCLA/Getty Conservation Program at the J. Paul Getty Museum	6,425
Foundation for Advancement in Conservation WASHINGTON, DC	In support of participation by international speakers in the 2019 American Institute for Conservation Annual Meeting in New England	10,000
Memphis Brooks Museum of Art MEMPHIS, TN	In support of shipping costs associated with the conservation treatment of a work in the Memphis Brooks Museum of Art's Kress Collection at the Conservation Center of the Institute of Fine Arts, NYU	19,000
The Sanctuary of Culture Foundation ATLANTA, GA	In continued support of the Cicognara Collection Conservation Project to preserve damaged volumes in the library of Count Leopold Cicognara (1767-1834) in the Vatican Library	25,000
<i>Total—Conservation</i>		\$60,425

Cenni di Francesco (Italian, active 1369–1415)
Martyrdom of Saint Stephen, c. 1370–1375
Samuel H. Kress Collection
Arkansas Arts Center, Little Rock, AR





DIGITAL RESOURCES FOR THE HISTORY OF ART

American Associates of the Royal Academy Trust NEW YORK, NY	In support of the digitization and enhanced accessibility of records in the Royal Academy of Art Collections	25,000
Creative Commons Corporation MOUNTAIN VIEW, CA	In support of the development of a Creative Commons Certification Program for Gallery, Library, Archives, and Museum (GLAM) professionals	15,000
Dartmouth College HANOVER, NH	In support of the development of Eyenotes, a software to enable the annotation of works of art in augmented and virtual reality environments	25,000
Duke University DURHAM, NC	In support of a graduate fellowship in Digital Art History, awarded to Clara Pinchbeck	30,000
J. Paul Getty Trust LOS ANGELES, CA	In support of a project to formalize a Linked Open Data model for the description of works of art, their provenance and their use in exhibitions	16,200
Koven J. Smith Consulting AUSTIN, TX	In support of the development of a Museum Technology Charter to address the technologies critical for museum adoption and their appropriate implementation	19,600
Museum Computer Network NEW YORK, NY	In support of participation by museum professionals in the annual MCN Conference via the Museum Computer Network Scholarship Program	10,000
National Building Museum WASHINGTON, DC	In ongoing support of a project to preserve, catalogue, and make accessible online the building records of S.H. Kress & Company	24,025

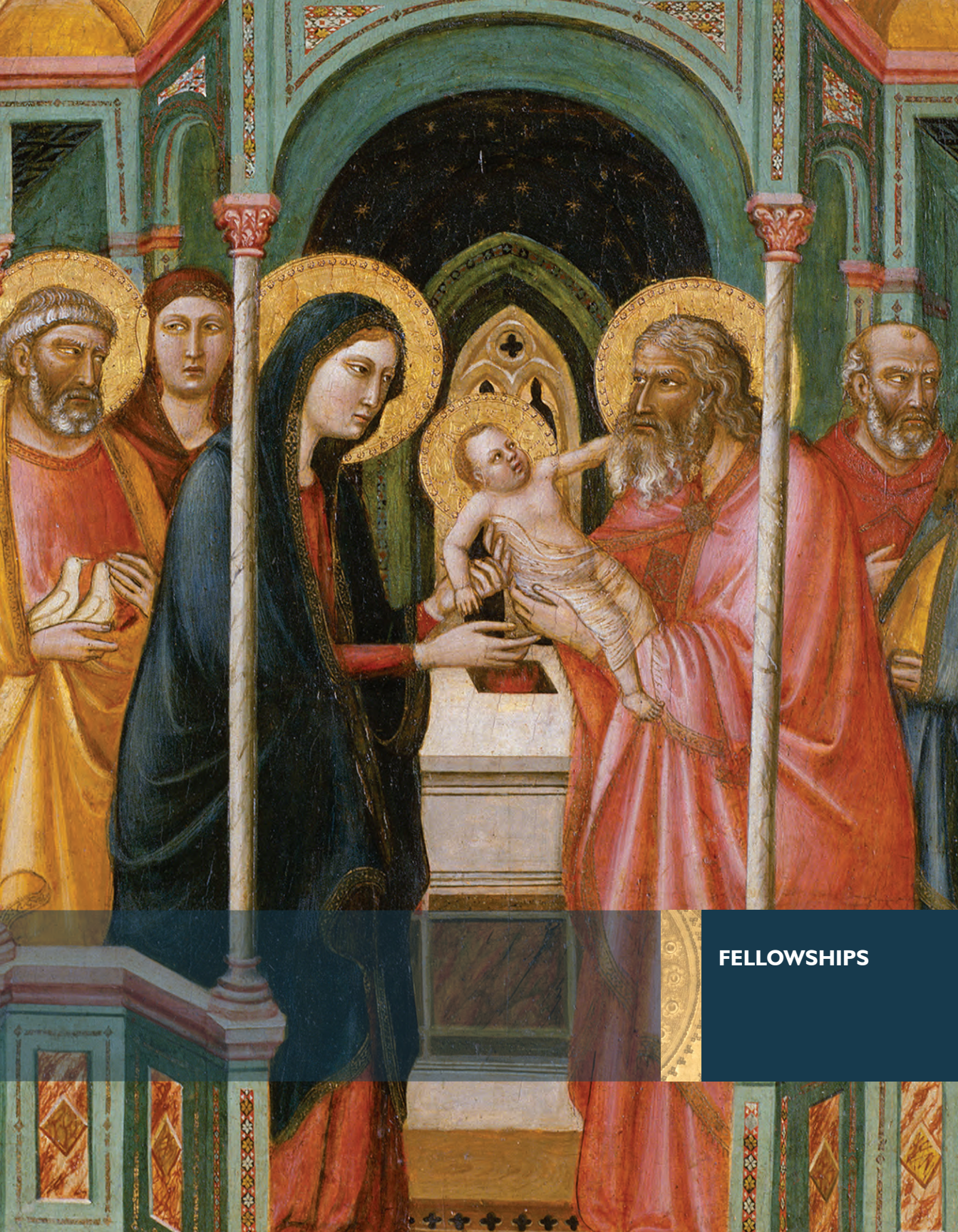
National Building Museum WASHINGTON, DC	In support of a project to preserve, catalogue and make accessible online archival photographs of S.H. Kress & Company	30,000
National Gallery of Art WASHINGTON, DC	In ongoing support of the digitization of negatives for Kress Collection objects in the image archives at the National Gallery of Art	24,800
National Gallery of Art WASHINGTON, DC	In continued support of the development of a Kress Collection Historical and Conservation Database	96,000
Pennsylvania State University UNIVERSITY PARK, PA	In support of the development of a proto-typing scanner to capture ultra-high resolution 3D surface profiles and under-layer structural information of paintings	15,000
Rochester Institute of Technology ROCHESTER, NY	In support of the enhancement of the Graphics Atlas, a digital resource that guides users through an object-based approach to identification and characterization of graphic print media	17,000
Royal Oak Foundation NEW YORK, NY	In support of a comprehensive survey and digital cataloguing of the sculptures in the National Trust Collection	10,000
University of California, Berkeley BERKELEY, CA	In support of the development of a digital publishing platform for the International Journal for Digital Art History	12,500
University of Virginia CHARLOTTESVILLE, VA	In continued support of <i>Digital Sepoltuario: The Tombs of Renaissance Florence</i> , a project developed by Anne Leader in partnership with the Institute for Advanced Technology in the Humanities, University of Virginia	10,000
Williams College WILLIAMSTOWN, MA	In support of the development of a Collection Explorer tool to allow users to view, sort, and manipulate digital collections	10,000
Total—Digital Resources for the History of Art		\$390,125



