



ALTMAN FOUNDATION

ANNUAL REPORT 2008



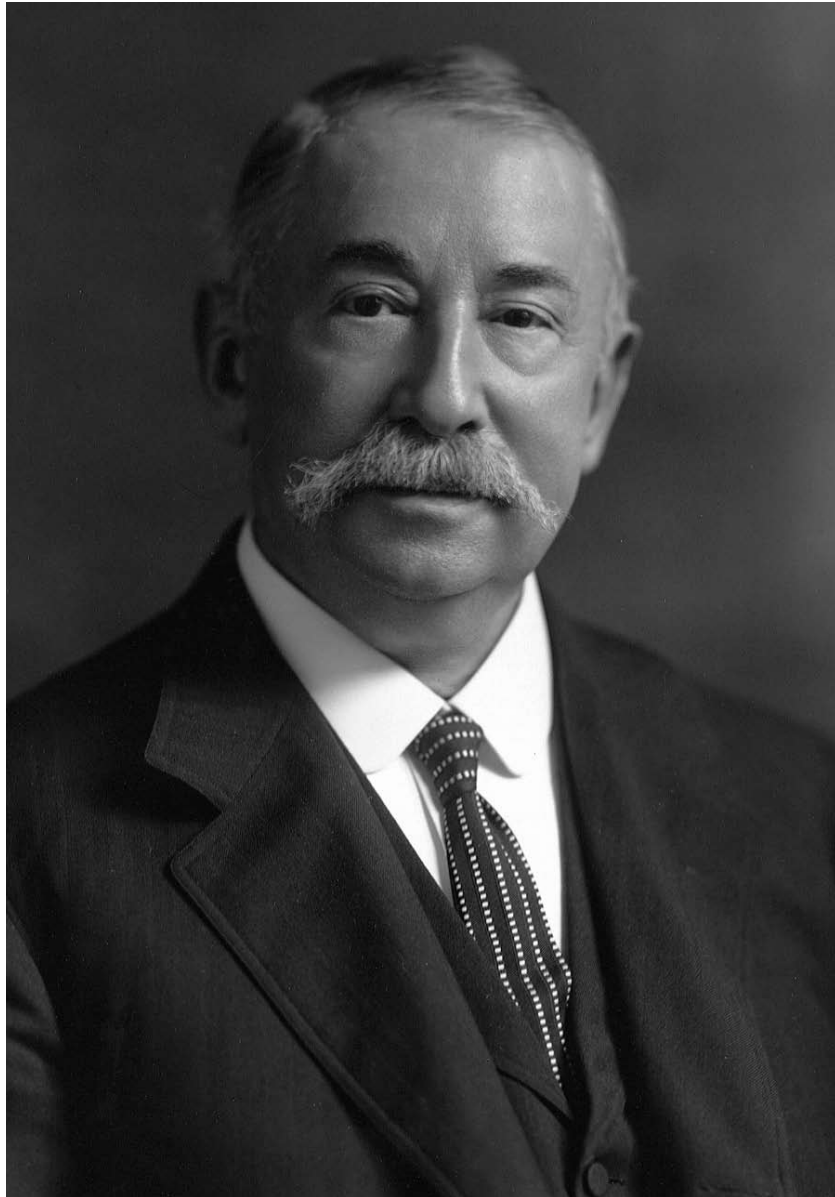
History of the ALTMAN FOUNDATION

The mission of the Altman Foundation reflects much of the personality and vision of its founder, Benjamin Altman. Altman was a unique and generous individual whose dry goods store, B. Altman & Co., founded in 1865 on Third Avenue and 10th Street, became a major department store. Altman moved his store from 10th Street to 19th Street and Sixth Avenue and finally, in 1906, to the landmark building at 34th Street and Fifth Avenue. Altman's reflected the commitment of its founder to service to its customers and generosity to its employees. Until its closing in 1989, Altman's was beloved by generations of New Yorkers.

The Altman Foundation was established in 1913 under Benjamin Altman's will "for the benefit of such charitable and educational institutions in the City of New York as said directors shall approve". His will bequeathed all his capital stock in B. Altman & Co. to the Altman Foundation. Outright bequests in Altman's will presaged the areas that would become major concerns of the Foundation. He made bequests to several hospitals, the Educational Alliance and the National Academy of Design. He gave his art collection to the Metropolitan Museum of Art. His dedication to the welfare of the people of New York City and his interests in health, education and the arts are his legacy.

Following Altman's death, Colonel Michael Friedsam, his close relative and colleague, led the business and the Foundation until his own death in 1931. Friedsam was also an art collector and a philanthropist with a deep interest in New York. The next presidents, John S. Burke and his son, John S. Burke, Jr., carried the Altman tradition of service and support of the community into the modern age. As a result of the tax reform act of 1969, which prohibits the control of businesses by private foundations, the Altman Foundation relinquished ownership of B. Altman & Co. in 1985. While there were restrictions in the Foundation's original charter limiting grants to within the State of New York, the Trustees have further refined the guidelines to giving within New York City.

Since 1985, the Foundation's assets have increased significantly and the Trustees have refined its guidelines in the four areas that were of such concern to Altman, education, health, strengthening communities, and arts and culture. Foundation grants support programs and institutions that enrich the quality of life in the city, with a particular focus on initiatives that help individuals, families and communities benefit from the services and opportunities that will enable them to achieve their full potential. Benjamin Altman's extraordinary tradition of service in his business and to his community lives through the grants the Foundation makes.



BENJAMIN ALTMAN
1840-1913

TRUSTEES

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John W. Townsend
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Anna M. Johnson, *Grants Manager*

Megan McAllister, *Program Officer*

Doriann Sama, *Administrative Assistant*

Chelsea Smith³, *Intern*

Alice Sparks, *Assistant Controller*

Deborah Thompson Velazquez⁴,
Senior Program Officer

Alissa Yarkony⁵, *Program Officer*

¹Trustee as of December 2008 [‡]Deceased April 1, 2008 ²Trustee as of December 2008

³Through July 24, 2008 ⁴As of March 17, 2008 ⁵As of February 18, 2008

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Letter from THE PRESIDENT

These are defining times that provide opportunities for leadership, creativity and compassion. Fifty years from now, the first decade of the 21st century will certainly be viewed as tumultuous. The impact of September 11, 2001 and the financial crisis of 2008 was all encompassing and has touched every level of society in all corners of the world. For New York City and its citizens, the implications are immeasurable and nonprofit organizations have been especially vulnerable. The sector represents a vital segment of New York City's business, employment, and services. In the current environment the sustainability of many of these organizations, always fragile, is seriously threatened.

As the city and the nonprofit community is struggling with how to survive with less while meeting greater demand, the world of technology marches on at a rapid pace. We are acutely aware of the importance of the new frontiers of communications through the web, the amazing ability to collect and analyze data, and the importance of our grantees achieving a level of operation that many businesses consider essential. Infrastructure and data tracking are vital to the future of non profit organizations.

The Altman Foundation has been a partner with the nonprofit community for 96 years. For the Foundation's staff and trustees the decisions in 2008 were challenging but we were somewhat prepared. In 2007, the Foundation began to take a more strategic view of its grantmaking and moved to a results-based approach. In 2008 new procedures for grant application, results measurement, and reporting became operative. As funds have become limited our planning has helped us prioritize. The new process of reviewing grant proposals has infused energy into the work of both staff and board.

Like other organizations that depend on investment portfolios, the Foundation's assets are diminished but thanks to several years of refining asset allocation policy and diversifying the portfolio, the reduction was not devastating. With a deep commitment and compassion for the work of our grantees, the trustees courageously decided not to reduce the payout for 2009 despite a smaller asset base and were able to continue to support many of our regular grantees. Sadly, at the moment, there are limited funds for new organizations or innovative ideas and it may be several years before we will be able to make larger grants or find new programs to support. However, the board and the staff are determined to find creative ways to support the non profit community through collaboration, support for capacity building and in some situations, program related investments.

