You are invited to celebrate the 90th Anniversary of the

ALTMAN FOUNDATION

Wednesday, October 8, 2003

Takings the Long View:
90 Years of Philanthropy
In New York City

ALTMAN FOUNDATION

Wednesday, October 8, 2003

 Gala: 4:00 to 7:00
Reception: Open to 7:00

CUNY Graduate Center
44 West 110th Street
New York, NY

Michael Bchnitt, Jr.
New York Regional Associate
Susan R. Taub, Esq.
Chair of the Board
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. Freidsam 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, social welfare (now 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.
TRUSTEES

Jane B. O’Connell
President

John W. Townsend
Vice President

Julia V. Shea
Secretary

Sharon B. King
Assistant Secretary

James M. Burke
Bernard Finkelstein
Maurice A. Selinger, Jr.
Patricia J. Volland
Thomas C. Burke
Trustee Emeritus

STAFF

Karen L. Rosa
Vice President & Executive Director

John P. Casey
Treasurer

Anna M. Johnson, Administrative Assistant
Justine Koch, Accountant
Kate Liebman, Program Officer
Harriet A. Lwow, Receptionist (part-time)
Nina B. Mogilnik, Senior Program Officer
Doriann Sama, Administrative Assistant
# Table of Contents

- Letter from the President .................................................. 6
- Letter from the Vice President/Executive Director .................. 7
- Grants Authorized 2003 ..................................................... 8
  - Education ........................................................................... 8
  - Health ............................................................................... 12
  - Strengthening Communities ............................................. 15
  - Arts & Culture .................................................................... 19
  - Services to Not-for-Profit Organizations ............................. 22
- Financial Information ............................................................. 23
- Guidelines ............................................................................ 30
Birthdays and anniversaries are important milestones. In addition to being good times to celebrate accomplishments, they provide moments to take stock, to look back, and to face the issues of the future. The Altman Foundation has taken its 90th anniversary very seriously and celebrated in October 2003 with a panel of distinguished leaders in the community that discussed *Taking the Long View, 90 Years of Philanthropy in New York City*. A joyous party followed. All of this took place in the beautifully transformed CUNY Graduate Center that once housed B. Altman & Co.

Our distinguished panelists – Geoffrey Canada, of the Harlem Children’s Zone; Susan Henshaw Jones, the Museum of the City of New York; Michael Seltzer, New York Association of Regional Grantmakers; and James R. Tallon, United Hospital Fund—moderated with charm and wisdom by Mary McCormick, President of the Fund for the City of New York, addressed challenges in their respective fields. The panelists covered some important areas that are seminal to the Foundation’s thinking: lack of health insurance for many, a new generation of immigrants, the job market for the less skilled, the next generation of non-profit leaders, and how we can better understand what we are as a non-profit sector. The panelists encouraged all of us to think outside of our normal missions. They gave the audience a lot to consider as we look to the future.

The panelists reflected on today’s vital issues but in many ways the city they discussed is not so different from the one Benjamin Altman knew. It is still a city of immigrants; poverty and hunger continue to be major problems; housing and jobs are at a premium; good health care is not a guarantee for all. Altman’s beloved institutions, so strongly represented in his will and through the Foundation’s first grants to social service agencies, children’s programs, hospitals and museums, are still in great need of support and indeed, after 9/11, many have been critically challenged.

Benjamin Altman is not as well known as some of the other famous philanthropists of his generation. We have no record of writings other than his will, which emphasizes his dedication to New Yorkers. His store, his art collection and his foundation were his legacy to his city. He might be surprised that his most enduring legacy is the Foundation and we are proud to honor this vision.

At the end of the panel, Mary McCormick presented a medallion from the Prospect Park Alliance rescued during the renovation of their boathouse. The medallion represents the four corners of the compass – how appropriate as we move into the future and continue to look at the five boroughs. Thanks to all who share this journey with us – especially our trustees, staff and colleagues in the non-profit community. We salute our grantees who make this city a better place for all.

Jane B. O’Connell
President
2003, our 90th anniversary year, certainly had a celebratory quality. We started the year by announcing our new guidelines, both on our website (in February of last year) and in our 2002 annual report. Reaction to the guidelines, and to the thinking behind the strategic planning process as outlined in our annual report, affirmed that we had drawn appropriate conclusions and had begun an effective process for turning the plan’s recommendations into practice.

The new guidelines, coupled with an acute awareness of the restrictions imposed by limited resources, shaped the year’s grantmaking. Our new system of objectives and strategies allows us to show more clearly how the Foundation’s priorities translate into programs and approaches on the ground. The new structure provided an invaluable guide as we made difficult decisions during the year, paying close attention to the funding target set by the Trustees. We hope that the new guidelines have helped make the Foundation’s priorities more evident to external audiences; we continue to review the guidelines toward that end.

Staff began to develop a better set of mechanisms for evaluating the effectiveness of our grants and Trustees instituted a new practice of holding four, rather than six, grant-review meetings each year. Both Trustees and staff are finding it very productive to use the other two meetings to discuss broader policy issues—the thinking behind the Foundation’s grantmaking—rather than always being pressed to move through what one of our planning consultants would have called a “transactional” docket.

In a similar vein, our 90th anniversary event in October, *Taking the Long View: 90 Years of Philanthropy in New York City*, gave us a chance to bring nonprofits and funders together to think about big-picture issues outside of the everyday pressures of the grantmaking process. In preparing for the event, we looked at some of our earliest grantees, wishing to recognize those who received their first Altman grants during the Foundation’s first ten years in existence and yet who, remarkably, are also current grantees of the Foundation. We have carried this theme into our 2003 Annual Report, inserting photographs from the archives of some of these grantees.

Many of the issues illustrated in these photographs remain on the front burner for us today: education, access to health care, workforce development, the importance of the arts and of open spaces, the critical role of nonprofits in the fabric of this city. Approaches to issues change, and new challenges arise, but the fundamental commitment to this uniquely vibrant, and uniquely vulnerable, city that impelled Benjamin Altman to create the Altman Foundation in 1913 continues to animate our work today. As E. B. White wrote in his beautiful and prescient 1948 essay *Here is New York*:

> Every facility is inadequate—the hospitals and schools and playgrounds are overcrowded, the express highways are feverish, the unimproved highways and bridges are bottlenecks; there is not enough air and not enough light, and there is usually either too much heat or too little. But the city makes up for its hazards and its deficiencies by supplying its citizens with massive doses of a supplementary vitamin—the sense of belonging to something unique, cosmopolitan, mighty and unparalleled.

