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
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Roshni Parikh, Intern
Doriann Sama, Administrative Assistant
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Although the Altman Foundation funds in four very broad areas of interest, the key concept in each area is access—we want to open doors for the people of New York City. In 1985, the Foundation sold B. Altman & Co. and became a significant figure in the philanthropic community in the city. Although his beloved stores closed in 1989, the Foundation remains true to Benjamin Altman’s memory and intent. Twenty years later, we are still opening doors to numbers of disadvantaged and marginalized New Yorkers who would not have access to opportunities of growth. During these years, the Foundation’s trustees and staff have attempted to refine and articulate what exactly we mean by access.

This is an enormous and complex city with such a richness of potential opportunities that it is a challenge to choose particular areas where our dollars really can make a difference. Since 1985, New York City has become increasingly diverse and although we continue to fund in the same four areas of interest, we have chosen to prioritize the areas where we will fund. In December of 2005, the Trustees reviewed the progress of the strategic plan adopted in 2002. It is interesting to review some of the ways we have shaped our grant-making in the past few years. Since inception, education has been a high priority. Supporting programs that offer financial assistance and enrichment on many levels so that people can take advantage of the amazing wealth of opportunities available was one of Mr. Altman’s priorities. It has become clear that the boundaries of education go beyond just schools and must involve the whole family and their communities. To this end, it is literacy that has become an overarching concept for our programs.

Literacy is the key to advancement for many of the clients served by the organizations we fund. It is a concept that can be broadened to other areas, for example, it is vital to those who are endeavoring to understand and access the health care system. Indeed, literacy is an important factor in our work in strengthening communities and helping to build economic security. In the past several years it has become clear that in addition to funding the program components of an agency’s mission, it is important that targeted support for advocacy, technical assistance and planning initiatives be part of efforts to strengthen communities.

Literacy, and, specifically, cultural literacy, is a vital component in our work in the arts. Benjamin Altman had a deep commitment to the arts. The Foundation’s own commitment to arts and culture has expanded. We support many innovative programs that bring the arts to youth as well as to communities. New York’s cultural institutions enrich the lives of all New Yorkers, rich and poor. Access to cultural programs provides amazing opportunities for growth that are often too expensive, unfamiliar or even intimidating for many New Yorkers.

As we have honed our grantmaking, we have also examined our own financial philosophy. The financial world has changed since 1985. We have reviewed our investment policies and procedures and have significantly diversified our portfolio. It is our hope that this approach will ensure a strong income stream that will allow us to do our work.

Opening doors is an expensive endeavor and there will never be enough money to meet all the needs. Excellence and creativity are the vital components that we continue to value. We hope we can continue to respond to the needs of the people of this ever-evolving city. Our trustees and staff face these challenges with energy and passion. We are continually energized by the dedicated people who lead and work with the not-for-profits we support. Most of all we are energized by the diverse, vibrant and inspiring citizens of our city. It is a privilege to bring richness to their lives.

Jane B. O’Connell
President
When asked to give the “elevator-conversation” description of the Altman Foundation’s work, we tend to talk about access, as in “helping people gain access to the services and opportunities that will enable them to achieve their full potential”. This concept is at the core of our program guidelines, and at the heart of so many of the organizations and programs that we support. Whether you are looking at our work in education, health, strengthening communities, or arts and culture, you will see this strand weaving our grants together.

We look at New York City and its infinitely varied neighborhoods and think about the things that we should all be able to take for granted in any community: educational opportunities; reliable and accessible health care; affordable, safe housing; lovely parks and open spaces; opportunities to develop economic independence; a vibrant artistic and cultural life. We strive to sustain the expectation of excellence that Benjamin Altman set for himself, and we start with the premise that the best is good enough for everybody. Who wouldn’t want his or her child to have the opportunity to study with the greats at Jazz at Lincoln Center’s new Middle School Jazz Academy, if that were where the child’s talents were leading, just to give one example? We look for organizations that exhibit or, often, invent “best practices” in the services they deliver and strive for “best” or at least “better” practices in their internal operations.

We also look for organizations and institutions that offer the people they serve and, when possible, the larger systems that serve these people, new or more effective ways of looking at the world around them. Altman-supported palliative and hospice care programs demonstrate a more humane way of caring for people at the end of life, benefitting patients, families, and the staff and health systems that serve them; a superb example would be Calvary Hospital’s groundbreaking work in nursing homes. Programs such as George Jackson Academy, REACH for Regis, or the League/1199 SEIU Training and Upgrading Fund’s Next Generation RN program help young people not only dream of productive futures but also develop the skills, resources, and connections they will need to build these futures. Other programs and organizations, such as the Brooklyn Kindergarten Society, help parents learn to be their children’s first teachers, preparing very young children for later school success while also building the parents’ own literacy skills. Altman grantees help New Yorkers build the skills they need to navigate complex systems, an effort that is particularly exciting in our work in health literacy. The link between literacy in its broadest sense—encompassing not only reading and writing, but also health, economic and financial, and cultural literacy—and access is becoming increasingly intentional in our work. Advocacy/policy work and capacity-building support complement direct services and help to ensure that strong programs, organizations, and institutions, once created, can remain in existence, continue to improve, and, where appropriate, expand.