This is a time to be bold, a time for the nonprofit sector, funders and grantees, to begin to think in new ways and look to the future. As the City celebrates the 400th anniversary of Henry Hudson's discovery of the Hudson River, the challenges are great but our legacy leads us to take the long view. Our gratitude goes to the trustees and staff who are dedicated to a 21st century vision of Benjamin Altman's commitment to the people of New York City and the support of its disadvantaged populations. Always, it is the extraordinary work of our grantees, who carry the most difficult burden during these times, that inspires us all to step up. We are in admiration and are honored to be their partners.



Jane B. O'Connell
President

Letter from THE VICE PRESIDENT/EXECUTIVE DIRECTOR

As Charles Dickens might have said about 2008, “it was the best of times; it was the worst of times”. We began the year with great excitement, bringing on terrific new staff in all areas of the Foundation, launching a new approach to grantmaking, and planning for a board retreat that would help chart new strategies for the increased giving we were anticipating for 2009 and beyond.

Needless to say, we also ended the year with great excitement, but of a different kind, as endowments and institutions fell, respected colleagues slashed their grantmaking or, like the Picower and JEHT Foundations, prepared to close their doors entirely, and as tremendous gains that had been made in so many areas were jeopardized in government budget cutting. Our long-anticipated retreat, deferred until the latter part of the year, became a session in which we reviewed program goals and identified areas to emphasize as grantmaking dollars shrank.

After years of growth, our endowment fell from \$288 million at the end of 2007 to \$202 million at the end of 2008. However, after careful review, our Trustees chose to maintain giving for 2008 at the level set at the beginning of the year, well beyond our required 5 percent, and to sustain that level at approximately \$12 million for 2009 in spite of the downturn. While this did not, and does not, leave much room for new programs and grantees, it has allowed us to continue support for grantees whose work is closely aligned with the Foundation’s goals, and whose results merit continued investment.

Developing a way to assess those results was an essential theme for 2008 as we launched our new results-based approach to grantmaking, developed with help from the Rensselaerville Institute. Workshops for our grantees, attended by at least 300 people, representing over 160 organizations, introduced the approach and the Foundation’s new application and reporting formats. The feedback was very positive, with one grantseeker citing Rensselaerville’s “ability to cut through the mystifying language that surrounds evaluations and to articulate a clear and compelling picture of what constitutes successful measurement of change for both the program and its participants”.

As the economy declined during the year, and all funding sources had to become more selective, the phrase that we heard most often in meeting with our colleagues was “high-performing organizations”. We hope that one important consequence of these technical assistance workshops will be an improvement in the attendees’ ability to define, measure, and communicate to their stakeholders exactly why they are “high performing” and therefore worthy of support.

The economic downturn’s continuing impact on us, our colleagues, our grantees, and the communities we all serve is the major issue facing us all now. We are assessing the financial strength of potential grantees carefully, we are trying to provide funding that best meets the needs of the organizations we support, and we are working with colleague funders to collaborate on best approaches to helping our shared grantees. In a January 2009 article by members of the nonprofit consulting group Bridgespan, the authors talk about identifying results, understanding the organizational and financial costs of achieving those results, and building the organizations needed to deliver those results. Critical in any environment, these issues become even more important in a time of diminishing resources; they apply to the Foundation as well as to its grantees. They will be front and center as we move forward. With thanks to all of you,



Karen L. Rosa
Vice President & Executive Director

GRANTS
AUTHORIZED
2008



EDUCATION 2008
BY OBJECTIVES/RESULTS



GOAL FOR EDUCATION:

Given the importance of education in building strong individuals, families, and communities, and the primacy of literacy in enabling people to succeed, the Foundation invests in organizations, programs, and projects outside of the public schools that achieve results aligned with the two objectives outlined below.

OBJECTIVE 1

Increase access for disadvantaged children and youth to high-quality academic opportunities.

Results sought:

- A. Significantly improve the academic performance of disadvantaged students
- B. Increase the number of disadvantaged students enrolled and retained in independent and other high-quality schools
- C. Increase the number of disadvantaged students enrolled and retained in college

ARTHUR ASHE INSTITUTE FOR URBAN HEALTH, INC.

www.arthurasheinstitute.org

To help support the Health Science Academy for minority youth and young adults \$40,000

THE BOYS' CLUB OF NEW YORK

www.bcny.org

To help support the Independent School Placement Program \$60,000

THE CHILDREN'S STOREFRONT

www.thechildrensstorefront.org

To help support the High School Placement and Alumni Relations Department \$50,000

CITIZENS ADVICE BUREAU, INC.

www.cabny.org

To help support the Center for Achieving Future Education (CAFE) college access program \$40,000

CORNELIA CONNELLY CENTER FOR EDUCATION

www.connellycenter.org

To help support the Holy Child Middle School for low-income girls \$45,000

THE CREMULATED COMPANY

To help support the New Settlement Apartments College Access Center \$50,000

CRISTO REY NEW YORK HIGH SCHOOL

www.cristoreyny.org

For general support and to help support the creation and implementation of an extended math program for freshmen \$100,000

EARLY STEPS, INC.

www.earlysteps.org

To help increase the number of minority students in independent schools at the primary grade level \$35,000

THE EAST HARLEM SCHOOL AT EXODUS HOUSE

www.eastharlemschool.org

To provide general operating support and to help build a general endowment \$300,000 (over three years)

THE FUTURES IN EDUCATION ENDOWMENT FUND FOR BROOKLYN AND QUEENS

www.fieef.org

To help build a \$100 million endowment to provide tuition assistance to the most financially challenged elementary and high school students and improve Catholic schools in Brooklyn and Queens \$1,000,000 (over four years)

GEORGE JACKSON ACADEMY

www.gjacademy.org

To help support this model school for low-income minority boys \$100,000

GODDARD RIVERSIDE COMMUNITY CENTER

www.goddard.org

To help support the OPTIONS Center for Educational and Career Choice, including the College Access Professional Development Institute \$100,000

HARLEM EDUCATIONAL ACTIVITIES FUND, INC.

www.heaf.org

To help support HEAF's High Expectations Middle School Program \$40,000

HARLEM RBI, INC.

www.harlemrbi.org

To help support the Team Enrichment Program and for the implementation of the 2007 Strategic Plan \$200,000 (*over two years*)

THE JEWISH HOME AND HOSPITAL FOR THE AGED

www.jewishhome.org

To help support and expand the Geriatric Career Development Youth Workforce Program in the Bronx \$50,000

LEGAL OUTREACH, INC.

www.legaloutreach.org

To help support the College Bound program in Manhattan, Brooklyn, and Queens and its expansion into the Bronx \$125,000

LOYOLA SCHOOL

www.loyola-nyc.org

To help support the Father Prior Endowed Scholarship Fund \$150,000 (*over two years*)

MOUNT SINAI SCHOOL OF MEDICINE

www.mountsinai.net

To help support the Early MED-Bound program \$75,000

THE NEW YORK OPPORTUNITY NETWORK, INC. DBA THE OPPORTUNITY NETWORK

www.nyopportunitynetwork.org

To help provide low-income public-high-school students access to career development training, professional networks, and competitive colleges \$30,000

THE POSSE FOUNDATION, INC.

www.possefoundation.org

To help support the Posse New York Science Posse Program \$50,000

ST. ALOYSIUS EDUCATION CLINIC

www.saedclinic.org

To help support the Academic Achievement and Cultural Enrichment Program (AACE) \$25,000

SCAN-NEW YORK VOLUNTEER PARENT-AIDES ASSOCIATION, INC.

www.scanny.org

To help support the Reach for the Stars program and college tours \$40,000

STUDENT/SPONSOR PARTNERSHIP, INC.

www.sspnyc.org

To provide support for the Summer Readiness Program and for collecting and using data to improve SSP student outcomes and sponsor participation \$40,000

THE TOWN SCHOOL, INC.

www.breakthroughnewyork.org

To help expand Breakthrough New York's high school program and provide additional support for site expansion \$50,000

THE URBAN DOVE, INC.

www.urbandove.org

To help support the College All-Stars program \$50,000

OBJECTIVE 2

Promote excellence in education for disadvantaged children and youth in non-public in-school, after school, early childhood, and other settings, with a particular emphasis on initiatives that expand and/or enhance multiple programs across a system.