GENERAL PROGRAM SUPPORT

Foundation Center NEW YORK, NY	5,000
James Marston Fitch Charitable Foundation NEW YORK, NY	3,500
Philanthropy New York NEW YORK, NY	7,250
The Philanthropy Roundtable WASHINGTON, DC	500
<i>Total — General Program Support</i>	\$ 16,250

Following Page:
Jacopo del Casentino (Italian, 1279–c. 1358)
Presentation of the Christ Child in the Temple, 1330
Samuel H. Kress Collection, Nelson-Atkins
Museum of Art, Kansas City, MO



FELLOWSHIPS



SUMMARY OF FELLOWSHIPS

History of Art: Institutional Fellowships	\$ 722,508
Conservation Fellowships	557,250
Interpretive Fellowships at Art Museums	219,500
<i>Grand Total Fellowships</i>	<i>\$ 1,499,258</i>

HISTORY OF ART: INSTITUTIONAL FELLOWSHIPS



American Academy in Rome NEW YORK, NY	Kress Pre-Doctoral Research Fellowships awarded to Talia Di Manno (University of California, Berkeley) "Christian Archaeology in Rome: The Early Church Reborn and New Empiricism of the Sacred, 1592-1644"; Victoria Moses (University of Arizona) "The Zooarchaeology of Early Rome: Meat Distribution and Urbanization (8th-6th Centuries BCE)"; Liana Brent (Cornell University) "Corporeal Connections: Tomb Disturbance, Reuse and Violation in Roman Italy"; Anna Majeski (Institute of Fine Arts, New York University) "Visualizing the Cosmos from Fourteenth-Century Padua: From Francesco da Barberino to Giusto de'Menabuoi"	100,000
American School of Classical Studies at Athens PRINCETON, NJ	Kress Pre-Doctoral Research Fellowship awarded to Laura Hutchinson (Johns Hopkins University) "Retrospection in Classical Athens"	25,485
American School of Classical Studies at Athens PRINCETON, NJ	Kress Publication Fellowships awarded to Dr. Bela Dimova and Dr. Ann Steiner	30,000
Association of Art Museum Directors Educational Foundation NEW YORK, NY	Kress Provenance Research Fellowship awarded to Bryn Critz Schockmel at the Oklahoma City Museum of Art	43,000

