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Jazmine Lewis  
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Latasha Johnson  
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**Learn to Earn**

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Mizetta Wilson  
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Pandora Wise  
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**Truancy Prevention  
Project Class**

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Deborah Gonzalez  
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**TRUCE**

147 St. Nicholas Ave.  
(212) 663-0555  
Laura Vural  
*Director*

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Nutrition**

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Monalisa Tolbert  
*Director*

# Harlem Children's Zone

## 2006-2007 Biennial Report





## Letters from the Chairman & the President

“If you volunteer or give money to the Harlem Children’s Zone, you know you will get a high rate of return.”  
—PRESIDENT BILL CLINTON

I believe in the American Dream, which is to say that I don’t believe it is just a dream. But for kids in Harlem and other poor communities, that dream is often obstructed by some very real, very tough barriers.

The statistics about outcomes for these kids are pretty grim. Our country needs to go beyond politics, beyond our own self-interests, and change the odds for these kids. We cannot tinker at the edges anymore.

The HCZ team recognizes the magnitude of this crisis and – thanks to an unprecedented gift from The Starr Foundation – has undertaken Phase 3 of our growth plan. As of January 2007, we increased the HCZ Project area to almost 100 blocks. To ensure HCZ maintains its high degree of effectiveness and accountability, the organization has strengthened its management infrastructure and added energetic new members to the Board of Trustees.

With the help of our donors, HCZ’s annual budget grew to \$50 million over the last two years. That may seem large, but with the organization serving over 16,000 children and adults, it is actually only a few thousand dollars per participant. In reality, that is an incredible bargain considering the societal costs of dealing with the hundreds of thousands of poor children who go

down the wrong path. It can cost upwards of \$50,000 a year to imprison a young person, and the lost contributions that that man or woman could have made to society are many times that amount. The country cannot afford to continue the status quo.

That is why I want to thank our supporters for their vision and generosity, and why I am proud to be a part of this incredible HCZ team. I look forward to participating in the growth of its success.

Stanley Druckenmiller  
*Chairman  
Board of Trustees*

The past two years have seen our agency grow tremendously — both in Harlem and in the national dialogue of how to break the cycle of generational poverty.

What has become very clear is that getting to children early on and staying with them throughout their young lives works. Unfortunately, what has also become clear is that the need for a comprehensive approach to saving kids in our poorest communities is more dire than ever.

Our kids face an incredible range of challenges: from crumbling schools to stressful home situations to a toxic popular culture that glorifies the exact wrong role models. Make no mistake, turning one young life around, much less 10,000, is a huge challenge that takes years of careful, sustained work.

But in Harlem, we have assembled a terrific team of bright, ambitious and loving adults to remove the roadblocks to success for our kids; to make sure the promise of each young life — regardless of the community into which they are born — has the best chance of being fulfilled. As a result, kids in Harlem today are winning chess tournaments, creating prize-winning videos, taking home karate trophies, beating the stock market and, most importantly, succeeding in school and in college.

Because we have been fortunate to receive attention from national media, we have received calls from many other communities. Our Practitioners Institute has met with groups from New Orleans to the Bahamas to Israel. Like us, they are confronted with a tough range of issues that are keeping their kids from achieving their potential and joining the economic mainstream. These communities have come to the hard-won realization that piecemeal solutions are too limited; the only way to successfully invest in a child is comprehensively and over the long term.

What they see here in Harlem is that when our children are given the right opportunities and a sustained system of support, they can do extraordinary things.

Geoffrey Canada  
*President and CEO*



# HISTORY

“An organization that has set out to prove that poor, black children can and do succeed.”

—OPRAH WINFREY

**H**arlem Children's Zone<sup>®</sup>, Inc. has experienced incredible growth – from the number of children we serve to the breadth of our services. But one thing has stayed the same: the agency's “whatever it takes” attitude when it comes to helping children to succeed.

The organization began in 1970 as Rheedlen, working with young children and their families as the city's first truancy-prevention program.

Through the 1980s and 1990s, the crack epidemic tore through Harlem; open-air drug markets flourished while families disintegrated. While many inside and outside Harlem gave up hope, HCZ's staff believed that new approaches were necessary.