We are deeply grateful to the thousands of nonprofit professionals and organizations whose hard work and dedication to New York over the past ninety years have translated Benjamin Altman’s commitment into action. We look forward to continuing our work together.

Karen L. Rosa
Vice President & Executive Director
Goal for EDUCATION:

Given the importance of education in building strong individuals, families, communities and the city as a whole, and the primacy of literacy in enabling people to succeed, the Foundation seeks to (1) increase access for disadvantaged children and youth to high-quality academic opportunities, and (2) promote excellence in education for disadvantaged children and youth in non-public in-school, after-school and early childhood settings, with a specific emphasis on expanding and enhancing the availability of high-quality education programs that nurture cognitive, social, and emotional development. With finite resources to commit to achieving these objectives, the Foundation seeks, to the greatest extent possible, to maximize its impact by focusing on system-wide initiatives.

OBJECTIVE 1:

To increase access for disadvantaged children and youth to high-quality academic opportunities

STRATEGY 1:

Give promising students access to education in independent and other academically challenging schools through enrichment and placement programs

BOYS HOPE GIRLS HOPE OF NEW YORK, INC.
To provide second-year, final support to expand the work of the development office $50,000

DE LA SALLE ACADEMY
To provide general support for this model middle school for gifted students from underserved communities $50,000

EARLY STEPS, INC.
To help increase the number of minority students in independent schools at the primary grade level $35,000
EAST SIDE HOUSE SETTLEMENT, INC.
To provide a final grant for the Project READY college preparatory program $40,000

ETHICAL CULTURE FIELDSTON SCHOOL
As a final grant to support the Summer Service Institute, an educational enrichment and high school placement program for low-income youth $20,000

GODDARD RIVERSIDE COMMUNITY CENTER
To renew support for the OPTIONS Center, which provides college and career guidance and counseling for youth citywide $75,000

HORACE MANN SCHOOL
To renew support for Summer on the Hill, an educational enrichment and school placement program for low-income children and youth $25,000

NEW YORK MEDICAL COLLEGE
To renew support for the New Yorkers Caring for New York program, designed to introduce promising young people from underserved communities to the health professions $175,000

PREP FOR PREP
To help support the database project $100,000 (over two years)

ST. ALOYSIUS EDUCATION CLINIC
To help support the Academic Achievement and Cultural Enrichment Program $25,000

STUDENT/SPONSOR PARTNERSHIP, INC.
To help strengthen sponsor relations $40,000

SPONSORS FOR EDUCATIONAL OPPORTUNITY, INC.
To help support the SEO Scholars Program $50,000

THE TEAK FELLOWSHIP, INC.
To renew support for the TEAK Fellowship Program $40,000

STRATEGY 2:
Strengthen superior non-public schools with a demonstrated commitment to enrolling, supporting and successfully graduating disadvantaged students by providing targeted endowment support
None awarded in 2003

OBJECTIVE 2:
To 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 system-wide initiatives that expand and enhance the availability of high-quality programs that nurture cognitive, social, and emotional development.

STRATEGY 1:
Improve the caliber and diversity of faculty and staff

BANK STREET COLLEGE OF EDUCATION
To renew support for the Center for Universal Pre-Kindergarten $50,000

BROOKLYN KINDERGARTEN SOCIETY
To support the Pre-Literacy Education Program $45,000

NEW YORK INTERSCHOOL ASSOCIATION, INC.
To renew support for the Faculty Diversity Search program to recruit and retain minority teachers in independent schools $40,000

The City University of New York, First Altman Grant: 1922
PARTNERSHIP FOR AFTER SCHOOL EDUCATION, INC.
To renew support for the PASE Training Institute, including support for evaluating its effectiveness $50,000

TEACHERS COLLEGE, COLUMBIA UNIVERSITY
To help launch the Klingenstein Center’s Leadership Academy summer master’s-degree program for emerging independent schools leaders $200,000 (over two years)

STRATEGY 2:
Improve educational outcomes by enriching and enhancing programming and/or resources

ARCHDIOCESE OF NEW YORK/PATRONS PROGRAM
To renew support for the ARETE Corporation evaluation of the Library Connections program in the inner-city non-public schools $140,000

CHILD CARE, INC.
To provide emergency support for CCI’s advocacy campaign to ensure continued New York State funding for Universal PreKindergarten $40,000

CORNELIA CONNELLY CENTER FOR EDUCATION
To renew support for the Holy Child Middle School for low-income girls $40,000

EAST HARLEM TUTORIAL PROGRAM, INC.
To support EHTP’s programs for children and youth $50,000

GEORGE JACKSON ACADEMY
To help support the establishment of the George Jackson Academy, a model fourth-through eighth-grade school for low-income, minority boys $100,000

GROUNDWORK, INC.
To renew support for Groundwork for Youth, a comprehensive program for youngsters in East New York $75,000

INTERFAITH NEIGHBORS, INC.
To renew support for the Reading Lab, an intensive intervention program for struggling adolescents $100,000

MARC AFTER-SCHOOL PROGRAM, INC.
To support the integration of Project READ into MARC’s literacy-focused programming $16,750

NATIVITY MISSION CENTER
To help support the unified development efforts of the three Jesuit Education Centers in New York City $50,000

NOTRE DAME SCHOOL
To help create a fine arts program $175,000

READING EXCELLENCE AND DISCOVERY FOUNDATION, INC.
To renew support for the After School and Summer Reading Programs $50,000

SOLOMON SCHECHTER SCHOOL OF MANHATTAN
To renew support for the fund development program $50,000

STRATEGY 3:
Promote and support the involvement of parents in their children’s education

EPIC - EVERY PERSON INFLUENCES CHILDREN, INC.
To renew support for the Parents of Infants and Toddlers Program, an educational workshop series that partners with St. Luke’s-Roosevelt Hospital Center to reach new parents $40,000

STRATEGY 4:
Support the development and expansion of effective family literacy models

CENTER FOR INTERGENERATIONAL READING
To renew support for the multi-site Art in Reading early childhood collaboration with Studio in a School $60,000

THE CHAPIN HALL FOR CHILDREN AT THE UNIVERSITY OF CHICAGO
To continue documentation of the multi-site Art in Reading early childhood collaboration in New York City $31,384

LITERACY ASSISTANCE CENTER, INC.
To help support phase two of the Family Literacy Resource Center project $200,000

REACH OUT AND READ OF GREATER NEW YORK
To provide support for year two of the legislative and public awareness campaigns, as well as expand partnerships to promote public support for Reach Out and Read $37,000
SAINT NICHOLAS NEIGHBORHOOD PRESERVATION CORPORATION
To provide support for the Family Literacy and Technical Assistance projects of the Youth and Family Services Division $225,000