The grants listed in this annual report are a collective illustration of how we put the values and operating principles that we outline in our guidelines into practice. In his article “What is a Grant?” (Published in the Lilly Endowment’s Summer/Autumn 2000 edition of Initiatives in Religion), Craig Dykstra, Vice President for Religion at the Lilly Endowment, wrote:

A grant is an investment when it creates assets that can be used over and over again to build up the physical, economic, intellectual, moral, cultural and even spiritual capital human beings and communities need to live humane and even flourishing lives.

It is this kind of investment that we strive for in doing our work. We celebrate all our grantee organizations, and the extraordinary people who lead and staff them, and we thank you for helping us move Benjamin Altman’s vision of improving the lives of New Yorkers forward.
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

A BETTER CHANCE, INC.
www.abetterchance.org
To help launch the New York City Day Schools Initiative for promising young students of color
$50,000

BOYS HOPE GIRLS HOPE OF NEW YORK, INC.
www.boyshopegirlshope.org
To help support capacity-building efforts and to help build an endowment
$100,000 (Over two years)
CITIZENS ADVICE BUREAU, INC.
www.cabny.org
To provide support for the Center for Achieving Future Education, a high school and college access program $40,000

THE CRENULATED COMPANY, Ltd./NEW SETTLEMENT APARTMENTS
To help support the New Settlement Apartments College Access Center $50,000

EARLY STEPS, INC.
To help increase the number of minority students in independent schools at the primary grade level $35,000

THE ENDOWMENT FOR INNER-CITY EDUCATION
www.innercitysf.org/endowment.html
To help support the Community Connections program enabling children from low-income families to attend high-performing Inner-City Catholic Schools $500,000 (Over two years)

GODDARD RIVERSIDE COMMUNITY CENTER
www.goddard.org
To renew support for the OPTIONS Center and to provide a special planning grant for the OPTIONS Professional Development Institute $100,000

LEAGUE/1199 SEIU TRAINING AND UPGRADING FUND
www.1199etjsp.org
To support planning and development for the Next Generation RN program, which recruits and supports minority youth in the pursuit of nursing careers $110,000

HORACE MANN SCHOOL
www.summeronthehill.org
To renew support for Summer on the Hill $40,000 (to be used over eighteen months)

MOUNT SINAI SCHOOL OF MEDICINE
www.mssm.edu
To expand early enrichment activities of the MED-Bound program to create a pipeline for minority youth from junior high to medical school $94,000

NEW YORK MEDICAL COLLEGE
www.nymc.edu
To provide final support for the New Yorkers Caring for New York program and help build the scholarship endowment for students from underserved local communities and racially and ethnically diverse backgrounds $300,000 (Over three years)

THE NEW YORK-PRESBYTERIAN HOSPITAL, INC.
www.nyp.org
To help support the Lang Youth Medical Program, a multi-year health sciences enrichment program for youth in Washington Heights and Inwood $50,000

THE ALBERT G. OLIVER PROGRAM, INC.
www.theoliverprogram.org
To renew support for the Alumni Relations Program $50,000

REGIS HIGH SCHOOL
www.regis-nyc.org
To renew support for the REACH program $100,000 (Over two years)
**ST. ALOYSIUS EDUCATION CLINIC**

www.stalosyiuseducationclinic.org

To help support the Academic Achievement and Cultural Enrichment Program $25,000

**STUDENT/SPONSOR PARTNERSHIP, INC.**

www.sspnyc.org

To renew support for the Summer Readiness Program $40,000

**THE TEAK FELLOWSHIP, INC.**

www.teakfellowship.org

To renew support for the TEAK Fellowship Program $40,000

**THE TOWN SCHOOL, INC.**

www.thetownschool.org

To help continue and expand the Alumni Program of Breakthrough New York (formerly known as Summerbridge) at The Town School $45,000

**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

**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

**ARCHDIOCESE OF NEW YORK/PATRONS PROGRAM**

www.ny-archdiocese.org

To help support the Inner City Catholic High Schools Initiative $50,000

**BANK STREET COLLEGE OF EDUCATION**

www.bankstreet.edu

To renew support for the Community of Learners Mentor Model at the Center for Universal Pre-Kindergarten $50,000

**BROOKLYN KINDERGARTEN SOCIETY**

www.bksny.org

To renew support for the Partnership for Literacy Success Program $45,000

**CATHOLIC CHARITIES DIOCESE OF BROOKLYN AND QUEENS**

www.ccbq.org

To renew support for the Caritas Montessori Teacher Training Center $25,000

**CHILD CARE, INC.**

www.childcareinc.org

To help improve access to early learning opportunities for children in New York City $50,000

**NEW YORK INTERSCHOOL ASSOCIATION, INC.**

www.interschool.org

To renew support for the Faculty Diversity Search program to recruit and retain minority teachers in independent schools $40,000
Teachers College, Columbia University
www.tc.columbia.edu
To renew support for the Klingenstein Center’s Leadership Academy program $200,000 (Over two years)

United Way of New York City
www.uwnyc.org
To renew support for the Child Care and Early Education Fund $100,000

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

Archdiocese of New York/Patrons Program
www.ny-archdiocese.org
To renew support for Arete Corporation’s evaluation plan for Library Connections $132,000