Bibliotheca Hertziana ROME, ITALY	Kress Pre-Doctoral Institutional Fellowships awarded to Lora Webb (Stanford University) "Kosmos Embodied: Eunuchs in Byzantine Art in the Ninth through Twelfth Centuries"; Nicole Coffineau (University of Pittsburgh) "Motion in Stillness. Photography, Modernity, and the Avant-Garde in Italy"	65,000
Courtauld Institute of Art LONDON, UNITED KINGDOM	Kress Pre-Doctoral Institutional Fellowship awarded to Arielle Winnik (Bryn Mawr College) "The Art of Medieval Coptic Christian Burial"	35,000
Harvard University CAMBRIDGE, MA	Rush H. Kress Fellowship at the Harvard University Center for Italian Renaissance Studies, Villa I Tatti, Florence, Italy awarded to Kathryn Blair Moore (Texas State University)	55,000
Institut National d'Histoire de l'Art PARIS, FRANCE	Kress Pre-Doctoral Institutional Fellowships awarded to Gabrielle Thiboutot (Stanford University) "Panels and Pigments: The Role of Trade and Innovation in the Production of Mummy Portraits in Roman Egypt"; Sophie Ong (Rutgers University) "Hanging on the Body: Pendants, Materiality and Touch in the Late Middle Ages"	65,000
Kunsthistorisches Institut, Florence FLORENCE, ITALY	Kress Pre-Doctoral Institutional Fellowships awarded to Elizabeth Bernick (Johns Hopkins University) "Drawing Connections: Cesare da Sesto's Sketchbook and the Production of Style"; Megan Boomer (University of Pennsylvania) "Landscapes of Salvation: Architecture and Memory in the Latin Kingdom of Jerusalem"	65,000
Leiden University Centre for the Arts in Society LEIDEN, NETHERLANDS	Administrative honorarium for hosting two Kress Institutional Fellows at the Leiden University Centre for the Arts in Society: Jun Nakamura (University of Michigan) and Layla Seale (Rice University)	5,000
Museum of Modern Art NEW YORK, NY	Kress New York Art Resources Consortium (NYARC) Fellowship awarded to Ashley Hinshaw	17,023

National Gallery of Art WASHINGTON, DC	2018–2019 Kress-Beinecke Professorship in the History of Art awarded to Maryan W. Ainsworth (Metropolitan Museum of Art); Kress Senior Research Fellowships in the History of Art awarded to C. Jean Campbell (Emory University) and Michelle Foa (Tulane University); and Kress Pre-Doctoral Fellowships in the History of Art awarded to Michele L. Frederick (University of Delaware) and Julia Oswald (Northwestern University), funded via endowment	—
Nakamura, Jun	Kress Pre-Doctoral Institutional Fellowship at the Leiden University Centre for the Arts in Society awarded to Jun Nakamura (University of Michigan) “Prints and Printedness: Mark-making, Meaning, and Perceptions of Print in the Seventeenth-Century Netherlands”	30,000
Seale, Layla	Kress Pre-Doctoral Institutional Fellowship at the Leiden University Centre for the Arts in Society awarded to Layla Seale (Rice University) “Demons as a Cultural Species in Late Medieval Northern Europe”	30,000
Sterling & Francine Clark Art Institute WILLIAMSTOWN, MA	Kress Fellowship in the Literature of Art before the Age of Art History awarded to Frédéric Ogée	32,000
The Warburg Institute, University of London LONDON, UNITED KINGDOM	Kress Pre-Doctoral Institutional Fellowship awarded to Katerina Harris (Institute of Fine Arts, New York University) “The Moment of Death in Renaissance Art”	30,000
Yale University NEW HAVEN, CT	Kress Fellowship in Art Librarianship awarded to Allison Comrie	30,000
Zentralinstitut für Kunstgeschichte MUNICH, GERMANY	Kress Pre-Doctoral Institutional Fellowships awarded to Rahul Kulka (Harvard University) “Power, Dynastic Identity, and the Visual Politics of the Duke of Prussia, 1525-1618”; Nicole Pulichene (Harvard University) “One Whose Name was Writ in Wax: Reflections on the Medieval Reuse of Consular Diptychs”	65,000
Total—History of Art: Institutional Fellowships		\$722,508



CONSERVATION FELLOWSHIPS

Buffalo State College BUFFALO, NY	Fellowships for graduate-level conservation internships awarded to Melissa Amundsen, Tamia Anaya, Rachel Childers, Anna Ersenkal, Courtney Helion, Sara Kornhauser, Grace Walters, Karen Bishop, Carolyn Burns, Jen Munch, Kaitlyn Wright	20,000
Foundation for Advancement in Conservation WASHINGTON, DC	Kress Conservation Publication Fellowship awarded to Sylvie Pénichon for the Spanish translation of her book <i>20th Century Color Photographs: Preservation and Care</i>	35,000
Foundation for Advancement in Conservation WASHINGTON, DC	Kress Conservation Fellowships awarded to Catherine Magee (Walters Art Museum), Becca Goodman (Detroit Institute of Arts), Mary Wilcop (Smithsonian National Museum of American History), Ava S. Freeman (Shelburne Museum), Christine Haynes (Smithsonian Hirshhorn Museum), Lauren Osmond (Victoria & Albert Museum)	200,000
New York University NEW YORK, NY	In support of the conservation of paintings from the Kress Collection, undertaken by advanced graduate students at the Conservation Center of the Institute of Fine Arts, New York University, under the supervision of Dianne Dwyer Modestini and Kress Post-Graduate Fellow Shan Kuang; and in support of summer graduate archaeological conservation field work	207,100
University of Delaware NEWARK, DE	In support of internships for students from Historically Black Colleges and Universities in library and archives preservation at nationally recognized library conservation laboratories	6,750

University of Delaware NEWARK, DE	Fellowships for graduate-level conservation internships awarded to Melissa King, Tracy Liu, Natalya Swanson, Lindsey Zachman, Julianna Ly, Jennifer Myers	20,000
University of Delaware NEWARK, DE	In continued support of an intensive conservation education and training program for advanced students enrolled in Historically Black Colleges and Universities (HBCU), in collaboration with the HBCU Alliance of Museums and Galleries, and the Fisk Museum Leadership Program	33,400
Yale University NEW HAVEN, CT	In support of a program for undergraduates and their mentors from Historically Black Colleges and Universities to foster an interest in the field of cultural heritage and its conservation and encourage the use of collections for teaching and learning	35,000
<i>Total — Conservation Fellowships</i>		\$557,250