THE STUDIO IN A SCHOOL ASSOCIATION, INC.
To renew support for the multi-site Art in Reading early childhood collaboration with the Center for Intergenerational Reading $109,000

STRATEGIES 1 - 4
(Proposal responds to more than one strategy)

UNITED WAY OF NEW YORK CITY
To renew support for the Child Care and Early Education Fund, a multi-year donors’ collaborative supporting projects that seek systemic improvements in the quality and accessibility of child care and early education in New York City $100,000

The following organizations/programs, many of which are renewals, were awarded grants under our former guidelines:

THE COLLEGE OF NEW ROCHELLE
To renew support for the Access Center program for adult learners at the John Cardinal O’Connor Campus in the South Bronx $50,000

COOKE CENTER FOR LEARNING AND DEVELOPMENT, INC.
Over three years to help support the Center’s capital campaign $250,000

FUTURES AND OPTIONS, INC.
As a final grant to support the Internship Program for teens $25,000

INNER-CITY SCHOLARSHIP FUND
To renew support for the FOCUS (Focus on Careers and Success) program $50,000

THE LEAGUE TREATMENT CENTER, INC.
As a final grant to improve educational outcomes for children with special needs through professional development and faculty retention activities $20,000

ST. JOSEPH’S COLLEGE
To provide a second and final grant to support the Marygrace Calhoun Dunn Academic Center at the Brooklyn campus $50,000

SUBTOTAL: $3,244,134
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 seeks to (1) promote access to care for underserved and/or uninsured populations; (2) increase the capacity of New Yorkers to be active and educated health care consumers; and (3) promote the development and delivery of new approaches to quality and responsive care for the most vulnerable populations.

OBJECTIVE 1:
To promote access to care for underserved and/or uninsured populations

STRATEGY 1:
Encourage efforts to enroll New Yorkers in existing public and/or publicly subsidized insurance programs

THE CHILDREN’S AID SOCIETY
To renew support for the Enhancing New York’s Facilitated Enrollment Initiative, a citywide effort to strengthen community-based enrollment in public health insurance  $145,000
STRATEGY 2:
Develop creative solutions to the problems of the uninsured

WORKING TODAY, INC.
To renew support for Working Today’s effort to expand the Portable Benefits Network to new uninsured populations $75,000

STRATEGY 3:
Support programs that seek to eliminate language, cultural, physical, financial and systemic barriers to care

CHILDREN’S DEFENSE FUND - NEW YORK
To help support Beyond Coverage: Making the Connection to Health Care for Children and Families $50,000

THE MENTAL HEALTH ASSOCIATION
OF NEW YORK CITY, INC.
To renew support for the COPE. Community Outreach and Public Education mental health campaign targeting children, youth and the elderly $100,000

RESOURCES FOR CHILDREN WITH SPECIAL NEEDS, INC.
To help strengthen the agency’s development efforts $30,000

UNITED HOSPITAL FUND OF NEW YORK
To continue support for Bringing Simplification and Information Technology Innovation to New York’s Public Health Insurance Programs: Building the Business Case and Architectural Vision $158,000

OBJECTIVE 2:
To 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

STRATEGY 1:
Support programs that promote outreach, health education, and service linkage, with a particular focus on primary, preventive, and other non-disease-specific services

LATINO COMMISSION ON AIDS, INC.
To renew support for A Tu Salud, a multi-site, church-based health education program $37,500

LITERACY ASSISTANCE CENTER, INC.
To help support the creation of a comprehensive Health Literacy Resource Center that will utilize the adult literacy system citywide to build the skills learners need to preserve and promote their health $150,000

MEDICAL AND HEALTH RESEARCH ASSOCIATION OF NEW YORK CITY, INC.
To promote the appropriate use of health care services among newly insured populations by piloting and evaluating a new enriched enrollment process $120,000
MEDICARE RIGHTS CENTER, INC.
To provide a third and final grant for the Broadband Education and Empowerment for People with Medicare (BEEP'M) initiative
$55,000

MONTEFIORE MEDICAL CENTER
As a final grant for the Children’s Hospital’s Suzanne Pincus Family Learning Place and its efforts to improve parental health literacy
$75,000

THE S.L.E. FOUNDATION, INC.
As a final grant to help support, expand and evaluate the work of the New York City Lupus Cooperative
$25,000

CHARLES B. WANG COMMUNITY HEALTH CENTER, INC.
To help support a dental health literacy and outreach campaign
$50,000

OBJECTIVES 1 & 2:
(Proposal responds to more than one objective)

THE NEW YORK ACADEMY OF MEDICINE
To support year two of the research project on children’s access to and use of health care services in New York City under the Child Health Plus programs
$100,000

OBJECTIVE 3:
To promote the development and delivery of quality and responsive care for the most vulnerable populations

STATEGY 1:
Support new approaches to non-disease-specific services, such as palliative care and family caregiving, through the creation and demonstration of models and the training of practitioners.

BETH ISRAEL MEDICAL CENTER
To expand New York City NetofCare, an initiative of the Department of Pain Medicine and Palliative Care, to Queens, the Bronx and Staten Island
$135,000

SAINT VINCENTS CATHOLIC MEDICAL CENTERS OF NEW YORK
To support Year Five of the Palliative Care Center for Service, Education and Research
$390,000

The following organizations/programs were awarded grants under our former guidelines:

AMERICAN RED CROSS IN GREATER NEW YORK
Over two years to help support and enhance the disaster service’s health and mental health program
$150,000

GOD’S LOVE WE DELIVER, INC.
As a final grant to support the delivery of meals to homebound people living with AIDS throughout New York City
$20,000

SUBTOTAL: $1,865,500
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 has chosen to focus on efforts that (1) build and preserve economic security and independence among low-income individuals and families; and (2) promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities.

OBJECTIVE 1:

To build and preserve economic security and independence among low-income individuals and families

STRATEGY 1:

Help low-income New Yorkers gain access to and retain jobs that lead to economic independence through programs that can provide the combination of occupational, literacy, job placement, retention and other services individuals need to enter and remain in the job market successfully

THE HOPE PROGRAM INC.