Boys’ Club of New York
www.bcny.org
To renew support for the After School Academy $50,000

The Children’s Storefront
www.thechildrensstorefront.org
To renew support for the Support Services Program $50,000

Claremont Neighborhood Centers, Inc.
www.claremontcenter.org
To help build institutional capacity and strengthen agency infrastructure, and to help expand the evening teen program $30,000

Cornelia Connelly Center for Education
www.connellycenter.org
To renew support for the Holy Child Middle School for low-income girls $40,000

De La Salle Academy
www.delasalleacademy.com
To provide general support for this model middle school for academically talented students from underserved communities $50,000

East Side House Settlement, Inc.
www.eastsidehouse.org
To help support the development of an agency-wide evaluation system $75,000

Fight Crime: Invest in Kids New York
www.fightcrime.org/ny
To help support their work on behalf of children and youth in New York City $30,000

Fund for the City of New York, Inc.
www.fcny.org
To help support the Youth Development Institute’s Young Adult Literacy Initiative $600,000 (Over three years)

George Jackson Academy
www.gjacademy.org
To renew general operating support for this model school for low-income, minority boys $100,000

Groundwork, Inc.
www.groundworkinc.org
To renew support for Groundwork for Youth and to help support student assessment and evaluation $145,000
Harlem Academy
(formerly known as Harlem Episcopal School)
www.harlemacademy.org
To provide general support for this new, academically rigorous elementary school $40,000

Inner-City Scholarship Fund
www.innercitysf.org
To renew support for the FOCAS/JOP (Focus on Careers and Success/Job Opportunities Program) $35,000

New York City Outward Bound Center, Inc.
www.nyoutwardbound.org
To renew support for the Literacy and Environmental Studies Program $30,000

Notre Dame School
www.cheznois.org
To provide support for the third year of the fine arts program $75,000

St. Aloysius School
www.stalloysiusschool.org
To coordinate and expand a comprehensive High School Support program $100,000 (Over two years)

University Settlement Society of New York
www.universitysettlement.org
To launch a major initiative for middle-school youth in the Settlement’s new community center $40,000

Youth Communication/New York Center, Inc.
www.youthcomm.org
To help support development and piloting of a program to promote reading and writing among teens in after school programs $60,000

Objective 2/Strategies 1 and 2
(Proposal responds to more than one strategy)

The Gilder Lehrman Institute of American History
www.gilderlehrman.org
To help provide intensive professional development for inner-city Catholic middle and high school teachers to improve the teaching of American history $170,000 (Over two years)

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

Learning Leaders, Inc.
www.learningleaders.org
To help implement the Strategic Plan for 2005-2008 $150,000 (Over two years)

Literacy, Inc.
www.lincnyc.org
To help support LINC’s efforts to expand community-based initiatives promoting reading activities for children and families $50,000

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

Brooklyn Public Library
www.brooklynpubliclibrary.org
To renew support for the First Five Years initiative to enhance the environment, collections, and program offerings for young children and families $100,000

Literacy Assistance Center, Inc.
www.lacnyc.org
To renew support for the Family Literacy Resource Center $200,000

Reach Out and Read of Greater New York, Inc.
www.reachoutandreadnyc.org
To provide capacity-building support for this network of early literacy programs in the pediatric-care setting $100,000 (Over two years)

Objective 2/strategies 1 and 3
(Proposal responds to more than one strategy)

The Young Women’s Christian Association of the City of New York
www.ywcanyc.org
To help expand Training Initiatives for Teachers and Parents $50,000

Subtotal: $4,831,000
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
None

STRATEGY 2:
Develop creative solutions to the problems of the uninsured

Commission on the Public’s Health System, Inc.
www.cphsny.org
To help support the How to Help the Uninsured project targeted at community-based organizations in high-need neighborhoods $48,000

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

The New York Academy of Medicine
www.nyam.org
To support “Medication Information for Immigrant New Yorkers: Research and Intervention for New York City Pharmacies” $169,000

The New York Immigration Coalition, Inc.
www.thenyic.org
To renew support for the Immigrant Health Outreach and Advocacy Collaborative $70,000
**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

**The Center for Independence of the Disabled, New York, Inc.**
www.cidny.org
To help support Medicare Rx Access, the Medicare Drug Access and Education Project $75,000

**Fund for Public Health in New York, Inc.**
www.fphny.org
To help expand the Nurse Family Partnership program in Central Brooklyn $150,000

**Literacy Assistance Center, Inc.**
www.lacnyc.org
To renew support for the Health Literacy Resource Center $200,000

**MEDICARE RIGHTS CENTER, INC.**
www.medicarerights.org
To help launch Health LINCS, a remote counseling model that will expand the agency’s capacity both to engage volunteers and provide counsel for Medicare consumers $80,000

**The What To Expect Foundation, Inc.**
www.whattoexpect.org
To help expand the Baby Basics pre-natal health literacy pilot program in Jamaica, Queens and plan for city-wide replication $127,550

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

**STRATEGY 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.

**Calvary Hospital, Inc.**
www.calvaryhospital.org
To help support the Calvary @ Home Nursing Home Hospice Program $150,000