Results sought:

- A. Significantly improve the social, emotional, cognitive, and academic development of children
- B. Measurably improve the caliber and diversity of faculty and staff
- C. Increase the involvement of parents in their children's education
- D. Increase the number of families participating in effective literacy activities, particularly early literacy activities

THE B.E.L.L. FOUNDATION, INC.

www.bellnational.org
To help expand the BELL Summer Learning Initiative in New York City
\$200,000 (over two years)

BROOKLYN FRIENDS SCHOOL

www.brooklynfriends.org
To help launch the Horizons at BFS summer academic enrichment program at Brooklyn Friends School
\$35,000

BROOKLYN KINDERGARTEN SOCIETY

www.bksny.org
To help support the Partnership for Literacy Success
\$45,000

CHILD CARE, INC.

www.childcareinc.org
To help support training and consultation to improve the quality of providers serving infants and toddlers
\$50,000

CITIZEN SCHOOLS, INC.

www.citizenschools.org
To help launch and operate a network of after school programs in New York City
\$200,000 (over two years)

CLAREMONT NEIGHBORHOOD CENTERS, INC.

www.claremontcenter.org
To help support the After School Education and Young Urban Pioneer programs for underserved youth
\$30,000

CLASSROOM, INC.

www.classroominc.org
To help expand Classroom, Inc.'s after school and summer programming in inner-city Archdiocese of New York schools
\$95,500

EAST HARLEM TUTORIAL PROGRAM, INC.

www.ehtp.org
To provide general operating support to this youth development program
\$60,000

EDUCATION THROUGH MUSIC

www.etmonline.org
To help support music and art education programs in inner-city Catholic schools
\$40,000

GROUNDWORK, INC.

www.groundworkinc.org
To help support Groundwork for Youth and help create the new position of Director of Staff and Program Development
\$100,000

INNER-CITY SCHOLARSHIP FUND, INC.

www.innercitysf.org
To help support JOP (the Job Opportunities Program)
\$35,000

LITERACY, INC.

www.lincnyc.org

To help enhance reading opportunities for children and families in low-income communities in Manhattan and the Bronx and continue implementing an outcome management process \$50,000

MADISON SQUARE BOYS & GIRLS CLUB

www.madisonsquare.org

To refine and improve the Explorers and Juniors Academies \$200,000

NEW YORK INTERSCHOOL ASSOCIATION, INC.

www.interschool.org

To help support the Faculty Diversity Search program to recruit and retain minority teachers in independent schools, and to provide a one-time grant for capacity building \$55,000

PUBLIC/PRIVATE VENTURES

www.ppv.org

To help support the implementation of *Youth Education for Tomorrow*, a community-based literacy initiative, in New York City \$45,000

REACH OUT AND READ OF GREATER NEW YORK, INC.

www.reachoutandreadnyc.org

To build capacity and begin implementing a five-year strategic plan \$120,000 (over two years)

READING EXCELLENCE AND DISCOVERY FOUNDATION, INC.

www.readnyc.org

To help strengthen core services and support capacity building efforts for READ's year-round parochial school program and for summer programming open to all students \$100,000

SAINT IGNATIUS SCHOOL

www.nynativity.org

To provide capacity building support to build teaching skills in literacy, math, and science and increase student achievement \$100,000

TEACHERS COLLEGE, COLUMBIA UNIVERSITY

www.klingenstein.org

To help increase the number of leaders of color from New York City in The Klingenstein Center's summer intensive master's degree program (Leadership Academy) \$200,000 (over two years)

UNITED WAY OF NEW YORK CITY

www.uwnyc.org

To help support the Child Care and Early Education Fund, a collaborative fund dedicated to improving early care and education in New York City \$100,000

UNIVERSITY SETTLEMENT SOCIETY OF NEW YORK

www.universitysettlement.org

To help support the STRIDE Middle School Program at the Houston Street Center \$40,000

SUBTOTAL: \$4,745,500



HEALTH 2008
BY OBJECTIVES/RESULTS

GOAL FOR HEALTH:

Recognizing the critical role of quality and accessible health and mental health care in the well-being of individuals, families, communities, and the city as a whole, the Foundation invests in organizations, programs, and projects that achieve results aligned with the three objectives outlined below.

OBJECTIVE 1

Promote access to care for underserved and/or uninsured populations.

Results sought:

- A. Increase the number of New Yorkers with adequate and appropriate health insurance, with a particular focus on building enrollment in existing public and/or publicly subsidized insurance programs
- B. Significantly reduce language, cultural, physical, financial, and systemic barriers to care

CHILDREN'S DEFENSE FUND - NEW YORK

www.cdfny.org

To help launch a feasibility study of coordinating New York's public health insurance with diverse social welfare programs including the Earned Income Tax Credit (EITC), child care, school meals, and Women Infants and Children (WIC) programs

\$51,500

COMMUNITY HEALTH CARE ASSOCIATION OF NEW YORK STATE

www.chcanys.org

To help maintain and expand technical assistance and support to health centers across New York City

\$95,500

PACE UNIVERSITY

www.pace.edu

To help support the Lienhard School of Nursing's Cultural Competence, Nursing, and Interdisciplinary Team Care program

\$65,000

OBJECTIVE 2

Increase the capacity of New Yorkers to be active and educated health care consumers who are able to make informed choices about their own health and effective use of the health care system.

Results sought:

- A. Increase the number of New Yorkers who effectively navigate health systems, utilize care, and manage their health

Within this focus area, priority is given to the creation and demonstration of promising models and the training of practitioners.

THE CHILDREN'S HEALTH FUND

www.childrenshealthfund.org

To help support Phase II of the Healthy Connections program, a coordinated system of outreach, linkages, and referrals that meet the health needs of children in Harlem

\$150,000 (over two years)

LITERACY ASSISTANCE CENTER, INC.

www.lacnyc.org

To help support the Health Literacy Resource Center

\$200,000

LITTLE SISTERS OF THE ASSUMPTION FAMILY HEALTH SERVICE, INC.

www.littlesistersfamily.org

To help support capacity building efforts

\$100,000 (over two years)

OBJECTIVE 3

Promote the development and delivery of quality and responsive care for the most vulnerable populations.

Results sought:

A. Increase the number of vulnerable New Yorkers benefiting from responsive, evidence-based, non-disease-specific services, such as palliative care and family care giving

Within this focus area, priority is given to the creation and demonstration of promising models and the training of practitioners.

ALZHEIMER'S ASSOCIATION,
NEW YORK CITY CHAPTER

www.alznyc.org

To help support and expand the Dementia Home Care Workers Training Program
\$50,000

CALVARY HOSPITAL, INC.

www.calvaryhospital.org

To help support the Calvary @ Home Nursing Home Hospice Program and a new program that provides an alternate level of care for those at the very end of life
\$150,000

THE MENTAL HEALTH ASSOCIATION
OF NEW YORK CITY, INC.

www.mhaofnyc.org

To help establish a geriatric mental health training and assistance center (without walls)
\$215,000 (over three years)

NORTHSIDE CENTER FOR
CHILD DEVELOPMENT, INC.

www.northsidecenter.org

To help support the second year of the Comprehensive Evaluation Program
\$50,000

PARAPROFESSIONAL HEALTHCARE
INSTITUTE, INC.

www.PHInational.org

To help build policy staff capacity in support of a comprehensive effort to achieve quality care through quality jobs
\$250,000 (over two years)

SAFE HORIZON, INC.

www.safehorizon.org

To help support replication of the Counseling Center model and the introduction of a Counseling Center Residency Program
\$35,000

ST. VINCENT'S HOSPITAL MANHATTAN

www.svcmc.org

To help support the Hospital's Palliative Care Center for Service, Education, and Research
\$250,000

SUBTOTAL: \$1,662,000

Year Up, Inc.



year up

empowering urban/latent to reach the



STRENGTHENING COMMUNITIES 2008 BY OBJECTIVES/RESULTS

MillionTreesNYC Training Program/The Mayor's Fund To Advance New York City



Goal for STRENGTHENING COMMUNITIES:

The Foundation has an historic interest in ensuring that individuals and families living in the city have access to the services and resources they need to pursue and sustain successful lives. The Foundation invests in organizations, programs, and projects that achieve results aligned with the two objectives outlined below.