To renew support for HOPE’s job placement and retention programs $30,000

NEW YORK CITY EMPLOYMENT & TRAINING COALITION

To support the Coalition’s efforts to provide capacity building, technical assistance and advocacy services to the New York City employment and training community $75,000
PER SCHOLAS INC.  
To renew support for capacity-building and infrastructure development $100,000

THE NEW YORK COMMUNITY TRUST  
To help support the Financial Management Training Initiative of the New York City Workforce Development Funders Group $10,000

VOCATIONAL FOUNDATION, INC.  
To help launch VFI’s Literacy Initiative, adding to the agency’s comprehensive supports for young adults $50,000

STRATEGY 2:  
Reinforce the efforts of individuals and families to move towards self-sufficiency by supporting advocacy and direct service efforts to promote access to available public benefits that complement work

COMMUNITY FOOD RESOURCE CENTER, INC.  
To help support the Earned Income Tax Credit Campaign $100,000

CREDIT WHERE CREDIT IS DUE, INC.  
For general support $20,000

NATIONAL FEDERATION OF COMMUNITY DEVELOPMENT CREDIT UNIONS, INC.  
To renew support for the Bushwick Cooperative Federal Credit Union $15,000

NEW YORK COALITION AGAINST HUNGER, INC.  
To renew support for the Beyond the Soup Kitchen initiative $50,000

PRATT AREA COMMUNITY COUNCIL, INC.  
As a second and final grant for the Bring Me to the Bank financial literacy program $25,000

SEEDCO & THE NON-PROFIT ASSISTANCE CORPORATION  
To support expansion of Seedco’s Comprehensive Benefits Initiative for Low Wage Workers $125,000

STRATEGY 3:  
Support targeted efforts to build and/or preserve the independence of vulnerable populations, e.g., the elderly, in communities

DOROT, INC.  
To help support core volunteer services for frail seniors $75,000

JEWISH COMMUNITY COUNCIL OF GREATER CONEY ISLAND, INC.  
To help support service programs for low-income senior citizens $30,000

LENOX HILL NEIGHBORHOOD HOUSE, INC.  
To help support Project STAR, a multi-service support program for family caregivers $75,000

PROJECT EZRA  
To support Ezra’s work with frail, homebound, and immigrant elderly $25,000

COMMUNITY SERVICE SOCIETY OF NEW YORK, FIRST ALTMAN GRANT: 1917
SEARCH AND CARE, INC.
To help provide services to frail and isolated elderly New Yorkers $25,000

OBJECTIVE 2:
To promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities

STRATEGY 1:
Provide targeted support for policy, advocacy, technical assistance and planning initiatives to build and preserve community infrastructure, including affordable housing and well-maintained parks and open spaces

THE ASSOCIATION FOR NEIGHBORHOOD & HOUSING DEVELOPMENT, INC.
To help support a range of policy, advocacy, technical assistance and planning activities $45,000

CITY PARKS FOUNDATION, INC.
To help support Catalyst for Neighborhood Parks, a program that provides communities with the technical support they need to reclaim and revitalize underused parks $25,000

THE MUNICIPAL ART SOCIETY OF NEW YORK
To help support the work of the Planning Center, and to provide a one-time grant to facilitate community planning for the 2012 Olympics $75,000

NEW YORKERS FOR PARKS
To help support citywide advocacy for a more equitable level of park service $100,000

STRATEGY 2:
Support key umbrella organizations that advance the ability of community-based agencies to address critical issues and deliver high-quality programs

CATHOLIC CHARITIES
ARCHDIOCESE OF NEW YORK
For general support $100,000

CITIZENS’ COMMITTEE FOR CHILDREN OF NEW YORK, INC.
To renew support for advocacy efforts on behalf of children $30,000

COUNCIL OF SENIOR CENTERS AND SERVICES OF NEW YORK CITY, INC.
To provide a final grant for the Senior Center Capacity Building Initiative $50,000

FEDERATION OF PROTESTANT WELFARE AGENCIES, INC.
To support FPWA’s core programs $100,000

THE NEW YORK IMMIGRATION COALITION, INC.
To provide general support for advocacy, policy analysis, and educational outreach activities on behalf of immigrants and refugees in New York $50,000

NONPROFIT COORDINATING COMMITTEE OF NEW YORK
To provide general operating support for NPCC’s work on behalf of the nonprofit sector in New York City $50,000

UJA-FEDERATION OF JEWISH PHILANTHROPIES OF NEW YORK, INC.
For general support of New York activities $125,000
The following organizations/programs, many of which are renewals, were awarded grants under our former guidelines:

<table>
<thead>
<tr>
<th>Organization/Program</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BIG BROTHERS BIG SISTERS OF NEW YORK CITY, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To help support The New Americans Mentoring Program</td>
<td></td>
</tr>
<tr>
<td><strong>BOWERY RESIDENTS’ COMMITTEE, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To renew support for communications, policy, and advocacy</td>
<td></td>
</tr>
<tr>
<td><strong>CENTER FOR FAMILY LIFE IN SUNSET PARK</strong></td>
<td>$60,000</td>
</tr>
<tr>
<td>To help build development capacity</td>
<td></td>
</tr>
<tr>
<td><strong>CITY HARVEST, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>For general support</td>
<td></td>
</tr>
<tr>
<td><strong>THE EDUCATIONAL ALLIANCE, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>For a final grant to help support agency-wide capacity</td>
<td></td>
</tr>
<tr>
<td><strong>FRIENDS OF THE CHILDREN NEW YORK</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To renew support for the mentoring program for at-risk</td>
<td></td>
</tr>
<tr>
<td>elementary school children in New York City</td>
<td></td>
</tr>
<tr>
<td><strong>GOOD SHEPHERD SERVICES</strong></td>
<td>$225,000 (over three years)</td>
</tr>
<tr>
<td>To help strengthen program evaluation activities and</td>
<td></td>
</tr>
<tr>
<td>expand related staff training</td>
<td></td>
</tr>
<tr>
<td><strong>HAMILTON MADISON HOUSE, INC.</strong></td>
<td>$5,000</td>
</tr>
<tr>
<td>For general support</td>
<td></td>
</tr>
<tr>
<td><strong>HIGHBRIDGE COMMUNITY LIFE CENTER, INC.</strong></td>
<td>$40,000</td>
</tr>
<tr>
<td>To help support capacity building</td>
<td></td>
</tr>
<tr>
<td><strong>THE LEGAL AID SOCIETY</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To renew support for The Kathryn A. McDonald Education</td>
<td></td>
</tr>
<tr>
<td>Advocacy Project</td>
<td></td>
</tr>
<tr>
<td><strong>PHIPPS COMMUNITY DEVELOPMENT CORPORATION</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To renew support for the Phipps CDC Core Community</td>
<td></td>
</tr>
<tr>
<td>Building Program</td>
<td></td>
</tr>
<tr>
<td><strong>ST. CHRISTOPHER’S, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To support the implementation of the Institute’s</td>
<td></td>
</tr>
<tr>
<td>Leadership Development Program</td>
<td></td>
</tr>
<tr>
<td><strong>SANCTUARY FOR FAMILIES, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>As a final grant for the Crisis Shelter Aftercare Program</td>
<td></td>
</tr>
<tr>
<td><strong>SETTLEMENT HOUSING FUND, INC.</strong></td>
<td>$50,000</td>
</tr>
<tr>
<td>To help build organizational capacity to develop and</td>
<td></td>
</tr>
<tr>
<td>own apartment buildings for low and moderate income</td>
<td></td>
</tr>
<tr>
<td>families</td>
<td></td>
</tr>
<tr>
<td><strong>SUNNYSIDE COMMUNITY SERVICES, INC.</strong></td>
<td>$30,000</td>
</tr>
<tr>
<td>To provide support toward the first year of a three-year</td>
<td></td>
</tr>
<tr>
<td>capacity building project</td>
<td></td>
</tr>
</tbody>
</table>