**The Mental Health Association of New York City, Inc.**
www.mhaofnyc.org
To help support the second and third years of a multi-year initiative to foster systemic changes in geriatric mental health practice and policy $100,000 (Over two years)

**Metropolitan Jewish Health System, Inc.**
www.mjhs.org
To help launch, evaluate, and develop long-term funding for a home-based palliative care case management service for non-elderly adults $53,425
Mount Sinai School of Medicine of New York University
www.mssm.edu
To help sustain, expand and disseminate a Hospital-Based Palliative Care Volunteer Program $200,000 (Over two years)

New York Downtown Hospital
www.downtownhospital.org
To help support the Dzi Yuan: Palliative Care and Supportive Consultation Service for Chinese New Yorkers $109,500

St. Vincent’s Hospital Manhattan
www.svcmc.org/manhattan
To help support St. Vincent’s Hospital Manhattan’s Section of Palliative Medicine and help move the program toward self-sufficiency $300,000

United Hospital Fund of New York
www.uhfnyc.org
To help support The Family Caregiving Impact Initiative: Improving Transitions in the Health Care System $300,000 (Over two years)

Subtotal: $2,132,475

The Fund for Public Health in New York has brought the national, evidenced-based Nurse Family Partnership Program to New York City. Hundreds of local, at-risk, first-time parents are being visited bi-weekly by nurses who provide a comprehensive range of parenting information and life supports.
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

Bowery Residents’ Committee, Inc.
www.brc.org
To help support the Horizons program, designed to help homeless clients transition into the workforce $50,000

Brooklyn Woods, Inc.
www.brooklynwoods.org
To renew support for job training and placement in the custom woodworking industry $25,000
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

CHILDREN’S DEFENSE FUND - NEW YORK
www.cdfny.org
To help launch a feasibility study of coordinating New York’s public health insurance and food stamp programs $50,000

FOODCHANGE, INC.
(formerly known as Community Food Resource Center, Inc.)
www.foodchange.org
To renew support for the 2004-2005 Earned Income Tax Credit Campaign $100,000

FOODCHANGE, INC.
www.foodchange.org
To renew support for the 2005-2006 Earned Income Tax Credit Campaign $100,000

NEW YORK CITY COALITION AGAINST HUNGER, INC.
www.nyccah.org
To help support the Targeted Technical Assistance Project, the next phase of the Beyond the Soup Kitchen Initiative $50,000

SEEDCO & THE NON-PROFIT ASSISTANCE CORPORATION
www.seedco.org
To help support a major expansion of the EarnFair Alliance $600,000 (Over three years)

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

THE CARING COMMUNITY, INC.
www.thecaringcommunity.org
To help support programs and services for frail, homebound elderly $35,000

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

PROJECT EZRA
www.projectezra.org
To renew support for their work on behalf of frail, homebound, and immigrant elderly $25,000

Project Ezra meets the needs of the frail and elderly population in a dignified and respectful way, ensuring that the later years are lived with caring and love. Here, Project Ezra arranges for a group of elderly people to take a day-trip to a nearby synagogue.
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.  
www.anhd.org  
To renew support for advocacy and technical assistance efforts to increase housing opportunities for lower-income New Yorkers $45,000

BRONX RIVER ALLIANCE, INC.  
www.bronxriver.org  
To renew support for the Greenway and Education Programs $75,000

CITY LORE, INC.: THE NEW YORK CENTER FOR URBAN FOLK CULTURE  
www.citylore.org  
To help support Place Matters: History and Culture as an Asset in Community-Based Planning $65,400

CITY PARKS FOUNDATION, INC.  
www.cityparksfoundation.org  
To help support the Catalyst for Neighborhood Parks and Technical Assistance programs $75,000

FRIENDS OF THE HIGH LINE, INC.  
www.thehighline.org  
To help support community outreach $50,000

THE HUDSON GUILD  
www.hudsonguild.org  
To renew support for the Community Building Program $50,000

LINCOLN CENTER FOR THE PERFORMING ARTS, INC.  
www.lincolncenter.org  
To support a planning initiative to revitalize the Harmony Atrium $50,000

THE MUNICIPAL ART SOCIETY OF NEW YORK  
www.mas.org  
To renew support for the Planning Center and to provide a seed grant to launch The Livable Neighborhoods Program: Resources and Training for Community-Based Planners $100,000

NEIGHBORHOOD HOUSING SERVICES OF NEW YORK CITY, INC.  
www.nhsnyc.org  
To help support the Homeownership Program $40,000

Bowery Residents’ Committee, through its varied employment programs, gives persistently unemployed adults a chance to enter or re-enter the workforce. Here, two participants of the Horizons program hone their food service skills.
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
www.ny-archdiocese.org/charities
To provide general support and to support organizational development activities for network agencies $150,000

Citizens’ Committee for Children of New York, Inc.
www.cccnewyork.org
To renew support for their work on behalf of children and families $30,000

Federation of Protestant Welfare Agencies, Inc.
www.fpwa.org
To support FPWA’s core programs $100,000

The New York Immigration Coalition, Inc.
www.thenyic.org
To provide general support for advocacy, policy analysis, and educational outreach activities $50,000

The New York Immigration Coalition, Inc.
www.thenyic.org
For special efforts to ensure a smooth and successful leadership transition $5,000