In 1991, the agency was among the first in the city to open a Beacon Center. Our Countee Cullen Community Center turned a public school that used to shut its door at the end of the school day into a community center offering

a range of services and activities on nights, weekends and summers.

In the 1990s, to help keep local schools safe, the Peacemakers program began placing AmeriCorps participants in classrooms. These young people were a welcome presence assisting teachers during the school day and then running programs after school.

In the late 1990s, HCZ ran a pilot project that brought a range of support services to a single block. The idea was to address all of the problems that poor families were facing: from crumbling apartments to failing schools, from violent crime to chronic health problems.

It created a 10-year business plan, then to ensure its best-practice programs were operating as planned, HCZ was in the vanguard of nonprofits that began carefully evaluating and tracking the results of their work.

In 1997, the agency began a network of programs for a 24-block area: the Harlem Children's Zone Project. In 2007, the Zone Project grew to almost 100 blocks and served 7,400 children and over 4,100 adults.

Over the years, the agency introduced several ground-breaking efforts: in 2000, The Baby College parenting workshops; in 2001, the Harlem Gems pre-school program; also in 2001, the HCZ Asthma Initiative, which teaches families to better manage the disease; in 2004, a high-quality public charter school; and in 2006, an obesity program to help children stay healthy.

Under the visionary leadership of its President and CEO, Geoffrey Canada, HCZ continues to offer innovative, efficiently run programs that are aimed at doing nothing less than breaking the cycle of generational poverty for the thousands of children and families it serves.

**H**arlem Children's Zone<sup>®</sup> has created a network of programs that focus on children at every level of their development, from birth through college. To build out the HCZ pipeline, we added the following to our array of free programs:

**HCZ Project Phase 3** With a major gift from The Starr Foundation, HCZ launched an unprecedented expansion of the Harlem Children's Zone Project. Beginning in January 2007, the coverage area grew from 60 blocks to almost 100 blocks. The Zone Project's goal is to serve 15,000 children and 7,000 adults by 2011.

**The Three Year Journey** Building on the success of The Baby College<sup>®</sup> parenting workshops, HCZ created a program for the parents of three-year-olds who have won the early lottery for the Promise Academy Charter Schools. Over several months, the program teaches parents about the development of their child, building language skills, as well as enhancing their parenting skills. Held on consecutive Saturdays, the program invites parents to bring their children, who are provided with activities that are both fun and enriching.

**A Cut Above** To help students in the critical, but difficult middle-school years, the Children's Zone<sup>®</sup> Project has created an after-school program that begins with sixth-graders and stays with them through college. It creates a parallel pipeline of support for children not in the HCZ Promise Academy schools, offering academic assistance, leadership development, job-readiness workshops, as well as high-school and college preparation

**Learn to Earn** This after-school program helps high school juniors and seniors improve their academic skills, as well as prepare for college and the job market. The students receive homework help, tutoring, SAT and Regents test preparation, summer jobs and job-readiness workshops.

**Obesity Initiative** Because 60 percent of black adults in Harlem are overweight, HCZ created this multi-pronged program to fight obesity and related illnesses. The Promise Academy Charter Schools serve wholesome, freshly made food,

while students and their parents are offered healthy cooking classes. TRUCE Fitness and Nutrition helps middle-school kids improve their nutrition, fitness and knowledge of health issues. To give families better access to fresh fruits and vegetables, HCZ holds a farmers market each month where families can get over 30 pounds of produce for a nominal fee.