Giovanni del Biondo
(Italian, active 1356–1399)
*Mystic Marriage of Saint Catherine of
Alexandria with Donor, c. 1379*
Samuel H. Kress Collection
Allentown Art Museum, Allentown, PA

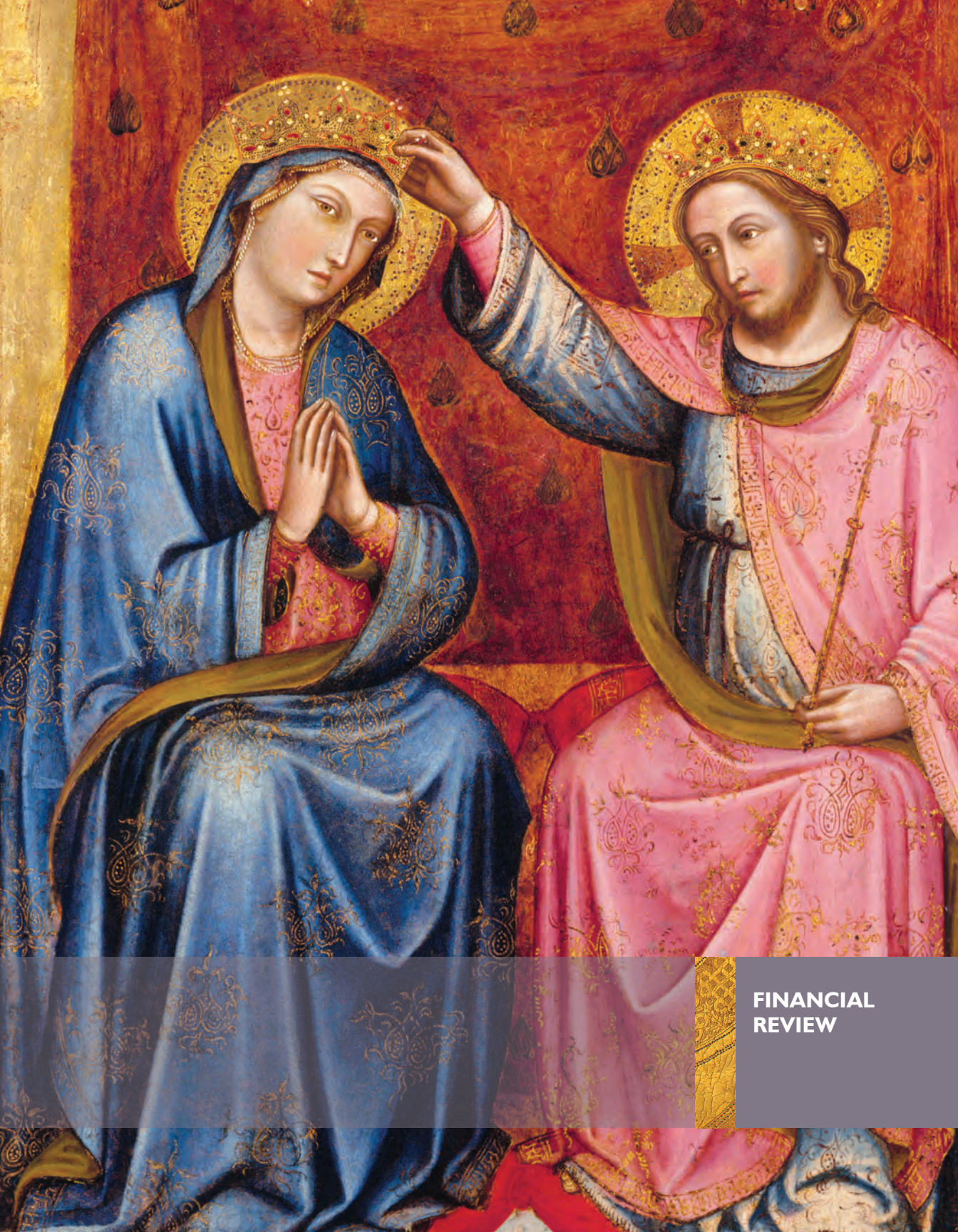


INTERPRETIVE FELLOWSHIPS AT ART MUSEUMS



Art Institute of Chicago CHICAGO, IL	In continued support of the Teaching Institute in Museum Education (TIME), a series of summer professional development seminars for art museum educators to study the theory, history, and practical application of gallery teaching with leading practitioners	35,000
Cleveland Museum of Art CLEVELAND, OH	Kress Interpretive Fellowship awarded to Emily Hirsch	30,000
Fairfield University FAIRFIELD, CT	Kress Interpretive Fellowship awarded to Sarah Cantor	30,000
Frick Collection NEW YORK, NY	In continued support of a series of Kress Lectures on Art Museum Education	4,500
George Eastman Museum ROCHESTER, NY	Kress Interpretive Fellowship awarded to Tracy Stuber	30,000
Hudson River Museum of Westchester YONKERS, NY	Kress Interpretive Fellowship awarded to Christian R. Stegall	30,000
Museum of Fine Arts, Houston HOUSTON, TX	Kress Interpretive Fellowship awarded to Karuna Srikureja and Araceli Bremauntz-Enriquez	30,000
Portland Art Museum PORTLAND, OR	Kress Interpretive Fellowship awarded to Ella Ray	30,000
<i>Total — Interpretive Fellowships at Art Museums</i>		\$219,500

Following Page:
Giovanni da Bologna
(Italian, active c. 1377–1389)
The Coronation of the Virgin, c. 1380
Samuel H. Kress Collection
Denver Art Museum, Denver, CO



**FINANCIAL
REVIEW**



INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Samuel H. Kress Foundation

We have audited the accompanying financial statements of the Samuel H. Kress Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's

internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Samuel H. Kress Foundation as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2 to the financial statements, during the year ended June 30, 2019 the Foundation adopted ASU 2016-14 which resulted in a change in the manner in which it presents its net assets and reports certain financial information within its financial statements. Our opinion is not modified with respect to this matter.