United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc.
www.ujafedny.org
For general support of New York activities $125,000

United Way of New York City
www.uwnyc.org
To renew support for the Neighborhood Opportunities Fund $100,000 (Over two years)

The following organizations/programs do not fit neatly under the Foundation’s new guidelines in Strengthening Communities:

Big Brothers Big Sisters of New York City, Inc.
www.bigsnyc.org
To help support preventive and early intervention strategies for siblings of juvenile justice offenders $50,000

Little Sisters of the Assumption Family Health Service, Inc.
www.littlesistersfamily.org
As a final grant for the Community Life Program $50,000

Sunnyside Community Services, Inc.
www.scsny.org
To provide third- and final-year support for a three-year fiscal capacity-building effort $30,000

Subtotal: $2,610,400
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

BROOKLYN BOTANIC GARDEN CORPORATION
www.bbg.org
To help support the Garden Apprentice Program
$40,000

THE BROOKLYN CHILDREN’S MUSEUM
www.brooklynkids.org
To help support Early Childhood Programming
$50,000

CENTER FOR FAMILY LIFE IN SUNSET PARK
www.cflsp.org
To help expand arts programming for middle and high school youth at the Center’s Life Lines Community Arts Project
$50,000

CENTRAL PARK CONSERVANCY
www.centralparknyc.org
To help launch the Central Park Scholars Program
$100,000 (Over two years)
CHESS-IN-THE-SCHOOLS INC.
www.chessintheschools.org
To help strengthen and expand the College Bound Program $50,000

THE CITYKIDS FOUNDATION, INC.
www.citykids.com
To renew support for CityKids Rep $35,000

THE DREAMYARD DRAMA PROJECT, INC.
www.dreamyard.com
To help support the DreamYard ACTION (Arts Community Teams in Our Neighborhoods) Project $50,000

FIGURE SKATING IN HARLEM, INC.
www.figureskatinginharlem.org
To renew support for the athletic training and academic support and enrichment programs $25,000

FUND FOR THE CITY OF NEW YORK
www.fcny.org
To help support the Career Internship Network $11,000

HARLEM RBI, INC.
www.harlemrbi.org
To renew support for the Team Enrichment Program for adolescents and teens $25,000

THE NEW 42ND STREET INC.
www.newvictory.org
To renew support for the Youth Corps program at the New Victory Theater $50,000

PROSPECT PARK ALLIANCE
www.prospectpark.org
To help support Youth Programs in Prospect Park $40,000

PUBLICOLOR, INC.
www.publicolor.org
To renew support for the COLOR Club and NEXT STEPS programs $30,000

QUEENS BOTANICAL GARDEN SOCIETY, INC.
www.queensbotanical.org
To help support the position of Internship Coordinator $35,000

ROCKING THE BOAT, INC.
www.rockingtheboat.org
To help support capacity-building activities in the areas of development, financial management/internal controls, and alumni evaluation $49,000

STREETSQUASH, INC.
www.streetsquash.org
To renew support for the College Prep, Literacy and After School Tutoring Programs $20,000

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.
www.alvinailey.org
To renew support for the High School Fellowship Program and the Boys Scholarship Program $20,000
Ballet Tech Foundation, Inc.  
www.ballettech.org  
To renew support for Ballet Tech’s program of dance training for disadvantaged youth  
$40,000

Boys & Girls Harbor, Inc.  
www.boysandgirlsharbor.net  
To renew support for the Harbor Conservatory for the Performing Arts  
$50,000

Brooklyn Academy of Music  
www.bam.org  
To renew support for the BAM Intern Program  
$75,000

Brooklyn Arts Exchange, Inc.  
www.bax.org  
To renew support for the Bridge Project  
$20,000

Brooklyn Youth Chorus Academy, Inc.  
www.brooklynyouthechorus.org  
To help support BYCA’s Choral Music Education and Performance Program in New York and to help support the Institutional Capacity Building Initiative  
$60,000

Careers Through Culinary Arts Program, Inc.  
www.ccapinc.org  
To help support the After School Program for disadvantaged youth  
$25,000

The Cooper Union for the Advancement of Science and Art  
www.cooper.edu  
To renew support for the Saturday Outreach Program  
$50,000

The Harlem School of the Arts, Inc.  
www.harlemschoolofthehearts.org  
To renew support for the College Prep program  
$50,000

Elaine Kaufman Cultural Center/Lucy Moses School for Music & Dance  
www.ekcc.org  
To renew support for talented, disadvantaged students in the Young People’s Division  
$35,000

The InterSchool Orchestras of New York, Inc.  
www.isorch.org  
For general support  
$10,000

Jazz at Lincoln Center, Inc.  
www.jalc.org  
To help launch the first year of the Middle School Jazz Academy for young people from underserved communities  
$75,000

The Harlem RBI Team Enrichment Program uses the lure of baseball to build academic, social, vocational, and overall life skills in teens.
The Access to the Arts program brings new works and audiences to the Queens Theatre in the Park that better reflect the racial and ethnic composition of this very diverse borough. Here, a parent and child create a mask in the African Mask workshop.