OBJECTIVE 1

Build and preserve economic security and independence among low-income individuals and families.

Results sought:

- A. Increase the number of low-income New Yorkers who are placed in and retain jobs that support economic independence
- B. Increase the number of low-income New Yorkers enrolled in public benefits that complement work
- C. Enable vulnerable populations (e.g., the elderly) to remain in their own homes and communities, with a focus on systemic efforts to address barriers to independence

BOWERY RESIDENTS' COMMITTEE, INC.

www.brc.org

To help support the Horizons Workforce Development Program \$50,000

CAMBA, INC.

www.camba.org

To help implement their Performance-based Management System \$50,000

CITY FUTURES, INC.

www.cityfutures.org

To help develop a Human Capital Plan that articulates NYC's human capital needs over the next twenty years and recommends policy changes needed to ensure that the City is prepared to meet the demands of an evolving economy \$75,000

DOROT, INC.

www.dorotusa.org

To help expand Information & Referral services by hiring a new I & R Coordinator \$75,000

DOROT, INC.

www.dorotusa.org

To help support the Friendly Visiting program \$50,000

THE HOPE PROGRAM, INC.

www.thehopeprogram.org

To help support the job placement program \$35,000

LENOX HILL NEIGHBORHOOD HOUSE, INC.

www.lenoxhill.org

To help create and develop the East Side Case Management Consortium for frail home-bound older adults \$100,000

THE MAYOR'S FUND TO ADVANCE NEW YORK CITY

www.nyc.gov/fund

To help create the MillionTreesNYC Training Program pilot for disconnected young adults aged eighteen to twenty-four \$500,000 (over two years)

NEW YORK CITY COALITION AGAINST HUNGER, INC.

www.nyccah.org

To help support the Beyond the Soup Kitchen Initiative \$50,000

PROJECT EZRA

www.projectezra.org

To help support Project Ezra's work on behalf of frail, homebound, and immigrant elderly
\$25,000

SEARCH AND CARE, INC.

www.searchandcare.org

For capacity building support to replicate Search and Care's comprehensive care management model to serve vulnerable seniors in East Harlem
\$50,000

SEEDCO & THE NON-PROFIT ASSISTANCE CORPORATION

www.seedco.org

To help support the EarnMore career advancement program
\$600,000 (over three years)

VOCATIONAL FOUNDATION, INC.

www.vfinyc.org

To help support VFI's job training, placement, and retention efforts
\$100,000

WORKFORCE PROFESSIONALS TRAINING INSTITUTE

www.workforceprofessionals.org

To help support the planning and delivery of training and technical assistance programs and the development of a New York State Workforce Development Credential
\$45,000

YEAR UP, INC.

www.yearup.org

To provide support for expansion of Year Up NYC, a professional apprenticeship and job training program for disconnected young adults
\$100,000

OBJECTIVE 2

Promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities, with an emphasis on systemic efforts.

Results sought:

- A. Preserve and/or increase the quality and amount of affordable housing, well-maintained parks and open spaces, and other essential community resources

BRONX RIVER ALLIANCE, INC.

www.bronxriver.org

To help support the Greenway and Education Programs
\$75,000

CENTER FOR NEW YORK CITY NEIGHBORHOODS, INC.

www.cnycn.org

To help New Yorkers facing foreclosure as a result of high-cost loans, and provide start-up support for the Center
\$200,000 (over two years)

CITY PARKS FOUNDATION, INC.

www.cityparksfoundation.org

To help launch Catalyst: Reclaiming the Waterfront
\$75,000

THE MUNICIPAL ART SOCIETY OF NEW YORK

www.mas.org

To help support the MAS Planning Center's technical assistance, training, and outreach programs in New York City
\$100,000

NEIGHBORHOOD HOUSING SERVICES OF NEW YORK CITY, INC.

www.nhsnyc.org

To support capacity building efforts to help meet the needs of those affected by the sub-prime and foreclosure crisis
\$100,000

**NEW YORK STATE TENANTS & NEIGHBORS
INFORMATION SERVICE, INC.**

www.tandn.org

To help immigrant organizations increase their knowledge of housing issues, address the immediate housing needs of rent-regulated constituents, and engage in citywide systems change efforts \$25,000

NEW YORKERS FOR PARKS

www.ny4p.org

To help support the Parks 2009 Campaign
\$125,000 (over two years)

REGIONAL PLAN ASSOCIATION

www.rpa.org

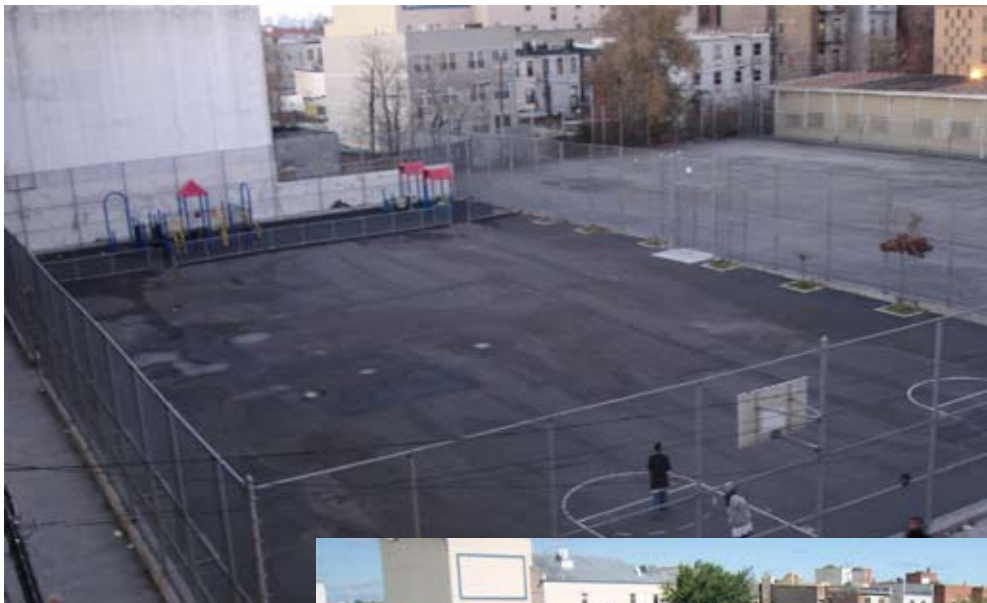
To help support the Campaign for New York's Future, building broad public support for PlaNYC and its comprehensive vision for a sustainable New York City \$75,000

THE TRUST FOR PUBLIC LAND

www.tpl.org

To help support TPL's Parks for People—New York City Playgrounds Program \$100,000

SUBTOTAL: \$2,780,000



*The Trust for
Public Land*



ARTS & CULTURE 2008
BY OBJECTIVES/RESULTS



GOAL FOR ARTS & CULTURE:

The Foundation has had a longstanding interest in the arts, reflecting not only Benjamin Altman's personal commitment, but also the Foundation's recognition of the value of the arts in enriching the lives of New Yorkers and the city as a whole. The Foundation invests in organizations, programs, and projects that achieve results aligned with the three objectives outlined below. As a general rule, the programs we support take place outside of the public schools.

OBJECTIVE 1

Promote positive youth development through arts and cultural programming.