Respectfully submitted,

A handwritten signature in black ink, reading "Owen J. Flanagan + Co." in a cursive script.

October 28, 2019

STATEMENTS OF FINANCIAL POSITION

EXHIBIT A

Samuel H. Kress Foundation
June 30, 2019 and 2018

	2019	2018
Assets		
Investments, at fair value	\$ 85,528,637	\$ 89,265,551
Operating cash	499,519	440,960
Accrued interest and dividends receivable	24,478	37,210
Prepaid expenses and other assets	43,377	41,902
Property and equipment, net of accumulated depreciation	896,156	989,610
Total Assets	\$ 86,992,167	\$ 90,775,233
Liabilities and Net Assets		
Liabilities		
Grants payable	\$ 6,917,199	\$ 1,957,610
Accounts payable and accrued expenses	73,639	83,198
Deferred Federal excise tax payable	189,086	229,425
Total Liabilities	7,179,924	2,270,233
Net Assets without Donor Restriction	79,812,243	88,505,000
Total Liabilities and Net Assets	\$ 86,992,167	\$ 90,775,233

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF ACTIVITIES

EXHIBIT B

Samuel H. Kress Foundation
Years Ended June 30, 2019 and 2018

	2019	2018
Revenue		
Net investment return	\$ 679,428	\$ 5,958,472
Less:		
Federal excise tax	49,913	129,806
Deferred federal excise tax recovery	(40,339)	(16,193)
	9,574	113,613
Investment Return Net of Taxes	669,854	5,844,859
Grants and Expenses		
Grants authorized	7,960,005	1,897,887
Program administration	493,267	435,239
	8,453,272	2,333,126
Investment administration	196,168	284,292
Management and general	713,171	690,414
Total Grants and Expenses	9,362,611	3,307,832
CHANGE IN NET ASSETS FOR YEAR	(8,692,757)	2,537,027
Net Assets, beginning of year	88,505,000	85,967,973
NET ASSETS, END OF YEAR	\$ 79,812,243	\$88,505,000

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

EXHIBIT C

Samuel H. Kress Foundation

Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows Provided (Used)		
From operating activities:		
Change in Net Assets for Year	\$ (8,692,757)	\$ 2,537,027
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	118,154	110,700
Net realized gain on investments	(1,971,010)	(6,089,384)
Change in unrealized appreciation of investments	2,016,940	809,661
(Increase) decrease in assets:		
Accrued interest and dividends receivable	12,732	(10,988)
Prepaid expenses and other assets	(1,475)	7,000
Increase (decrease) in liabilities:		
Grants payable	4,959,589	(1,586,951)
Accounts payable and accrued expenses	(9,559)	(6,202)
Deferred Federal excise tax payable	(40,339)	(16,193)
Cash Used in Operating Activities	(3,607,725)	(4,245,330)
From investing activities:		
Capital expenditures	(24,700)	(70,038)
Proceeds from sale of investments	20,574,045	24,162,375
Purchases of investments	(16,883,061)	(19,787,233)
Cash Provided by Investing Activities	3,666,284	4,305,104
Net increase in cash for year	58,559	59,774
Cash, Beginning of Year	440,960	381,186
Cash, End of Year	\$ 499,519	\$ 440,960
Supplemental Information:		
Taxes paid	\$ 41,000	\$ 124,000

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

Samuel H. Kress Foundation
Years Ended June 30, 2019 and 2018

	2019				2018
	Grants and Program Administration	Investment Administration	Management and General	Total	Total
Grants	\$ 7,960,005			\$ 7,960,005	\$ 1,897,887
Salaries	286,832	\$ 87,656	\$ 303,651	678,139	658,386
Payroll taxes and benefits	111,079	34,382	123,013	268,474	260,466
Professional and consulting fees	5,246	1,624	34,241	41,111	40,646
Trustee honoraria	—	4,620	9,380	14,000	17,000
Occupancy and maintenance	43,384	13,428	46,482	103,294	95,823
Travel and meetings	8,944	12,524	29,389	50,857	94,644
Printing and publications	—	—	5,630	5,630	6,104
Office expenses	37,782	12,395	70,820	120,997	126,176
Transit benefit tax expense	—	—	1,950	1,950	—
Depreciation	—	29,539	88,615	118,154	110,700
Subtotal	493,267	196,168	713,171	1,402,606	1,409,945
	\$ 8,453,272	\$ 196,168	\$ 713,171	\$ 9,362,611	\$3,307,832
Totals, June 30, 2018	\$ 2,333,126	\$ 284,292	\$ 690,414		

The accompanying notes are an integral part of these financial statements.