**Manhattan School of Music**
www.msmnyc.edu
To help support the Summer Music Camp and to provide a final grant for Preparatory Division Scholarships for financially disadvantaged students from underrepresented communities $75,000

**New York Youth Symphony, Inc.**
www.nyouthsymphony.org
To renew support for recruitment and outreach efforts $30,000

**TADA! Theatre and Dance Alliance, Inc.**
www.tadatheater.com
To renew support for the Pre-Professional Youth Development Program, and fund the position of development assistant $40,000

**Third Street Music School Settlement**
www.thirdstreetmusicschool.org
To renew support for the Performing Arts Comprehensive Training Program $45,000

**The Young People’s Chorus of New York City, Inc.**
www.ypc.org
To renew support for the choral music education and performance 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

**Cool Culture, Inc.**
www.cool-culture.org
For general support to help provide low-income families with access to cultural institutions $10,000

**Friends of Materials for the Arts, Inc.**
www.mfta.org
As a one-time-only contribution for general support $10,000

**High 5 Tickets to the Arts, Inc.**
www.high5tix.org
To renew support for the Take 5 and Teen Reviewers and Critics (TraC) Programs $25,000

**The Museum of the City of New York, Inc.**
www.mcny.org
To build staff capacity and help launch a strategic marketing campaign to increase outreach to and attendance by visitors from underrepresented communities $174,000 (Over two years)
The Saturday Outreach Program at Cooper Union offers talented youth access to high-quality arts training, which for many becomes a bridge to higher education in the arts, including Cooper Union itself.

The Museum of Jewish Heritage: A Living Memorial to the Holocaust
www.mjhnyc.org
To help support the High School Apprenticeship Program $30,000

The New York Botanical Garden
www.nybg.org
To renew support for the Children’s Education program $450,000 (Over three years)

New York Hall of Science
www.nyhallsci.org
To help support the Family Learning Initiative and the Science Career Ladder and After School Science Clubs $100,000

The Queens Borough Public Library
www.queenslibrary.org
To provide support for immigrant, family literacy, and youth programming $600,000 (Over three years)

Queens Museum of Art
www.queensmuseum.org
To help support Sharing Cultures: An Art Museum and Library Partnership on English Literacy and Visual Literacy Programming for the Newest New Yorkers $150,000

Queens Theatre in the Park, Inc.
www.queenstheatre.org
As a final grant for the Access to the Arts program, which brings to the Theatre new works and audiences that better reflect the racial and ethnic composition of the borough $25,000

Staten Island Children’s Museum
www.statenislandkids.org
To renew support for the Museum Ambassador and Internship Programs $25,000

Whitney Museum of American Art
www.whitney.org
To help support Youth Insights, an arts education and professional development training program for public high school students $30,000

Young Audiences/New York, Inc.
www.yany.org
To renew support for the FamilyLink program $50,000

Subtotal: $3,064,000
SERVICES TO NOT-FOR-PROFIT ORGANIZATIONS

Foundation Related

CITIZENS UNION FOUNDATION, INC.
www.citizensunionfoundation.org
To help support Gotham Gazette $5,000

THE FOUNDATION CENTER
www.fdncenter.org
For general support $5,000

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

NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
www.nyrag.org
For general support $11,000

NEW YORK REGIONAL ASSOCIATION OF GRANTMAKERS
www.nyrag.org
To help support the NYRAG Hurricanes Katrina & Rita Initiative $20,000

Management/Technical Assistance

THE INSTITUTE FOR NOT-FOR-PROFIT MANAGEMENT
www.gsb.columbia.edu/execed/inm
To help provide scholarship support for participants in INM’s Middle Management Program for Youth Service Organizations $10,000

THE NEW YORK COMMUNITY TRUST
www.nycommunitytrust.org
To the Fund for New Citizens to help support the capacity-building initiative for immigrant organizations $50,000

Nonprofit Coordinating Committee of New York
www.npccny.org
To provide support for NPCC’s work on behalf of the local nonprofit sector $50,000

NPPOWER NY, INC.
www.npowerny.org
To renew support for services aiding nonprofits in the effective use of information technology $100,000

ReServe Elder Service Inc.
www.reserveinc.org
To help bring the skills and experience of retirees to non-profit organizations $50,000

UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.
www.unhny.org
To renew support for interns to help UNH and its member agencies with program assessment activities and for the Professional Development Program for Middle Managers $187,500

Subtotal: $490,500

Total Grants Authorized 2005: $13,128,375

Technology Service Corps members at NPPOWER NY receive the rigorous training needed to provide IT support to nonprofits citywide.
Independent Auditors’ Report

The Board of Trustees
Altman Foundation

We have audited the balance sheets of the Altman Foundation as of December 31, 2005 and 2004, 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, 2005 and 2004, 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
March 24, 2006
**Altman Foundation**  
**Balance Sheets**  
**December 31, 2005 and 2004**