Subtotal: $2,430,000
ARTS & CULTURE

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. In this program area, the Foundation seeks (1) to promote positive youth development through arts and cultural programming; (2) to promote the acquisition of preprofessional arts skills among underserved youth; and (3) to promote access to the arts for underserved populations.

OBJECTIVE 1:
To promote positive youth development through arts and cultural programming

STRATEGY 1:
Support programs in the out-of-school setting that recognize the effective role that arts and cultural programming can play in engaging children and young people and helping them master essential, developmentally appropriate skills

THE CITYKIDS FOUNDATION, INC.
To renew support for CityKids Rep, a performing arts youth development program for teens
$35,000

FIGURE SKATING IN HARLEM, INC.
To renew support for this sports and academic program
$30,000

HARLEM RBI, INC.
To renew support for the REAL Kids sports and academic program
$25,000

MUSEUM OF THE CITY OF NEW YORK, INC.
To renew support for the Urban Peer Docent Program
$125,000

THE NEW 42ND STREET INC.
To renew support for the Youth Corps Program
$50,000

NEW YORK HALL OF SCIENCE
To help support expansion of the Science Career Ladder and After School Science Clubs
$70,000
PROSPECT PARK ALLIANCE, INC.
To renew support for youth programs in Prospect Park $40,000

PUBLICOLOR, INC.
To renew support for the COLOR Club and NEXT STEPS programs for teens $25,000

ROCKING THE BOAT, INC.
To help support student instruction and apprentice mentoring for this boatbuilding and environmental education program $30,000

STREETSQUASH, INC.
To renew support for this sports and educational enrichment program $15,000

WAVE HILL INCORPORATED
To renew support for environmental education programs $50,000

OBJECTIVE 2:
To promote the acquisition of preprofessional arts skills among underserved youth

STRATEGY 1:
Support programs that identify promising students from underserved communities and provide them with the highest-quality preprofessional training in specific arts disciplines

THE ALVIN AILEY DANCE THEATER FOUNDATION, INC.
To renew support for the High School Fellowship Program and the Boys Scholarship Program $20,000

BALLET TECH FOUNDATION, INC.
To renew support for Ballet Tech’s program of dance training for disadvantaged youngsters in New York City $40,000

BOYS & GIRLS HARBOR, INC.
To renew support for the Harbor Conservatory for the Performing Arts $50,000

BROOKLYN ARTS EXCHANGE, INC.
To renew support for the Bridge Project to provide pre-professional training for local youth $20,000

BROOKLYN YOUTH CHORUS INC.
For general support of New York activities $40,000,
For a one-time-only contribution for endowment $100,000 (over two years)

COOPER-HEWITT, NATIONAL DESIGN MUSEUM, SMITHSONIAN INSTITUTION
To help support the Design Directions career preparation program for underserved New York City high school students $200,000 (over two years)

THE COOPER UNION FOR THE ADVANCEMENT OF SCIENCE AND ART
To renew support for the Saturday Outreach Program for local high school students $35,000
THE HARLEM SCHOOL OF THE ARTS, INC.
To renew support for the College Prep and Apprentice Years program $50,000

THE INTERSCHOOL ORCHESTRAS
OF NEW YORK, INC.
For general support $10,000

ELAINE KAUFMAN CULTURAL
CENTER/LUCY MOSES SCHOOL FOR
MUSIC & DANCE
To provide support for talented, disadvantaged students in the Young People’s Division $35,000

MANHATTAN SCHOOL OF MUSIC
To provide support for Preparatory Division Scholarships $30,000

TADA! THEATRE AND DANCE ALLIANCE, INC.
To renew support for the Pre-Professional Youth Development Program $20,000

THIRD STREET MUSIC SCHOOL SETTLEMENT
To help support and enhance the Performing Arts Comprehensive Training Program $45,000

THE YOUNG PEOPLE’S CHORUS
OF NEW YORK CITY, INC.
To renew support for the choral music education program $25,000

OBJECTIVE 3:
To promote access to the arts for underserved populations

STRATEGY 1:
Support programs that extend the benefits of the arts through established and meaningful organizations and institutions committed to making their resources available to underserved populations

HIGH 5 TICKETS TO THE ARTS, INC.
To renew support for the Take 5 Program and help support the Teen Reviewers and Critics (TraC) Program $25,000

LINCOLN CENTER FOR THE PERFORMING ARTS, INC.
To expand the Audience Development Initiative $100,000 (over two years)

THE NEW YORK PUBLIC LIBRARY
To provide general support for the Research Libraries and to help support the Computer Page Program at the Branch Libraries $450,000 (over three years)

THE 92ND STREET YOUNG MEN’S AND YOUNG WOMEN’S HEBREW ASSOCIATION
To renew support for the Afterschool Scholarship Program $30,000

QUEENS THEATRE IN THE PARK, INC.
To help expand access to the arts to underserved Latino and black communities in Queens $25,000

STATEN ISLAND CHILDREN’S MUSEUM
To renew support for the Keen Teen Internship Program $15,000

YOUNG AUDIENCES/ NEW YORK, INC.
To renew support for the FamilyLink program $50,000

SUBTOTAL: $1,910,000
SERVICES TO NOT-FOR-PROFIT ORGANIZATIONS

Foundation Related

CITIZENS UNION FOUNDATION, INC.
To help support the Gotham Gazette $2,500

THE FOUNDATION CENTER
One-time special grant to help enhance the Center’s ability to provide informational and educational services for grantseekers at the New York library and training annex $15,000