Samuel H. Kress Foundation
June 30, 2019

NOTE 1
Organization

The Samuel H. Kress Foundation ("the Foundation") was established on March 6, 1929 by Samuel H. Kress. The Foundation is incorporated in the State of New York for the purpose of promoting the moral, physical and mental well-being and progress of the human race, using or creating such means or agencies as from time to time the Trustees shall deem expedient to accomplish such purpose.

NOTE 2
New Accounting
Pronouncement

On August 18, 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, which became effective for organizations with fiscal years beginning after December 15, 2017. The Foundation has adjusted the presentation of its financial statements for June 30, 2019 accordingly, applying the changes retrospectively to the comparative period presented. The new standards change the following aspects of the Foundation's financial statements:

- The unrestricted net asset class has been renamed net assets without donor restriction.
- The financial statements include a new disclosure regarding the liquidity and availability of financial assets (Note 6).
- Investment income is presented on the statement of activities as one line, net of direct investment expenses. The underlying details are presented within the footnotes (Note 5).
- The Statement of Functional Expenses is a new statement included in the financial statements which presents expenses by natural category and allocated functionally. The methodology used in allocating expenses between grants and program administration, investment administration and management and general is disclosed as part of the accounting policies.

In addition, certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NOTE 3
Summary of Significant
Accounting Policies

The financial statements of the Foundation have been prepared on the accrual basis of accounting.

Operating Cash

For purposes of cash flows, cash consists of cash maintained in checking accounts.

Investment Valuation and Investment Income Recognition

Investments are carried at fair value. The fair value of some alternative investments has been estimated using the Net Asset Value ("NAV") as reported by the management of the respective alternative investment fund. Accounting principles generally accepted in the United States of America provide for the use of the NAV as a "Practical Expedient" for estimating the fair value of the Foundation's interest.

Purchases and sales of securities are recorded on a settlement date basis. Interest and dividend income are recorded when received. Realized and unrealized gains and losses are included in the change in net assets shown on the statement of activities.

Fair Value Measurements

The Foundation follows US Generally Accepted Accounting Principles guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. Investments valued using the NAV as a practical expedient are excluded from the fair value hierarchy.

Investment Risks and Uncertainties

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, may not be currently traded in a public market and typically are subject to restrictions on resale. Values

NOTE 3
(continued)

determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical costs, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Property and Equipment

Property and equipment are recorded at cost and are depreciated using the straight-line method over their estimated useful lives, building—35 years, building fixtures—5 to 15 years, office furniture and equipment—5 to 10 years.

Grants

The Foundation records grants as expenses and liabilities at the time each grant is authorized by the Trustees and the recipient has been notified or the program is announced to the public. Grants are payable to the grantee according to the terms established by the Trustees and may be subject to routine performance requirements by the grantee.

Expense Allocation Methodology

The financial statements report certain categories of expenses, such as occupancy and maintenance, travel and meetings, and office expense that are attributable to one or more program or supporting function of the Foundation. These expenses are allocated based on estimated time and use. In addition, salary and related benefit costs are allocated based on time and effort of staff.

Use of Estimates

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

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Foundation has no uncertain tax positions that would require financial statement recognition or disclosure. The Foundation is no longer subject to examinations by applicable taxing jurisdictions for periods prior to June 30, 2016.

Subsequent Events

In connection with the preparation of the financial statements the Foundation evaluated subsequent events after the statement of financial position date of June 30, 2019 through October 28, 2019, which was the date the financial statements were available to be issued.

NOTE 4 **Investments**

A summary of investments reported by major categories is as follows:

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Short-term cash investments	\$ 1,485,440	\$ 1,485,440	\$ 296,787	\$ 296,787
Common stock	8,304,181	8,902,398	12,110,701	14,717,769
Large capital equity funds	7,273,168	8,552,849	3,919,935	5,206,696
Global strategy equity fund	2,000,000	2,053,176	—	—
International equity funds	13,849,078	15,372,033	13,836,656	16,063,783
International bond funds	4,194,468	4,128,123	4,265,499	3,922,333
Fixed income funds	7,400,147	7,520,305	13,357,866	12,987,582
Emerging market funds	2,812,774	3,573,183	4,463,504	5,921,092
Hedge funds	20,192,293	23,097,309	14,197,633	16,437,848
Special situation funds	8,592,636	10,873,678	8,538,395	10,904,335
	76,104,185	85,558,494	74,986,976	86,458,225
Net receivable for pending trades	(29,857)	(29,857)	2,807,326	2,807,326
	\$ 76,074,328	\$ 85,528,637	\$ 77,794,302	\$ 89,265,551

NOTE 4
(continued)

The following are major categories of investments measured at estimated fair value as of June 30:

2019

Description	Level I	Investments Valued at	
		NAV	Total
Common stock			
Financial	\$ 1,885,294	\$ —	\$ 1,885,294
Information technology	2,311,664	—	2,311,664
Healthcare	1,096,686	—	1,096,686
Industrials	1,589,206	—	1,589,206
Other	2,019,548	—	2,019,548
Large capital equity funds	5,360,977	3,191,872	8,552,849
Global strategy equity fund	—	2,053,176	2,053,176
International equity funds	—	15,372,033	15,372,033
International bond fund	—	4,128,123	4,128,123
Fixed income funds	7,520,305	—	7,520,305
Emerging markets fund	—	3,573,183	3,573,183
Hedge funds	—	23,097,309	23,097,309
Special situation funds	—	10,873,678	10,873,678
Short-term cash investments and pending trades			1,455,583
	\$ 21,783,680	\$ 62,289,374	\$ 85,528,637