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments, at fair value (Notes 2, 4)</td>
<td>$249,097,604</td>
<td>$245,598,390</td>
</tr>
<tr>
<td>Cash in operating accounts</td>
<td>7,642,783</td>
<td>1,946,747</td>
</tr>
<tr>
<td>Interest and dividends receivable</td>
<td>112,931</td>
<td>122,139</td>
</tr>
<tr>
<td>Prepaid Federal excise tax</td>
<td>—</td>
<td>158,800</td>
</tr>
<tr>
<td>Prepayments and other</td>
<td>44,384</td>
<td>4,276</td>
</tr>
<tr>
<td>Furniture, equipment and leasehold improvements, net of accumulated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>depreciation of $310,655 in 2005 and $252,259 in 2004</td>
<td>298,012</td>
<td>335,908</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>257,195,714</strong></td>
<td><strong>248,166,260</strong></td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants payable</td>
<td>$2,774,000</td>
<td>$809,500</td>
</tr>
<tr>
<td>Federal excise tax</td>
<td>33,200</td>
<td>—</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>295,512</td>
<td>312,200</td>
</tr>
<tr>
<td>Deferred Federal excise tax</td>
<td>283,786</td>
<td>291,867</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>3,386,498</strong></td>
<td><strong>1,413,567</strong></td>
</tr>
</tbody>
</table>

### Net Assets (Exhibit B)

<table>
<thead>
<tr>
<th>Description</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets</strong> (Exhibit B)</td>
<td>253,809,216</td>
<td>246,752,693</td>
</tr>
</tbody>
</table>

**Total Liabilities and Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>257,195,714</strong></td>
<td><strong>248,166,260</strong></td>
</tr>
</tbody>
</table>

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, 2005 and 2004**

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest, dividends and partnership earnings</td>
<td>$6,853,575</td>
<td>$4,730,011</td>
</tr>
<tr>
<td>Other</td>
<td>11,435</td>
<td>13,522</td>
</tr>
<tr>
<td>Realized gain on sale of securities</td>
<td>17,571,078</td>
<td>15,473,677</td>
</tr>
<tr>
<td>Change in unrealized appreciation on securities (net of changes in deferred Federal excise taxes of $8,081 and $73,781, respectively)</td>
<td>(800,001)</td>
<td>7,304,287</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>23,636,087</td>
<td>27,521,497</td>
</tr>
<tr>
<td>Less: Direct investment expenses</td>
<td>(1,120,171)</td>
<td>(1,199,061)</td>
</tr>
<tr>
<td>Federal excise tax</td>
<td>(425,000)</td>
<td>(186,200)</td>
</tr>
<tr>
<td><strong>Net Investment Revenue</strong></td>
<td>22,063,916</td>
<td>26,136,236</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants and Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants authorized</td>
<td>13,224,692</td>
<td>10,306,708</td>
</tr>
<tr>
<td>Grant administration expenses</td>
<td>1,264,211</td>
<td>1,218,538</td>
</tr>
<tr>
<td>Investment administration expenses</td>
<td>518,490</td>
<td>404,862</td>
</tr>
<tr>
<td><strong>Total Grants and Expenses</strong></td>
<td>15,007,393</td>
<td>11,930,108</td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>7,056,523</td>
<td>14,206,128</td>
</tr>
<tr>
<td>Net Assets, beginning of year</td>
<td>246,752,693</td>
<td>232,546,565</td>
</tr>
<tr>
<td><strong>Net Assets, end of year (Exhibit A)</strong></td>
<td>253,809,216</td>
<td>246,752,693</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, 2005 AND 2004

<table>
<thead>
<tr>
<th>CASH FLOWS PROVIDED (USED)</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>FROM OPERATING ACTIVITIES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividends received</td>
<td>$ 6,874,218</td>
<td>$ 4,754,720</td>
</tr>
<tr>
<td>Grants paid</td>
<td>(11,260,193)</td>
<td>(11,169,708)</td>
</tr>
<tr>
<td>Expenses paid</td>
<td>(2,901,271)</td>
<td>(2,750,981)</td>
</tr>
<tr>
<td>Federal excise tax paid</td>
<td>(260,000)</td>
<td>(345,000)</td>
</tr>
<tr>
<td>Net Cash Flows Provided (Used) By Operating Activities</td>
<td>(7,547,246)</td>
<td>(9,510,969)</td>
</tr>
<tr>
<td>FROM INVESTING ACTIVITIES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in money market</td>
<td>(1,641,376)</td>
<td>(10,513)</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>178,298,604</td>
<td>205,878,943</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(163,393,446)</td>
<td>(195,806,271)</td>
</tr>
<tr>
<td>Purchases of fixed assets</td>
<td>(20,500)</td>
<td>(5,150)</td>
</tr>
<tr>
<td>Net Cash Flows Provided (Used) By Investing Activities</td>
<td>13,243,282</td>
<td>10,057,009</td>
</tr>
<tr>
<td>Net Increase (Decrease) in Cash and equivalents</td>
<td>5,696,036</td>
<td>546,040</td>
</tr>
<tr>
<td>Cash and equivalents, beginning of year</td>
<td>1,946,747</td>
<td>1,400,707</td>
</tr>
<tr>
<td>Cash and equivalents, end of year</td>
<td>7,642,783</td>
<td>1,946,747</td>
</tr>
<tr>
<td>Change in Net Assets for Year</td>
<td>$7,056,523</td>
<td>$14,206,128</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase (decrease) in grants payable</td>
<td>1,964,500</td>
<td>(863,000)</td>
</tr>
<tr>
<td>Decrease (increase) in prepayments and other</td>
<td>(40,108)</td>
<td>(2,429)</td>
</tr>
<tr>
<td>Decrease in dividends and interest receivable</td>
<td>9,208</td>
<td>11,187</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>58,396</td>
<td>57,709</td>
</tr>
<tr>
<td>Increase (decrease) in accrued expenses</td>
<td>(16,688)</td>
<td>16,200</td>
</tr>
<tr>
<td>Net unrealized (gain) loss on investments</td>
<td>800,001</td>
<td>(7,304,287)</td>
</tr>
<tr>
<td>Net realized (gain) loss on investments</td>
<td>(17,571,078)</td>
<td>(15,473,677)</td>
</tr>
<tr>
<td>Increase (decrease) in excise tax receivable</td>
<td>158,800</td>
<td>(158,800)</td>
</tr>
<tr>
<td>Increase in excise tax payable</td>
<td>33,200</td>
<td>—</td>
</tr>
<tr>
<td><strong>Net Cash Flows Provided (Used) by Operating Activities (above)</strong></td>
<td>(7,547,246)</td>
<td>(9,510,969)</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
ALTMAN FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