THE FOUNDATION CENTER
For general support $5,000

NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
To help support the New York City Youth Funders Network $2,000

NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
To help NYRAG make the transition to a new CEO $5,000

NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
For general support $11,000

Management/Technical Assistance

THE HISPANIC FEDERATION, INC.
To help support the Hispanic Leadership Institute $30,000

THE INSTITUTE FOR NOT-FOR-PROFIT MANAGEMENT
To provide renewed scholarship support for directors and managers of nonprofit agencies $15,000

NATIONAL EXECUTIVE SERVICE CORPS
To renew support for the Nonprofit Leadership Development Program $50,000

THE NEW YORK COMMUNITY TRUST
To the Fund for New Citizens to renew support for a capacity-building initiative for community-based immigrant organizations $75,000

NPPOWER NY, INC.
To renew support for this nonprofit designed to aid other nonprofits in the effective use of information technology $153,000

UNITED NEIGHBORHOOD HOUSES OF NEW YORK CITY, INC.
To help support technical assistance in outcome measurement and program assessment and hire student interns to help the settlements with data collection and analysis $75,000

Subtotal: $438,500

Total Grants Authorized 2003: $9,888,134
Independent Auditors’ Report

The Board of Trustees
Altman Foundation

We have audited the balance sheets of the Altman Foundation as of December 31, 2003 and 2002, and the related statements of revenues, grants and expenses and changes in net assets 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our 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 the Altman Foundation as of December 31, 2003 and 2002, its changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Respectfully submitted,

Owen J. Flanagan & Company

New York, New York
February 6, 2004
### ALTMAN FOUNDATION

#### BALANCE SHEETS

**DECEMBER 31, 2003 AND 2002**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments, at fair value (Notes 2, 4)</td>
<td>$232,808,804</td>
<td>$198,701,395</td>
</tr>
<tr>
<td>Cash in operating accounts</td>
<td>1,400,707</td>
<td>5,810,789</td>
</tr>
<tr>
<td>Interest and dividends receivable</td>
<td>133,326</td>
<td>509,150</td>
</tr>
<tr>
<td>Prepaid Federal excise tax</td>
<td>—</td>
<td>8,000</td>
</tr>
<tr>
<td>Prepayments and other</td>
<td>1,847</td>
<td>1,987</td>
</tr>
<tr>
<td>Furniture, equipment and leasehold improvements, net of accumulated depreciation of $194,550 in 2003 and $137,184 in 2002</td>
<td>388,467</td>
<td>445,830</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>234,733,151</strong></td>
<td><strong>205,477,151</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>$ 1,372,500</td>
<td>$ 1,565,000</td>
</tr>
<tr>
<td>Long-term</td>
<td>300,000</td>
<td>672,500</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>296,000</td>
<td>309,889</td>
</tr>
<tr>
<td>Deferred Federal excise tax</td>
<td>218,086</td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>2,186,586</strong></td>
<td><strong>2,547,389</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS (Exhibit B)</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>232,546,565</td>
<td>202,929,762</td>
</tr>
</tbody>
</table>

| **Total Liabilities and Net Assets** | **234,733,151** | **205,477,151** |

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

**Statements of Revenues, Grants and Expenses and Changes in Net Assets**

**Years Ended December 31, 2003 and 2002**

#### REVENUES

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds and notes</td>
<td>$2,459,202</td>
<td>$4,075,924</td>
</tr>
<tr>
<td>Money market accounts</td>
<td>154,789</td>
<td>323,380</td>
</tr>
<tr>
<td></td>
<td>$2,613,991</td>
<td>$4,399,304</td>
</tr>
<tr>
<td><strong>Dividends and partnership earnings</strong></td>
<td>$2,564,664</td>
<td>$2,267,095</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>29,485</td>
<td>21,420</td>
</tr>
<tr>
<td><strong>Realized gain (loss) on sale of securities</strong></td>
<td>5,044,489</td>
<td>$(6,727,296)</td>
</tr>
<tr>
<td><strong>Change in unrealized appreciation on securities</strong> (net of changes in deferred Federal excise taxes of $218,086 and $65,957, respectively)</td>
<td>32,382,286</td>
<td>$(17,322,561)</td>
</tr>
<tr>
<td></td>
<td>37,426,775</td>
<td>$(24,049,857)</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$42,634,915</td>
<td>$(17,362,038)</td>
</tr>
</tbody>
</table>

#### GRANTS AND EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants authorized</strong></td>
<td>9,965,636</td>
<td>10,729,040</td>
</tr>
<tr>
<td><strong>Grant administration expenses</strong></td>
<td>1,193,020</td>
<td>1,207,339</td>
</tr>
<tr>
<td><strong>Investment expenses</strong></td>
<td>1,774,456</td>
<td>1,776,875</td>
</tr>
<tr>
<td><strong>Provision for Federal excise tax</strong></td>
<td>85,000</td>
<td>42,000</td>
</tr>
<tr>
<td><strong>Total Grants and Expenses</strong></td>
<td>13,018,112</td>
<td>13,755,254</td>
</tr>
</tbody>
</table>

#### Change in Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change in Net Assets</strong></td>
<td>29,616,803</td>
<td>$(31,117,292)</td>
</tr>
<tr>
<td><strong>Net Assets, beginning of year</strong></td>
<td>202,929,762</td>
<td>234,047,054</td>
</tr>
<tr>
<td><strong>Net Assets, end of year (Exhibit A)</strong></td>
<td>232,546,565</td>
<td>202,929,762</td>
</tr>
</tbody>
</table>