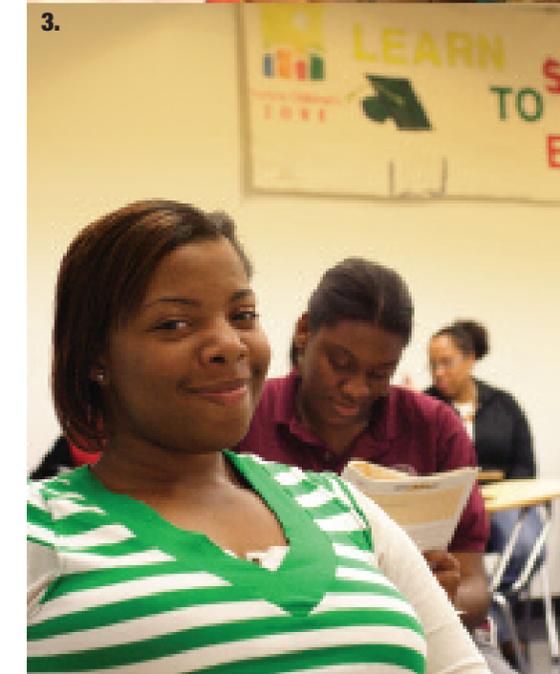
**Investment Camp** This personal-finance education program is taught by volunteers from Lehman Brothers and uses a curriculum created by the company's employees. Each week, the volunteer teachers work with 100 students in nine classes from various HCZ sites. The students learn about bank accounts, the importance and how-to's of saving, as well as investing in the stock market. Each team picks a portfolio of stocks and if the team's picks make a profit, the members split the proceeds. In 2007, the participants shared \$14,000 in profits.

**College Success Office** HCZ has formalized its support and assistance for students who have gone on to college from HCZ programs. The College Success Office helps high-school students with the process of getting into the most appropriate college, then assists them throughout their college years. CSO gives college scholarships and keeps in regular contact with the students, helping them with everything from time management to adjusting to their new environment, from financial aid to getting valuable corporate internships during their breaks. HCZ program graduates were offered more than \$2.3 million in scholarships in 2007.

1. As part of HCZ's Phase 3 expansion, the number of pre-kindergarten students will double.

2. As part of HCZ's Obesity Initiative, we hold a farmers market each month so our families have access to fresh fruits and vegetables for only five dollars.

3. High-school students in the new Learn to Earn program get help preparing for college and the workplace.





# KEYS TO SUCCESS

## What Drives HCZ's Work?

**1 COMMUNITY-BUILDING** In a devastated neighborhood such as Central Harlem, the fabric of the community itself must be rewoven. HCZ works to strengthen block and tenant associations, then partners with them to restore common spaces, such as streets and parks, as well as to revive the sense of a cohesive community spirit. The goal is to create a self-sustaining, enriching environment in which success becomes the norm.

**2 BEST PRACTICES** A hallmark of HCZ's work has been the ongoing creation of innovative, effective programs. As every parent knows, the challenges a child may face can come at any time and in many forms. For that reason, HCZ has worked to construct programs that best serve a child at every phase of his or her development, and then monitors the results to continuously enhance them.

**3 SCALE** There are 13 million children living in poverty in the United States, with black and Latino children disproportionately represented. HCZ believes that our country cannot afford to save kids by the tens or hundreds while hundreds of thousands are being lost. We must design large-scale, successful programs that save kids at the same level as the current systems fail them.

**4 EVALUATION** HCZ has a four-person Evaluation Department that carefully tracks each one of our programs, keeping every staff member accountable for the results of their work. The department establishes relevant criteria, then keeps a close eye on outcomes, helping managers determine what's working, what's not working, and what corrective action is necessary.

**P**ractitioners Institute. Though the number of children and adults served by HCZ is ambitious, those numbers are dwarfed by the millions of children, particularly those of color, who are being lost to the chronic poverty of America's inner cities.

- The statistics are as frightening as they are sad.
- In 2006, 13 million children were poor, an increase of more than 10 percent since 2000.
  - Two of every four black babies are born into poverty.
  - Only 50 percent of black students and 53 percent of Latino students graduate on-time with a regular diploma.
  - By their mid-thirties, six in ten black men who dropped out of school have been in prison.
  - In 2007, the 50 states spent \$44 billion on corrections.

HCZ feels our comprehensive approach to educating children and strengthening families can be successful in other communities as well as Harlem, so we created the Practitioners Institute, which shares information about our work with others.

The goal is to help communities so they can identify their resources and needs, then organize a coordinated, interdisciplinary strategy.

For a small fee, a community delegation can attend either a three-hour or three-day workshop. Because the agency cannot meet all the requests that come to us, we only offer workshops to groups who already have the resources necessary to initiate a large-scale, comprehensive strategy.

The Practitioners Institute has worked with 70 groups across the United States, from Florida to California, and with delegations from 24 countries, from Indonesia to Romania.