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 and equity hedge funds are valued at the most recent estimate of value by the entity.

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.

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 2005 and 2004 the Foundation’s rate was 2% and 1%, respectively.

Deferred Federal excise taxes payable were also recorded on the unrealized appreciation of investments using a 1% excise tax rate in 2005 and 2004.

For 2005 the Foundation must distribute $4,300,000 in grants or qualifying expenditures by December 31, 2006 to comply with I.R.S. regulations and to avoid penalty excise taxes.
Note 4 - Investments
A summary of investments held at December 31, 2005 and 2004 follows:

<table>
<thead>
<tr>
<th></th>
<th>COST</th>
<th>FAIR VALUE</th>
<th>COST</th>
<th>FAIR VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
<td>2004</td>
<td>2005</td>
<td>2004</td>
</tr>
<tr>
<td>Temporary cash investments</td>
<td>$3,120,194</td>
<td>$1,478,818</td>
<td>$3,120,194</td>
<td>$1,478,818</td>
</tr>
<tr>
<td>Fixed income mutual funds</td>
<td>51,733,604</td>
<td>49,204,140</td>
<td>51,310,689</td>
<td>50,189,307</td>
</tr>
<tr>
<td>Partnerships</td>
<td>12,708,110</td>
<td>6,767,433</td>
<td>14,234,029</td>
<td>6,885,802</td>
</tr>
<tr>
<td>Hedge funds of funds</td>
<td>35,417,730</td>
<td>26,500,000</td>
<td>43,769,290</td>
<td>28,071,575</td>
</tr>
<tr>
<td>Real asset funds</td>
<td>6,919,884</td>
<td>—</td>
<td>6,576,363</td>
<td>—</td>
</tr>
<tr>
<td>Common stocks</td>
<td>89,787,280</td>
<td>107,896,325</td>
<td>105,885,875</td>
<td>125,985,365</td>
</tr>
<tr>
<td>International equity funds</td>
<td>21,414,006</td>
<td>24,403,351</td>
<td>24,582,947</td>
<td>32,825,861</td>
</tr>
<tr>
<td></td>
<td>221,100,808</td>
<td>216,250,067</td>
<td>249,479,387</td>
<td>245,436,728</td>
</tr>
<tr>
<td>Unsettled security trades - net</td>
<td>(381,783)</td>
<td>161,662</td>
<td>(381,783)</td>
<td>161,662</td>
</tr>
<tr>
<td></td>
<td>220,719,025</td>
<td>216,411,729</td>
<td>249,097,604</td>
<td>245,598,390</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 5% of salary per employee in 2005 and 2004.

The Foundation also maintains a profit sharing plan. 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 2005 and 2004, the Foundation’s contribution was based on approximately 10% and 11%, respectively, of eligible salary for officers and 7% in both years 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 $42,000 per employee ($46,000 for employees over 50 utilizing the catch-up provisions) and the maximum amount of salary to be considered is $210,000.

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></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit sharing plan</td>
<td>$66,020</td>
<td>$69,930</td>
</tr>
<tr>
<td>403(b) plan-employer match</td>
<td>34,067</td>
<td>31,496</td>
</tr>
<tr>
<td>Non-qualified retirement plan</td>
<td>50,054</td>
<td>56,685</td>
</tr>
<tr>
<td></td>
<td>150,141</td>
<td>158,111</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 $316,716 and $311,181 for 2005 and 2004, respectively.

Note 7 - Partnership Commitments

The Foundation has commitments to invest up to $31,986,044 in nine limited partnerships. At December 31, 2005, the required capital contributions had totaled $8,913,158 leaving a balance of $23,072,886.

Note 8 - Concentration of Risk

During 2005, the Foundation had cash in banks exceeding federally insured limits. The organization manages this risk by only using large, established financial institutions.

Note 9 - Grants Payable

The Foundation expects that its grants payable will be paid as follows:

- 2006: $1,974,000
- 2007: 800,000

Total: $2,774,000
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 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 grantmaking 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
For dedication to the most vulnerable New Yorkers and extraordinary vision, both exemplified by its leadership in health literacy and family literacy, the Literacy Assistance Center honors the

Altman Foundation

June 2005 Literacy Assistance Center