Results sought:

- A. Significantly increase the mastery of program-specific skills and other developmentally appropriate life skills
- B. Measurably advance the academic progress of students
- C. Successfully transition participants to high-quality secondary, post-secondary, or professional opportunities

BROOKLYN BOTANIC GARDEN CORPORATION

www.bbg.org

To help support the Garden Apprentice Program for middle- and high-school youth
\$50,000

BROOKLYN CHILDREN'S MUSEUM

www.brooklynkids.org

To help support PlayNet, a new research, training, implementation, and evaluation initiative focusing on the benefits of play and play facilitation for early childhood development
\$350,000 (over four years)

CENTER FOR FAMILY LIFE IN SUNSET PARK

www.cflsp.org

To help support the Center's Life Lines Community Arts Project
\$50,000

THE CITYKIDS FOUNDATION, INC.

www.citykids.com

To help support the CityKids Rep performing arts program for inner-city youth
\$35,000

DOWNTOWN COMMUNITY TELEVISION CENTER, INC.

www.dctvny.org

To help support PRO-TV, which provides professional media training to inner-city youth
\$40,000

THE 52ND STREET PROJECT, INC.

www.52project.org

To help support NEW PLATFORMS, a creative and theatrical arts initiative
\$35,000

FIGURE SKATING IN HARLEM, INC.

www.figureskatinginharlem.org

To help support the sports and academic program
\$30,000

GROUNDWELL COMMUNITY MURAL PROJECT, INC.

www.groundswellmural.org

To help support the Teen Empowerment Mural Apprenticeship Program
\$10,000

PETER WESTBROOK FOUNDATION, INC.

www.peterwestbrook.org

To help strengthen the Academic Enrichment Program \$35,000

PUBLICOLOR, INC.

www.publicolor.org

To help support the COLOR Club and Next Steps programs \$30,000

STATEN ISLAND CHILDREN'S MUSEUM

www.statenislandkids.org

To help support the Museum Ambassador Program and the Museum Internship Program \$25,000

TADA! THEATRE AND DANCE ALLIANCE, INC.

www.tadatheatre.com

To help support the Resident Youth Ensemble theater training and youth development program \$40,000

THIRD STREET MUSIC SCHOOL SETTLEMENT

www.thirdstreetmusicschool.org

To help support the Comprehensive Training in Music program over the next two years \$90,000

OBJECTIVE 2

Promote the acquisition of preprofessional arts skills among underserved youth.

Results sought:

- A. Enroll and retain promising students from underserved communities in the highest-quality preprofessional training in specific arts disciplines
- B. Measurably increase the mastery of program-specific skills against a curriculum-based standard
- C. Successfully transition participants to high-quality secondary, post-secondary, or professional opportunities

THE ALVIN AILEY DANCE THEATER FOUNDATION, INC.

www.alvinailey.org

To help support the High School Fellowship Program and the Ailey Athletic Boys Scholarship Program \$30,000

BALLET TECH FOUNDATION, INC.

www.balletech.org

To help support Ballet Tech's program of pre-professional dance training for underserved youth \$40,000

BROOKLYN ACADEMY OF MUSIC, INC.

www.bam.org

To help support the BAM Intern Program \$60,000

THE COOPER UNION FOR THE ADVANCEMENT OF SCIENCE AND ART

www.cooper.edu

To help support the Saturday Outreach Programs \$50,000

EDUCATIONAL VIDEO CENTER

www.evc.org

To help support the YO-TV (Youth Organizers-TV) pre-professional documentary filmmaking program \$20,000

ELAINE KAUFMAN CULTURAL CENTER/LUCY MOSES SCHOOL FOR MUSIC & DANCE

www.kaufman-center.org

To help support pre-professional music classes for talented, underserved students in the Young People's Division \$80,000 (over two years)

INTERNATIONAL CENTER OF PHOTOGRAPHY

www.icp.org

To help expand the Teen Academy Program \$150,000 (over two years)

THE INTERSCHOOL ORCHESTRAS OF NEW YORK, INC.

www.isorch.org

To help support the ISO Scholarship, Financial Aid, and Partnership Programs \$10,000

NEW YORK YOUTH SYMPHONY, INC.

www.nyouthsymphony.org

To help support the Symphony's work with young people in New York City over the next two years \$50,000

PRATT INSTITUTE

www.prattdice.org

To help support the Design Initiative for Community Empowerment (DICE) program, which prepares underserved Brooklyn high school students to pursue career and advanced educational opportunities in design \$30,000

THE YOUNG PEOPLE'S CHORUS OF NEW YORK CITY, INC.

www.ypc.org

To help support the after school choral music education and performance program \$25,000

OBJECTIVE 3

Promote access to the arts and cultural activities for underserved populations.

Results sought:

- A. Increase sustained engagement and participation of underserved populations in high-quality arts and cultural programming provided by established and meaningful organizations and institutions

BALLET HISPANICO OF NEW YORK, INC.

www.ballethispanico.org

To help support the Ballet Hispanico Scholarship Fund for talented, low-income youth \$25,000

CITY LIGHTS YOUTH THEATRE, INC.

www.citylightsnyc.org

To expand the Core Program of high-quality theater education and provide scholarship assistance to a diverse group of young people \$20,000

COOL CULTURE, INC.

www.cool-culture.org

To help expand the Literacy Through Culture program \$25,000

HIGH 5 TICKETS TO THE ARTS, INC.

www.highfivetix.org

To help support the Take 5 and Teen Reviewers and Critics (TRaC) Programs \$25,000

THE MAMA FOUNDATION FOR THE ARTS, INC.

www.mamafoundation.org

To help support the Gospel for Teens vocal instruction program \$20,000

MARK MORRIS DANCE GROUP/DISCALCED INC.

www.markmorrisdancegroup.org

To help support the Dance for Parkinson's program and the MMDG/NYCHA Partnership community outreach program \$15,000

THE NEW YORK BOTANICAL GARDEN

www.nybg.org

To help support the Children's Education program \$300,000 (over three years)

NEW YORK HALL OF SCIENCE

www.nyscience.org

To help support and evaluate the Hall's programming and exhibition areas for preschool audiences \$75,000

THE NEW YORK PUBLIC LIBRARY

www.nypl.org

To help support the “21st Century Library”
campaign and to provide general support
\$1,400,000 (*over four years*)

THE QUEENS BOROUGH PUBLIC LIBRARY

www.queenslibrary.org

To help support the Adult Learner Program and
the Youth Workforce Development program
\$600,000 (*over three years*)

QUEENS MUSEUM OF ART

www.queensmuseum.org

To help support Literacy and Art with New
New Yorkers \$150,000

RUBIN MUSEUM OF ART

www.rmanyc.org

To help support and expand early childhood,
after school, and community programs
\$35,000

YOUNG AUDIENCES NEW YORK, INC.

www.yany.org

To help support the FamilyLink project
\$50,000

SUBTOTAL: \$4,105,000

The Young People’s Chorus of New York City, Inc.





SERVICES TO NOT-FOR-PROFIT ORGANIZATIONS
2008
BY OBJECTIVES/RESULTS

The Foundation provides support to organizations that achieve the following:

Results sought:

- A. Significantly enhance the ability of key umbrella organizations to help their member or constituent agencies address critical community issues in the Foundation's areas of interest

**CATHOLIC CHARITIES ARCHDIOCESE
OF NEW YORK**

www.catholiccharitiesny.org

To provide general support and support organizational development work with affiliated agencies, and to help develop a universal, integrated client information database system to accommodate all Catholic Charities Community Services programs

\$200,000

**CATHOLIC CHARITIES DIOCESE
OF BROOKLYN AND QUEENS**

www.ccbq.org

To help build information technology and knowledge management capacity in line with CCBQ's strategic plan

\$150,000 (*over two years*)

**CITIZENS' COMMITTEE FOR CHILDREN
OF NEW YORK, INC.**

www.cccnewyork.org

To help support CCC's work on behalf of children and families

\$40,000

**FEDERATION OF PROTESTANT
WELFARE AGENCIES, INC.**

www.fpwa.org

To help support FPWA's core programs

\$100,000

HUNTS POINT ALLIANCE FOR CHILDREN

www.hpac10474.org

For a six-month grant to help support HPAC's Phase II

\$50,000

HUNTS POINT ALLIANCE FOR CHILDREN

www.hpac10474.org

To help support programming and planning to improve outcomes for the children of Hunts Point

\$100,000

**THE INSTITUTE FOR
NOT-FOR-PROFIT MANAGEMENT**

www.gsb.columbia.edu/execed/inm

To help support the INM Scholarship Fund for professional development for leaders and executives of youth service organizations

\$10,000

THE NEW YORK IMMIGRATION COALITION, INC.

www.thenyic.org

To provide general support for advocacy, policy analysis, and educational outreach activities

\$70,000

**NONPROFIT COORDINATING COMMITTEE
OF NEW YORK, INC.**

www.npccny.org

To help support NPCC's work on behalf of the local nonprofit sector

\$50,000

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC.**

www.ujafedny.org

For general support of New York activities

\$125,000

**UNITED NEIGHBORHOOD HOUSES
OF NEW YORK, INC.**

www.unhny.org

To help support the UNH Professional Development Program for Middle Managers

\$75,000

Results sought:

B. Measurably improve organizational effectiveness or program quality of community-based or other organizations working in the Foundation's areas of interest

BOARDASSIST

www.boardassist.org

To help nonprofit organizations in New York City identify and recruit engaged and productive new board members \$25,000

THE FOUNDATION CENTER

www.foundationcenter.org

For general support and for a one-time grant for the New York Capacity Building Initiative \$8,000

THE NEW YORK COMMUNITY TRUST

www.nycommunitytrust.org

To help support the Fund's Capacity Building Initiative for Immigrant Organizations \$50,000

NEW YORK FOUNDATION FOR THE ARTS, INC.

www.nyfa.org

To help expand services to the nonprofit arts sector by implementing key recommendations from NYFA's five-year plan \$50,000

NEW YORK UNIVERSITY/ROBERT F. WAGNER GRADUATE SCHOOL OF PUBLIC SERVICE

www.wagner.nyu.edu

To help support Developing New Leaders for New York's Nonprofits: Building an Alumni Network for the Fellowship for Emerging Leaders in Public Service \$70,000 (over two years)

PHILANTHROPY NEW YORK (FORMERLY NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS)

www.philanthropynewyork.org

For general support \$14,450

PHILANTHROPY NEW YORK (FORMERLY NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS)

www.philanthropynewyork.org

To help support the 2008 New York Times Company Nonprofit Excellence Awards Program \$10,000

RESERVE ELDER SERVICES INC.

www.reserveinc.org

To help bring the skills and experience of retirees to nonprofit organizations \$50,000

TAPFOUND, INC. DBA TAPROOT FOUNDATION

www.taprootfoundation.org

To provide general operating support and to help provide technical assistance to Altman grantees and other nonprofits \$80,000

VOLUNTEER CONSULTING GROUP, INC.

www.vcg.org

To provide support during leadership transition \$30,000

YOUTH DEVELOPMENT INSTITUTE

www.ydinstitute.org

To help support the Career Internship Network \$25,000

SUBTOTAL: \$1,382,450

GRAND TOTAL: \$14,674,950

FINANCIAL
INFORMATION
2008

Independent Auditors' Report

Board of Trustees
Altman Foundation

We have audited the accompanying statements of financial position of Altman Foundation (the "Foundation") as of December 31, 2008 and 2007, and the related statements of activities and cash flows for the years 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 audits.

We conducted our audits 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Altman Foundation as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

O'Connor Davies Munno & Dobbins, LLP

New York, New York
September 16, 2009

ALTMAN FOUNDATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash in operating accounts	\$ 1,906,388	\$ 8,038,901
Investments	204,813,028	283,231,216
Investment receivable	—	68,284
Prepaid taxes	61,000	—
Prepaid expenses	41,736	27,792
Program loan receivables	800,000	500,000
Furniture, equipment and leasehold improvements, net	156,260	208,708
Total Assets	<u>\$ 207,778,412</u>	<u>\$ 292,074,901</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Grants payable	\$ 5,374,000	\$ 2,709,500
Accounts payable and accrued expenses	467,114	243,739
Federal excise tax payable	—	50,000
Deferred Federal excise tax liability	—	425,000
Total Liabilities	<u>5,841,114</u>	<u>3,428,239</u>
Unrestricted net assets	<u>201,937,298</u>	<u>288,646,662</u>
Total Liabilities and Net Assets	<u>\$ 207,778,412</u>	<u>\$ 292,074,901</u>

See notes to financial statements

ALTMAN FOUNDATION
 STATEMENTS OF ACTIVITIES
 YEARS ENDED DECEMBER 31,

	<u>2008</u>	<u>2007</u>
<u>REVENUES</u>		
Interest, dividends and partnership revenue	\$ 3,341,801	\$ 5,803,055
Net realized gain on sale of investments	1,290,989	25,418,706
Net unrealized (loss) gain on investments net of deferred excise tax of \$-0- and \$425,000	(72,090,665)	4,809,695
Other income	<u>19,656</u>	<u>82,604</u>
	(67,438,219)	36,114,060
Less: Direct investment expenses	(2,053,199)	(1,916,108)
Federal excise expenses	<u>(25,000)</u>	<u>(307,527)</u>
Total Investment (Loss) Revenue	<u>(69,516,418)</u>	<u>33,890,425</u>
<u>EXPENSES</u>		
Grants authorized	14,678,114	13,155,038
Grant administration expenses	1,741,076	1,430,631
Investment administration expenses	<u>773,756</u>	<u>573,176</u>
Total Expenses	<u>17,192,946</u>	<u>15,158,845</u>
Change in Net Assets	(86,709,364)	18,731,580
<u>NET ASSETS</u>		
Beginning of year	<u>288,646,662</u>	<u>269,915,082</u>
End of year	<u>\$ 201,937,298</u>	<u>\$ 288,646,662</u>

See notes to financial statements

ALTMAN FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>2008</u>	<u>2007</u>
Change in net assets	\$ (86,709,364)	\$ 18,731,580
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	57,784	57,295
Net realized gain on sale of investments	(1,290,989)	(25,418,706)
Net unrealized loss (gain) on investments	72,515,665	(4,809,695)
Deferred federal excise tax expense	(425,000)	40,958
Net change in operating assets and liabilities		
Accrued investment income receivable	68,284	9,770
Prepaid taxes	(61,000)	148
Prepaid expenses	(13,944)	(25,490)
Program loan receivable	(300,000)	—
Grants payable	2,664,500	(1,078,750)
Accounts payable and accrued expenses	223,375	(51,377)
Federal excise tax payable	(50,000)	50,000
Net Cash Used by Operating Activities	<u>(13,320,689)</u>	<u>(12,494,267)</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	(5,337)	(2,593)
Proceeds from sale of investments	149,186,424	156,725,182
Purchase of investments	(145,918,998)	(137,050,542)
Net change in money market investments	3,926,087	(532,528)
Net Cash from Investing Activities	<u>7,188,176</u>	<u>19,139,519</u>
Net Change in Cash and Cash Equivalents	(6,132,513)	6,645,252
 <u>CASH AND CASH EQUIVALENTS</u>		
Beginning of year	<u>8,038,901</u>	<u>1,393,649</u>
End of year	<u>\$ 1,906,388</u>	<u>\$ 8,038,901</u>
 <u>SUPPLEMENTAL CASH FLOW INFORMATION</u>		
Cash paid for federal excise tax on investment income	75,000	195,000

See notes of financial statements

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

1. Organization

The Altman Foundation was established and funded in 1913 by Benjamin Altman, the founder of B. Altman & Co. Under its charter, the Foundation is limited to grants to organizations in New York State. The Foundation concentrates its support to educational institutions, hospitals and health centers, artistic and cultural institutions, and social welfare programs, primarily in the metropolitan New York City area.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. As of December 31, 2008, all net assets of the Foundation are considered unrestricted.

Cash and Cash Equivalents

Cash and cash equivalents represent short-term investments with original maturities of three months or less, except for those short-term investments managed by the Foundation's investment managers as part of their long-term investment strategies.

Investments

The Foundation adopted Financial Accounting Standard Board Statement No. 157, Fair Value Measurements, ("SFAS 157") as of January 1, 2008, which, among other things, defines fair value, establishes a hierarchical framework for measuring fair value and expands disclosure about fair value measurements. SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as "inputs") used in pricing the asset or liability. SFAS 157 states that "observable inputs" reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from independent sources and "unobservable inputs" reflect an

entity's own assumptions about the assumptions market participants would use in pricing the asset or liability.

The fair value hierarchy prioritizes the inputs used in valuation techniques and creates the following three broad levels, with Level I being the highest priority:

Level I - Quoted prices are available in active markets for identical investments as of the reporting date.

Level II - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level III - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Investments in marketable securities are valued at quoted market prices. Investments in private equity, alternative investments and real asset funds are ordinarily valued at the most recent estimate determined by the investment manager or agents based upon the valuation reported by the fund administrators in accordance with the policies established by the relevant funds. Because these investments are not readily marketable, their estimated value is subject to uncertainty and therefore may be different from the value that would have been used had a ready market for such investments existed. As a general matter, the fair value of the Foundation investment in these funds will represent the amount that the Foundation could reasonably expect to receive from the fund if the Foundation's interest were redeemed at the time of valuation, based upon the information reasonably available at the time the valuation was made.