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

### Statements of Cash Flows

**Years Ended December 31, 2003 and 2002**

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS PROVIDED (USED)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FROM OPERATING ACTIVITIES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>$5,583,964</td>
<td>$6,735,077</td>
</tr>
<tr>
<td>Grants paid</td>
<td>(10,530,636)</td>
<td>(11,061,540)</td>
</tr>
<tr>
<td>Expenses paid</td>
<td>(2,923,859)</td>
<td>(2,838,126)</td>
</tr>
<tr>
<td>Federal excise tax paid</td>
<td>(77,000)</td>
<td>(50,000)</td>
</tr>
<tr>
<td>Net Cash Flows Provided (Used) By Operating Activities</td>
<td>(7,947,531)</td>
<td>(7,214,589)</td>
</tr>
<tr>
<td>FROM INVESTING ACTIVITIES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>225,285,623</td>
<td>204,005,674</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(231,082,270)</td>
<td>(195,067,839)</td>
</tr>
<tr>
<td>Purchases of fixed assets</td>
<td></td>
<td>(6,090)</td>
</tr>
<tr>
<td>Net Cash Flows Provided By Investing Activities</td>
<td>(5,796,647)</td>
<td>8,931,745</td>
</tr>
<tr>
<td>Net Increase (Decrease) in Cash and equivalents</td>
<td>(13,744,178)</td>
<td>1,717,156</td>
</tr>
<tr>
<td>Cash and equivalents, beginning of year</td>
<td>16,613,190</td>
<td>14,896,034</td>
</tr>
<tr>
<td>Cash and equivalents, end of year</td>
<td>2,869,012</td>
<td>16,613,190</td>
</tr>
<tr>
<td>Change in Net Assets for Year</td>
<td>$29,616,803</td>
<td>$(31,117,292)</td>
</tr>
</tbody>
</table>

Adjustments to reconcile change in net assets to net cash provided (used) by operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase (decrease) in grants payable</td>
<td>(565,000)</td>
<td>(332,500)</td>
</tr>
<tr>
<td>Decrease in prepayments and other</td>
<td>140</td>
<td>75,726</td>
</tr>
<tr>
<td>Decrease in dividends and interest receivable</td>
<td>375,824</td>
<td>47,258</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>57,366</td>
<td>65,121</td>
</tr>
<tr>
<td>Increase (decrease) in accrued expenses</td>
<td>(13,889)</td>
<td>4,850</td>
</tr>
<tr>
<td>Net unrealized (gain) loss on investments</td>
<td>(32,382,286)</td>
<td>17,322,561</td>
</tr>
<tr>
<td>Net realized (gain) loss on investments</td>
<td>(5,044,489)</td>
<td>6,727,296</td>
</tr>
<tr>
<td>Increase (decrease) in excise tax payable/receivable</td>
<td>8,000</td>
<td>(8,000)</td>
</tr>
<tr>
<td>**Net Cash Flows Provided (Used) by Operating Activities (above)</td>
<td>17,947,531</td>
<td>(7,214,589)</td>
</tr>
</tbody>
</table>

### Cash and Equivalents (above)

<table>
<thead>
<tr>
<th>Description</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in operating accounts (Exhibit A)</td>
<td>$1,400,707</td>
<td>$5,810,789</td>
</tr>
<tr>
<td>Temporary cash investments (Note 4)</td>
<td>1,468,305</td>
<td>10,802,401</td>
</tr>
<tr>
<td></td>
<td><strong>2,869,012</strong></td>
<td><strong>16,613,190</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
Note 1 - Purpose of Foundation

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.

Note 2 - Summary of Significant Accounting Policies

The accounts of the Foundation are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Income is recorded when earned and expenses are recorded when incurred.

Investments in marketable securities are valued at quoted market prices. Investments in partnerships are valued at the most recent estimate of value by the partnership.

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

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

Depreciation is provided by the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided by the straight-line method over the estimated useful lives of the assets, or the lease term, whichever is shorter.

All net assets of the Foundation are unrestricted.

For purpose of cash flows, cash and equivalents include the Foundation’s checking account, all cash balances in custody accounts and both Foundation cash and custody cash invested in money market accounts.

Management of the Foundation uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that management uses.

Note 3 - Federal Excise Tax and Required Distributions

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 2003 and 2002 the Foundation’s rate was 1%.

Deferred Federal excise taxes payable were also recorded on the unrealized appreciation of investments using a 1% excise tax rate in 2003. Since at December 31, 2002, the cost of investments exceeded their fair value, no deferred Federal excise tax payable was recorded.

For 2003 the Foundation must distribute $5,800,000 in grants or qualifying expenditures by December 31, 2004 to comply with I.R.S. regulations and to avoid penalty excise taxes.
Note 4 - Investments

A summary of investments held at December 31, 2003 and 2002 follows:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>2003</th>
<th>2002</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary cash investments</td>
<td>$1,468,305</td>
<td>$10,802,401</td>
<td>$1,468,305</td>
<td>$10,802,401</td>
</tr>
<tr>
<td>U.S. Government and Agency Bonds</td>
<td>—</td>
<td>5,045,189</td>
<td>—</td>
<td>5,378,905</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>—</td>
<td>14,809,781</td>
<td>—</td>
<td>15,745,937</td>
</tr>
<tr>
<td>Fixed income mutual funds</td>
<td>55,291,077</td>
<td>40,268,982</td>
<td>55,497,532</td>
<td>39,887,809</td>
</tr>
<tr>
<td>Partnerships</td>
<td>4,930,536</td>
<td>2,950,717</td>
<td>4,438,428</td>
<td>2,660,607</td>
</tr>
<tr>
<td>Equity hedge funds</td>
<td>10,000,000</td>
<td>—</td>
<td>10,456,850</td>
<td>—</td>
</tr>
<tr>
<td>Common stocks</td>
<td>113,158,019</td>
<td>103,103,099</td>
<td>130,865,988</td>
<td>94,827,266</td>
</tr>
<tr>
<td>Equity mutual funds</td>
<td>26,152,450</td>
<td>28,666,817</td>
<td>30,081,877</td>
<td>25,552,284</td>
</tr>
<tr>
<td></td>
<td>211,000,387</td>
<td>205,646,986</td>
<td>232,808,980</td>
<td>194,855,209</td>
</tr>
<tr>
<td>Unsettled security trades - net</td>
<td>(176)</td>
<td>3,846,186</td>
<td>(176)</td>
<td>3,846,186</td>
</tr>
<tr>
<td></td>
<td>211,000,211</td>
<td>209,493,172</td>
<td>232,808,804</td>
<td>198,701,395</td>
</tr>
</tbody>
</table>

Note 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 4% of salary per employee.

In December 1999, the Foundation also instituted a "profit sharing" defined contribution pension plan effective January 1, 1999. All full-time employees who are at least 21 years of age and have completed one year of service with the Foundation are eligible to participate.

For 2003 and 2002, the Foundation’s contribution was based on approximately 12% and 14% of eligible salary for officers and 5% 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. Currently the maximum contribution under these plans is $40,000 per employee and the maximum amount of salary to be considered is $200,000.