2018

Description	Level I	Investments Valued at	
		NAV	Total
Common stock			
Financial	\$ 3,279,102	\$ —	\$ 3,279,102
Information technology	4,802,934	—	4,802,934
Healthcare	1,936,463	—	1,936,463
Consumer discretionary	890,950	—	890,950
Other	3,808,320	—	3,808,320
Large capital equity funds	5,206,696	—	5,206,696
International equity funds	—	16,063,783	16,063,783
International bond fund	—	3,922,333	3,922,333
Fixed income funds	12,987,582	—	12,987,582
Emerging market funds	2,227,272	3,693,820	5,921,092
Hedge funds	—	16,437,848	16,437,848
Special situation funds	—	10,904,335	10,904,335
Short-term cash investments and pending trades			3,104,113
	\$ 35,139,319	\$ 51,022,119	\$ 89,265,551

Information regarding the liquidity of alternative investments valued at the NAV per share or equivalent at June 30, 2019 is as follows:

		Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice
Large capital equity fund (a)	\$	3,191,872	\$ —	Quarterly up to 25%	45 days
Global equity strategy fund (b)		2,053,176	—	Not Eligible	2 year lockup
International equity funds (c)		15,372,033	—	Monthly	10 days
International bond fund (d)		4,128,123	—	Semi-monthly	5 days
Emerging markets fund (e)		3,573,183	—	Monthly	30 days
Hedge funds (f)		12,324,203	—	Monthly—Quarterly	60–90 days
Hedge funds (f)		7,465,112	750,000	Annually—Semi-annually over 2.5-5 years	65–180 days
Hedge funds (f)		3,307,994	—	Not Eligible	3 year lockup
Special situation funds (g)		2,967,375	—	Quarterly	180 days
Special situation funds (g)		3,701,083	—	Semi-annually	180 days
Special situation funds (g)		4,205,220	—	Not Eligible	1–3 year lockup
	\$	62,289,374	\$ 750,000		

(a) *Large capital equity fund* consists of one investment fund that seeks to achieve favorable returns through investing in U.S. long-only equities.

(b) *Global equity strategy fund* consists of one investment fund that focuses on venture capital and emerging markets in Asia.

(c) *International equity funds* consists of two investments which focus on long-term growth through investing in diversified portfolios of equity securities of companies outside the United States.

(d) *International bond fund* consists of one investment which focuses on achieving favorable returns from a globally diversified portfolio of debt or debt-like securities.

(e) *Emerging markets fund* consists of one fund focused on achieving long-term capital appreciation by investing in companies that are located in emerging market economies.

NOTE 4
(continued)

(d) *Hedge funds* consists of ten investments which all seek to preserve and grow capital through different combinations of long and short investments in different foreign and domestic equity sectors. One fund has a three year lock up, while two others have restrictions on redemptions spanning 2.5 to 5 years.

(e) *Special situation funds* consist of three funds which seek to invest in undervalued companies that may be overlooked or misunderstood, in order to generate favorable, high returns. One fund is not eligible for redemption until March 2022 with a small portion not eligible until September 2020.

NOTE 5
Investment Return

The following is a summary of the net return on investments:

	2019	2018
Interest	\$ 8,937	\$ 5,037
Dividends	1,265,611	1,269,848
Realized gains on sale of investments	1,971,010	6,089,384
Net change in unrealized appreciation	(2,016,940)	(809,661)
Direct investment expenses	(549,190)	(596,136)
	\$ 679,428	\$ 5,958,472

NOTE 6
Liquidity and
Availability of
Financial Assets

The following reflects the Samuel H. Kress Foundation's financial assets as of June 30, 2019, reduced by amounts not available for general use within one year of that date due to contractual or donor-imposed restrictions:

Investments, at fair value	\$ 85,528,637
Operating cash	499,519
Accrued interest and dividends receivable	24,478
	<u>86,052,634</u>
Less: Illiquid investments	17,031,502
	<u>\$ 69,021,132</u>

Annually the Foundation determines its budget for grants, programs and supporting services in accordance with its spending guidelines. The investment committee, with the assistance of its investment advisor, determines which investments to redeem to meet cash needs.

NOTE 7
Taxes

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as a "private foundation." The Foundation is subject to an excise tax on net investment income at either a 1% or 2% rate depending on the amount of qualifying distributions. For 2019 and 2018, the Foundation's rate was 2%.

Deferred federal excise tax on unrealized appreciation of investments is provided at the 2% tax rate since the qualification for the 1% tax rate is not determinable until the year in which gains are realized.

A deferred federal excise tax recovery of \$40,339 and \$16,193 has been recorded for fiscal years ending June 30, 2019 and 2018, respectively, due to a decline in unrealized appreciation.

In accordance with the Tax Cuts and Jobs Act, the Foundation incurred \$1,950 of unrelated business income tax on transit benefits provided to its employees for the period of January 1, 2018 through June 30, 2019.

NOTE 8
Retirement Plan and Commitments

The Foundation maintains a deferred annuity retirement plan under Section 403(b) of the Internal Revenue Code (IRC) for all eligible employees. Under this plan, the Foundation contributes 10% of each employee's salary annually. The expense for the retirement plan for the years ended June 30, 2019 and 2018 totaled \$64,034 and \$62,395, respectively.

The Foundation has a separate retirement plan under Section 457(b) of the IRC, which limits participation in the plan to only management. The President contributes to this plan and there are no matching provisions.