Valuations provided by these funds may be based upon estimated or unaudited reports, and may be subject to later adjustment or revision. Any such adjustments or revision will either increase or decrease the net asset value of the Foundation at the time the Foundation is provided with the information regarding the adjustment.

Realized gains and losses from the sale of securities are recorded on a "trade date" basis under the specific identification method for determining cost.

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Grants

Grants are recorded as an expense when authorized by the Board of Trustees.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method. Leasehold improvements are depreciated over a fifteen-year period. Furniture and fixtures purchases prior to January 1, 2001 are being depreciated over a ten-year period. Subsequent additions are being depreciated over five years. Computer hardware and software is being depreciated over a five-year period. The Foundation capitalizes all property and equipment items over \$1,000.

Concentration of Credit Risk

The Foundation invests its cash and cash equivalents in multiple accounts with quality financial institutions. Throughout the year balances in such investments exceeded the Federal insured limits

Reclassification

Certain items in the 2007 financial statements have been reclassified for comparative purposes only.

Accounting for Uncertainty in Income Taxes

The Foundation's current accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes.

3. Federal Excise Taxes

The Foundation is a nonprofit organization exempt from Federal income taxes under the provisions of Sections 501(c)(3) of the Internal Revenue Code (the Code), and is a private foundation as defined in Section 509(a) of the Code. The Foundation is subject to a Federal excise tax of 2% on its net investment income, as defined, for tax purposes. However, the excise tax is reduced to 1% if certain conditions are met. For 2008 and 2007 the Foundation's rate was 1%. The Foundation has met its minimum distribution requirement.

Deferred taxes principally arise from differences between the cost and fair value of investments. No deferred taxes are recorded in 2008 since the fair value of investments was lower than the cost. For 2007 deferred tax was \$425,000.

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

4. Investments

The following are major categories of investments measured at fair value at December 31:

Description	2008			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Temporary cash investments	\$ 15,911,950	\$ —	\$ —	\$ 15,911,950
Fixed income mutual funds	—	9,083,462	—	9,083,462
Private equity	—	—	24,368,771	24,368,771
Alternative investments	—	5,218,997	79,502,099	84,721,096
Real asset funds	3,772,845	—	10,667,865	14,440,710
Common stocks	22,139,228	297,273	—	22,436,501
International equity funds	—	27,845,260	—	27,845,260
	41,824,023	42,444,992	114,538,735	198,807,750
Unsettled security trades - net	5,278	6,000,000	—	6,005,278
	<u>\$ 41,829,301</u>	<u>\$ 48,444,992</u>	<u>\$ 114,538,735</u>	<u>\$ 204,813,028</u>

Description	2007			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Temporary cash investments	\$ 4,332,405	\$ —	\$ —	\$ 4,332,405
Fixed income mutual funds	24,299,910	—	—	24,299,910
Private equity	—	—	20,724,654	20,724,654
Alternative investments	—	16,548,591	63,285,286	79,833,877
Real asset funds	6,657,941	—	13,088,195	19,746,136
Common stocks	68,879,654	480,812	—	69,360,466
International equity funds	—	61,414,687	—	61,414,687
	104,169,910	78,444,090	97,098,135	279,712,135
Unsettled security trades - net	3,519,081	—	—	3,519,081
	<u>\$ 107,688,991</u>	<u>\$ 78,444,090</u>	<u>\$ 97,098,135</u>	<u>\$ 283,231,216</u>

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Investments *(continued)*

The following is a reconciliation of the beginning and ending balances for assets measured at fair value using significant unobservable inputs (Level 3) during the year ended December 31, 2008:

	<u>Level 3</u>
Beginning balance	\$ 97,098,135
Realized gains	590,879
Unrealized losses	(22,530,850)
Purchases, issuances and settlements	<u>39,380,571</u>
Ending balance	<u>\$ 114,538,735</u>

The Foundation has commitments to invest up to \$90,486,044 in seventeen limited partnerships. At December 31, 2008, the required capital contributions had totaled \$37,011,420 leaving a balance of \$53,474,624.

5. Retirement Plans

The Foundation provides a 403(b) plan to eligible employees. Employee contributions are permitted with the Foundation matching one-half of these contributions up to a maximum of 5% of salary per employee in 2008 and 2007.

The Foundation also maintains a profit sharing plan for eligible employees. For 2008 and 2007, the Foundation's contribution was based on approximately 9% of eligible salary for officers and 7% for the remainder of the staff.

Contributions to the profit sharing plan and 403(b) plan are limited under provisions of the Internal Revenue Code.

The Foundation has also established a non-qualified plan for employees whose contributions to qualified pension plans are limited.

A summary of retirement expense is as follows:

	<u>2008</u>	<u>2007</u>
Profit sharing plan	\$ 48,245	\$ 65,756
403(b) plan-employer match	24,658	30,145
Non-qualified retirement plan	<u>373,598</u>	<u>45,251</u>
	<u>\$ 446,501</u>	<u>\$ 141,152</u>

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

6. Program Related Investments (PRIs)

PRIs, defined in IRC 4944(c), have a primary purpose of advancing the mission of the Foundation without a significant purpose of the production of income or the appreciation of property. PRIs are treated as charitable distributions on Internal Revenue Service form 990-PF, the tax and information return filed by private foundations for minimum distribution requirement purposes. During 2008, a new PRI loan commitment of \$300,000 was authorized and disbursed. The Foundation's PRI loans bear interest at below-market rates of 2%.

7. Lease Commitments

In November 1999 the Foundation entered into a 15 year, 4 month lease for the entire 35th floor of 521 Fifth Avenue, New York City for its office. The lease commenced March 15, 2000.

Under the terms of the new lease, the minimum lease payments are as follows:

2009	\$ 278,000
2010	287,218
2011	289,644
2012	289,644
2013	289,644
2014-2015	446,535
Total	<u>\$1,880,685</u>

In lieu of a security deposit, the Foundation maintains an open letter of credit in the amount of \$68,409. Rent expense was \$323,009 and \$328,180 for 2008 and 2007.

8. Furniture, Equipment and Leasehold Improvements

At December 31, 2008 and 2007, furniture, equipment and leasehold improvements at the Foundation were as follows:

	<u>2008</u>	<u>2007</u>
Leasehold improvements	\$281,238	\$281,238
Furniture and equipment	297,217	297,217
Computer hardware and software	<u>63,603</u>	<u>58,266</u>
	642,058	636,721
Less accumulated depreciation	<u>485,798</u>	<u>428,013</u>
	<u>\$156,260</u>	<u>\$208,708</u>

Depreciation expense recorded for 2008 and 2007 was \$57,785 and \$60,064.

ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS

9. Grants Payable

The Foundation has entered into grant commitments with certain organizations. Payments to these organizations at December 31, 2008 and 2007 are to be made as follows:

	<u>2008</u>	<u>2007</u>
Less than one year	\$3,359,000	\$2,185,500
One to four years	<u>2,015,000</u>	<u>524,000</u>
Total grants payable	<u>\$5,374,000</u>	<u>\$2,709,500</u>

10. Line of Credit

In 2008, the Foundation established a line of credit agreement with the Northern Trust Company for \$25 million. The line is not secured and is payable on demand. Interest is payable at LIBOR plus 0.80%. There were no outstanding borrowings at December 31, 2008.

11. Risks and Uncertainties

The credit and liquidity crisis in the United States continues to have substantial volatility in the global financial markets. Consequently, the values of the Foundation's individual investments have and will fluctuate in response to changing market conditions. The amount of losses, if any, that will be recognized in subsequent periods, cannot be determined.

GUIDELINES

MISSION

To support programs and institutions that enrich the quality of life in New York City, with a particular focus on initiatives that help individuals, families, and communities benefit from the services and opportunities that will enable them to achieve their full potential.

VALUES

Several overarching values guide the Foundation's grantmaking: access, system-wide improvement, prevention and early intervention, self-sufficiency, the provision of high-quality services, and a focus on vulnerable populations.