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:

<table>
<thead>
<tr>
<th>Retirement Plan</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit sharing plan</td>
<td>$61,336</td>
<td>$66,357</td>
</tr>
<tr>
<td>403(b) plan -employer match</td>
<td>26,397</td>
<td>22,716</td>
</tr>
<tr>
<td>Non-qualified retirement plan</td>
<td>86,373</td>
<td>32,761</td>
</tr>
<tr>
<td></td>
<td><strong>174,106</strong></td>
<td><strong>121,834</strong></td>
</tr>
</tbody>
</table>
Note 6 - 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 new office. The lease commenced March 15, 2000.

Under the terms of the new lease, the minimum lease payments are as follows:
- Years 1-5 $266,356 per year, plus electric
- 6-10 $278,000 per year, plus electric
- 11-15 $289,644 per year, plus electric

The Foundation received two months free rent in both 2000 and 2001. The building also contributed approximately $200,000 toward the construction of the new space.

In lieu of a security deposit, the Foundation maintains an open letter of credit in the amount of $68,409.

Rent expense was $300,946 and $281,869 for 2003 and 2002, respectively.

Note 7 - Partnership Commitments

The Foundation has commitments to invest up to $18,700,000 in five limited partnerships. At December 31, 2003, the required capital contributions had totaled $5,043,636 leaving a balance of $13,656,364.
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 a particular interest in supporting programs that serve disadvantaged children and youth, immigrants, and the elderly, among other vulnerable populations, across all program areas.

OPERATING PRINCIPLES
- The Foundation seeks to promote connections among organizations doing complementary work, including non-profits, government agencies, foundations, and for-profit entities, 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.
- The Foundation will allocate limited grant dollars to:
  + targeted capacity-building efforts that strengthen the ability of organizations to deliver high-quality services within the Foundation’s key program areas; and
  + strategic policy, advocacy, and applied research initiatives that advance the Foundation’s grant-making priorities.
- The Foundation will consider support for key umbrella organizations that advance the ability of community-based agencies to address critical issues in the Foundation’s priority areas.

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 or the purchase of capital equipment.

PROGRAM AREAS

EDUCATION
Goal for Education:
Given the importance of education in building strong individuals, families, communities and the city as a whole, and the primacy of literacy in enabling people to succeed, the Foundation seeks to (1) increase access for disadvantaged children and youth to high-quality academic opportunities, and (2) promote excellence in education for disadvantaged children and youth in non-public in-school, after-school and early childhood settings, with a specific emphasis on expanding and enhancing the availability of high-quality education programs that nurture cognitive, social, and emotional development. With finite resources to commit to achieving these objectives, the Foundation seeks, to the greatest extent possible, to maximize its impact by focusing on system-wide initiatives.
Objective 1:
To increase access for disadvantaged children and youth to high-quality academic opportunities

Strategies:
• Give promising students access to education in independent and other academically challenging schools through enrichment and placement programs; and
• Strengthen superior non-public schools with a demonstrated commitment to enrolling, supporting and successfully graduating disadvantaged students by providing targeted endowment support.

Objective 2:
To 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 system-wide initiatives that expand and enhance the availability of high-quality programs that nurture cognitive, social, and emotional development.

Strategies:
• Improve the caliber and diversity of faculty and staff;
• Improve educational outcomes by enriching and enhancing programming and/or resources;
• Promote and support the involvement of parents in their children’s education; and
• Support the development and expansion of effective family literacy models.

HEALTH

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 seeks to (1) promote access to care for underserved and/or uninsured populations; (2) increase the capacity of New Yorkers to be active and educated health care consumers; and (3) promote the development and delivery of new approaches to quality and responsive care for the most vulnerable populations.

Objective 1:
To promote access to care for underserved and/or uninsured populations

Strategies:
• Encourage efforts to enroll New Yorkers in existing public and/or publicly subsidized insurance programs;
• Develop creative solutions to the problems of the uninsured; and
• Support programs that seek to eliminate language, cultural, physical, financial and systemic barriers to care.

Objective 2:
To 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

Strategy:
• Support programs that promote outreach, health education, and service linkage, with a particular focus on primary, preventive, and other non-disease-specific services.

Objective 3:
To promote the development and delivery of quality and responsive care for the most vulnerable populations

STRENGTHENING COMMUNITIES

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 has chosen to focus on efforts that (1) build and preserve economic security and independence among low-income individuals and families, and (2) promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities.

Objective 1:
To build and preserve economic security and independence among low-income individuals and families

Strategies:
• Help low-income New Yorkers gain access to and retain jobs that lead to economic independence through programs that can provide the combination of occupational, literacy, job placement, retention and other services individuals need to enter and remain in the job market successfully;
• Reinforce the efforts of individuals and families to move towards self-sufficiency by supporting advocacy and direct service efforts to promote access to available public benefits that complement work; and
• Support targeted efforts to build and/or preserve the independence of vulnerable populations, e.g., the elderly, in communities.

**Objective 2:**
To promote and sustain the availability of, and equitable access to, essential community resources needed to support stable, healthy communities

**Strategies:**
- Provide targeted support for policy, advocacy, technical assistance and planning initiatives to build and preserve community infrastructure, including affordable housing and well-maintained parks and open spaces; and
- Support key umbrella organizations that advance the ability of community-based agencies to address critical issues and deliver high-quality programs.

**ARTS & CULTURE**

**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. In this program area, the Foundation seeks (1) to promote positive youth development through arts and cultural programming; (2) to promote the acquisition of preprofessional arts skills among underserved youth; and (3) to promote access to the arts for underserved populations.

**Objective 1:**
To promote positive youth development through arts and cultural programming

**Strategy:**
- Support programs in the out-of-school setting that recognize the effective role that arts and cultural programming can play in engaging children and young people and helping them master essential, developmentally appropriate skills.

**Objective 2:**
To promote the acquisition of preprofessional arts skills among underserved youth

**Strategy:**
- Support programs that identify promising students from underserved communities and provide them with the highest-quality preprofessional training in specific arts disciplines.

**Objective 3:**
To promote access to the arts for underserved populations

**Strategy:**
- Support programs that extend the benefits of the arts through established and meaningful organizations and institutions committed to making their resources available to underserved populations.

**APPLICATION PROCEDURES**

Requests for grants should be submitted in a proposal of no more than five pages, together with a copy of:

- the grantseeker’s 501(c)(3) Internal Revenue Service tax exemption letter;
- a budget for the proposed project and for the organization as a whole;
- a list of major corporate and foundation supporters with amounts for both the proposed project and the organization;
- a list of the organization’s governors, trustees or directors; and
- the organization’s most recent audited financial statement.

The Altman Foundation accepts but does not require the New York Area Common Application Form. The Foundation has no submission deadlines.

**Requests for grants 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 web site: www.altmanfoundation.org