NOTE 9
Grants Payable

A reconciliation of grants payable is as follows:

	2019	2018
Grants payable, July 1	\$ 1,957,610	\$ 3,544,561
Grants approved	8,574,148	2,055,106
Grants paid	(3,042,258)	(3,698,966)
Change in discount to present value	(572,301)	56,909
Grants payable, June 30	\$ 6,917,199	\$ 1,957,610

NOTE 9
(continued)

The Foundation received grant refunds of \$41,842 and \$214,128 in fiscal years 2019 and 2018, respectively.

The Foundation operates on a five-year grant cycle, and the current cycle is FY2015–FY2019. The majority of grants paid during FY2019 were for multi-year grant commitments made during FY2014.

In June 2019, the Board approved the FY2020–FY2024 grant cycle, committing \$7,489,500 of grants to be paid over the next five years. Grants payable in future years are discounted at a risk-free rate of 5% and are expected to be paid as follows:

2020	\$ 2,135,800
2021	1,706,800
2022	1,256,300
2023	1,206,300
2024	1,184,300
	<u>7,489,500</u>
Discount	<u>572,301</u>
	<u>\$ 6,917,199</u>

NOTE 10
Property and
Equipment

Property and equipment consist of the following:

	2019	2018
Land	\$ 500,000	\$ 500,000
Building	2,804,558	2,804,558
Furniture, fixtures, and equipment	853,153	828,453
	<u>4,157,711</u>	<u>4,133,011</u>
Less: Accumulated depreciation	<u>3,261,555</u>	<u>3,143,401</u>
Net Property and Equipment	\$ 896,156	\$ 989,610

Depreciation expense for 2019 and 2018 was \$118,154 and \$110,700, respectively.

NOTE 11
Concentration of Risk

During the years ended June 30, 2019 and 2018, the Foundation had cash in banks exceeding federally insured limits. The Foundation manages this risk by using only large, established financial institutions.

TRUSTEES AND STAFF



Kress Board of Trustees

Elizabeth Eveillard

Carmela V. Franklin, *Chair*

William J. Higgins

Robert Loper

Theodore V.H. Mayer

Nina Scherago

Daniel H. Weiss

Kress Staff

Max Marmor, *President*

L. W. Schermerhorn, *Deputy Director*

Wyman Meers, *Program Administrator*

Kelly Risi, *Accountant / Controller*

Chelsea Cates, *Office Administrator*

Counsel

Hughes Hubbard & Reed

Independent Accountants

Owen J. Flanagan & Co.



TRUSTEES AND TERMS OF SERVICE

Samuel H. Kress	1929–1955	Andrew J. Sordoni, Jr.	1963–1967
Claude W. Kress	1929–1940	Norman Cousins	1965–1980
Rush H. Kress	1929–1963	Lyman Field	1968–1999
Nicholas F. Lenssen	1929–1944	W. Clarke Wescoe	1969–1995
Paul B. Scarff	1929–1940	William Atwood	1971–1980
Stephen S. Pichetto	1936–1946	Mary M. Davis	1972–1981
Claude P. La Shelle	1936–1942	John C. Fontaine	1975–2006
John A. Hopper	1936–1951	Marilyn Perry	1981–2007
Joseph H. Abraham	1936–1949	Edwin J. Weisl, Jr.	1983–1984
Albert L. Clothier	1940–1953	William B. Bader	1986–1999
William H. Lollar	1942–1945	Inmaculada von Habsburg-Lothringen	1986–2008
Ormand N. Birkland	1942–1944	Daniel N. Belin	1992–2006
Henry S. Bowers	1944–1955	Victoria Newhouse	1994–1999
John M. Hancock	1944–1951	Frederick W. Beinecke	1997–2017
Guy Emerson	1946–1953	Walter L. Weisman	1997–2008
Arnaud C. Marts	1946–1951	Cheryl Hurley	1999–2015
Andrew J. Sordoni	1949–1963	Barbara A. Shailor	2002–2016
Harold H. Helm	1951–1958	David Rumsey	2004–2016
G. Keith Funston	1951–1958	William J. Higgins	2006–
Paul Troast	1951–1958	Daniel H. Weiss	2009–
Alexander C. Campbell	1953–1971	Carmela V. Franklin	2009–
Franklin D. Murphy	1953–1994	Elizabeth Eveillard	2011–
Frank M. Folsom	1955–1970	Robert Loper	2013–
Charles L. Abry	1955–1959	Theodore V.H. Mayer	2015–
Herbert L. Spencer	1958–1960	Nina Scherago	2017–
Alfred E. Driscoll	1958–1975		
Philip D. Reed	1959–1965		



The Samuel H. Kress Foundation was established on March 6th, 1929. The Foundation's mission is to sustain and carry out the original vision of our founder, Samuel H. Kress (1863–1955). We support the work of individuals and institutions engaged with the appreciation, interpretation, preservation, study and teaching of the history of European art and architecture from antiquity to the dawn of the modern era.

Samuel H. Kress Foundation

174 East 80th Street
New York, NY 10075
(212) 861-4993
www.kressfoundation.org

Sano di Pietro (Italian, 1405–1481)
*The Virgin in Adoration of the Christ Child with
Saints Bernard and Bernardino and Angels*
15th century, Samuel H. Kress Collection
Mead Art Museum, Amherst College
Amherst, MA







Samuel H. Kress Foundation
www.kressfoundation.org