- The Foundation seeks to increase meaningful **access** for New Yorkers to quality programs, institutions, and resources, both public and private.
- The Foundation is interested in encouraging **system-wide improvement** and change while at the same time maintaining its tradition of direct service and the opportunity to test models in action.
- The Foundation prefers to support **preventive and early intervention** strategies.
- The Foundation supports efforts that help New Yorkers build and preserve **self-sufficiency**.
- The Foundation encourages innovation and funds programs and organizations that offer **high-quality services** based on best practices in their field and that exercise systematic efforts to track credible and meaningful outcomes.
- The Foundation has an interest in supporting programs that serve **vulnerable populations**, in particular disadvantaged children and youth, immigrants, and the elderly.

OPERATING PRINCIPLES

We define ourselves as investors and are interested in creating the highest possible levels of human gain for the grant dollars we have available. In that mode, we review proposals with the following questions in mind:

- What are the results from the project—meaning outcomes for participants—that provide the return on our investment?
- What are the chances those results will be achieved?

- Is this the best use of our money, given all alternatives before us?

The Foundation makes three types of investments:

1. Investments in Direct Service

In this area we support programs and projects that create human gain for people in our areas of focus. **Historically, most of the grants in our portfolio have fallen into this category.**

2. Investments in Organizations

At times we believe that making an investment in an organization so that it can achieve and sustain stronger gains for those served is the best investment we can make. In general, these investments are reserved for organizations with which we are already working.

3. Investments in Systems Change

At times we believe that the most pressing need is to make an improvement in the larger context of factors and forces that affect programs and organizations. The Foundation will allocate limited grant dollars to strategic policy, advocacy, and applied research initiatives that advance the Foundation's grantmaking priorities.

In addition:

- The Foundation seeks to promote connections among organizations doing complementary work, including nonprofits, government agencies, and foundations, in order to advance best practices and build knowledge within a given field.
- The Foundation seeks to leverage its limited resources by investing in issues, programs, or initiatives that have the potential to attract other funding sources, both public and private.

Please note:

- Grant requests from organizations and programs outside the State of New York cannot be considered for funding; Altman Foundation grants focus almost without exception on programs within the five boroughs of New York City.
- No grants are made to individuals.
- As a general rule, the Foundation does not fund bricks and mortar, the purchase of capital equipment, or galas and other fund raising events.

PROGRAM AREAS

EDUCATION

Given the importance of education in building strong individuals, families, and communities, and the primacy of literacy in enabling people to succeed, the Foundation invests in organizations, programs, and projects outside of the public schools that achieve results aligned with the two objectives outlined below.

Please note that the “Results Sought” reflect the specific outcomes of interest to us.

Objective 1:

Increase access for disadvantaged children and youth to high-quality academic opportunities.

Results Sought

- A.** Significantly improve the academic performance of disadvantaged students
- B.** Increase the number of disadvantaged students enrolled and retained in independent and other high-quality schools
- C.** Increase the number of disadvantaged students enrolled and retained in college

Objective 2:

Promote excellence in education for disadvantaged children and youth in non-public in-school, after school,

early childhood, and other settings, with a particular emphasis on initiatives that expand and/or enhance the availability of high-quality programs.

Results Sought

- A.** Significantly improve the social, emotional, cognitive, and academic development of children
- B.** Measurably improve the caliber and diversity of faculty and staff
- C.** Increase the involvement of parents in their children’s education
- D.** Increase the number of families participating in effective literacy activities, particularly early literacy activities

HEALTH

Recognizing the critical role of quality and accessible health and mental health care in the well-being of individuals, families, communities, and the city as a whole, the Foundation invests in organizations, programs, and projects that achieve results aligned with the three objectives outlined below.

Please note that the “Results Sought” reflect the specific outcomes of interest to us.

Objective 1:

Promote access to care for underserved and/or uninsured populations.

Results Sought

- A.** Increase the number of New Yorkers with adequate and appropriate health insurance, with a particular focus on building enrollment in existing public and/or publicly subsidized insurance programs
- B.** Significantly reduce language, cultural, physical, financial, and systemic barriers to care

Objective 2:

Increase the capacity of New Yorkers to be active and educated health care consumers who are able to make informed choices about their own health and effective use of the health care system.

Results Sought

- A.** Increase the number of New Yorkers who effectively navigate health systems, utilize care, and manage their health

Within this focus area, priority is given to primary, preventive, and other non-disease-specific services.

Objective 3:

Promote the development and delivery of quality and responsive care for the most vulnerable populations.

Results Sought

- A.** Increase the number of vulnerable New Yorkers benefiting from responsive, evidence-based, non-disease-specific services, such as palliative care and family care giving

Within this focus area, priority is given to the creation and demonstration of promising models and the training of practitioners.

STRENGTHENING COMMUNITIES

The Foundation has an historic interest in ensuring that individuals and families living in the city have access to the services and resources they need to pursue and sustain successful lives.

The Foundation invests in organizations, programs, and projects that achieve results aligned with the two objectives outlined below.

Please note that the “Results Sought” reflect the specific outcomes of interest to us.

Objective 1:

Build and preserve economic security and independence among low-income individuals and families.

Results Sought

- A.** Increase the number of low-income New Yorkers who are placed in and retain jobs that support economic independence
- B.** Increase the number of low-income New Yorkers enrolled in public benefits that complement work
- C.** Enable vulnerable populations (e.g., the elderly) to remain in their own homes and communities,

with a focus on systemic efforts to address barriers to independence

Objective 2:

Promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities, with an emphasis on systemic efforts.

Results Sought

- A.** Preserve and/or increase the quality and amount of affordable housing, well-maintained parks and open spaces, and other essential community resources

ARTS & CULTURE

The Foundation has had a longstanding interest in the arts, reflecting not only Benjamin Altman’s personal commitment, but also the Foundation’s recognition of the value of the arts in enriching the lives of New Yorkers and the city as a whole.

The Foundation invests in organizations, programs, and projects that achieve results aligned with the three objectives outlined below.

As a general rule, the programs we support take place outside of the public schools.

Please note that the “Results Sought” reflect the specific outcomes of interest to us.

Objective 1:

Promote positive youth development through arts and cultural programming.

Results Sought

- A.** Significantly increase the mastery of program-specific skills and other developmentally appropriate life skills
- B.** Measurably advance the academic progress of students
- C.** Successfully transition participants to high-quality secondary, post-secondary, or professional opportunities

Objective 2:

Promote the acquisition of preprofessional arts skills among underserved youth.

Results Sought

- A.** Enroll and retain promising students from underserved communities in the highest-quality preprofessional training in specific arts disciplines
- B.** Measurably increase the mastery of program-specific skills against a curriculum-based standard
- C.** Successfully transition participants to high-quality secondary, post-secondary, or professional opportunities

Objective 3:

Promote access to the arts and cultural activities for underserved populations

Results Sought

- A.** Increase sustained engagement and participation of underserved populations in high-quality arts and cultural programming provided by established and meaningful organizations and institutions

SERVICES TO NOT-FOR-PROFITS

The Foundation provides support to organizations that achieve the following:

Results Sought

- A. Significantly enhance the ability of key umbrella organizations to help their member agencies address critical community issues in the Foundation's areas of interest
- B. Measurably improve organizational effectiveness or program quality of community-based or other organizations working in the Foundation's areas of interest

APPLICATION PROCESS

We recommend you carefully review the guidelines printed above, including the results we seek in our program areas, before submitting an application.

Requests for grants should be submitted using the downloadable application forms available on our website, www.altmanfoundation.org. The Foundation has no submission deadlines. Proposals are reviewed in the order they come to the Foundation, and grants are approved by our Trustees at regularly scheduled Board meetings throughout the year.

A list of required background materials for each proposal is included in all application forms. Please note that the Altman Foundation does not accept applications submitted by e-mail or fax.

All requests should be submitted to:

Karen L. Rosa, *Vice President and Executive Director*
Altman Foundation
521 Fifth Avenue, 35th Floor, New York, New York 10175
(212) 682-0970

For our website: www.altmanfoundation.org

DOROT, Inc.



ALTMAN FOUNDATION

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