“...tackling decades of decline and poverty with a no-nonsense, business-like approach.”

—CLEVELAND PLAIN DEALER

*Delegations from around the world have visited HCZ to learn about its innovative programming, including a visit from Prince Charles and, Camilla, the Duchess of Cornwall, of England.*



# PRACTITIONERS





# HCZ PROJECT



1. *The Employment and Technology Center moved to a larger space, allowing it to almost double the number of teenagers it can serve.*
2. *Project SMART is a computer-based literacy program run by HCZ Peacemakers in local public schools.*
3. *TRUCE Director Laura Vural (second from left) and student Ndeydaba Diakhate receive the Coming Up Taller Award from First Lady Laura Bush for being one of the top programs in the nation for youth development through the arts.*
4. *More than 97 percent of Baby College graduates had up-to-date or scheduled immunizations; two-thirds who read to their children less than five times a week increased their reading time.*



**The Harlem Children's Zone Project**, called "one of the most ambitious social-service experiments of our time" by *The New York Times*, is a unique, comprehensive approach to rebuilding a community so that its children can stay on track for college and the workplace.

In 2007, The HCZ Project embarked on Phase 3, expanding its network of programs to almost 100 blocks of Central Harlem.

The HCZ pipeline begins with The Baby College, a workshop series for parents of children 0-3. The pipeline goes on to offer best-practice programs for children of every age through college.

For a child to do well, his or her family needs to do well, so the HCZ Project also works to strengthen and support families. Since families are impacted by the community around them, HCZ also works to repair the fabric of Harlem, which has been devastated by crime, drugs and decades of poverty.

The HCZ Project began as a one-block pilot in the 1990s, then was expanded to 24 blocks and then 60 blocks. The Project has been guided by a 10-year business plan, though it surpassed its own goals in fiscal year 2007, serving 7,400 children and 4,100 adults. The goal is to serve 15,000 children and 7,000 adults by fiscal year 2011.

Some of the component programs and their accomplishments over the past two years include:

**The Baby College** is a nine-week program that teaches parents of children from 0-3 about child development and child-raising skills. The Baby College graduated 641 parents and caregivers in the years 2006-2007.

**Harlem Gems** is a pre-school program for four-year-olds that has an extended day and an extended year. Children learn in English, Spanish and French, as well as learn crucial social and academic skills. Measured by an independently administered assessment, 100 percent of the Harlem Gems were "school ready" for six consecutive years.

**Harlem Gems Head Start** has the same structure and curriculum as the Harlem Gems, but it is funded by Head Start.

**Community Pride** works to help organize and improve the neighborhood. While Community Pride worked with three large housing projects, participation in resident associations has jumped 20 percent and helped them obtain over \$40,000 in grants and donations.

**Employment and Technology Center** teaches teenagers and adults computer and job-seeking skills. In 2007, it moved to a larger space, allowing it to almost double the number of youth it can serve.

**Peacemakers** places young men and women from AmeriCorps in public schools as teachers' assistants and as organizers of after-school enrichment programs in those same schools. The program is now in seven public schools and has added, A Cut Above, a middle-school initiative to support children academically, which will eventually serve 1400. The Peacemaker program served 1,836 children in 2007. One of its chess teams placed second in national competition and another placed third.

**TRUCE** is an after-school program that gives high-school students the opportunity to grow academically and socially as they find their voices in a range of creative pursuits. In January 2006, TRUCE received the Coming Up Taller Award as one of the top arts-related youth development programs in the nation.

**TRUCE Fitness and Nutrition** works with middle-school students to improve their physical fitness and overall health—a key component of our Obesity Initiative—while supporting them academically. In 2006, students from the program presented at the United Nations about their rooftop farming program. In 2007 alone, its karate team brought home over 145 trophies.

“For all its comprehensive services and all the implications for broader policymaking, the zone remains at heart a neighborhood organizing strategy, one that emphasizes the power of adults getting involved and the need for mutual accountability for positive results....”

—POLICYLINK'S "WHY PLACE MATTERS: BUILDING A MOVEMENT FOR HEALTHY COMMUNITIES"

# O

## ur Kids

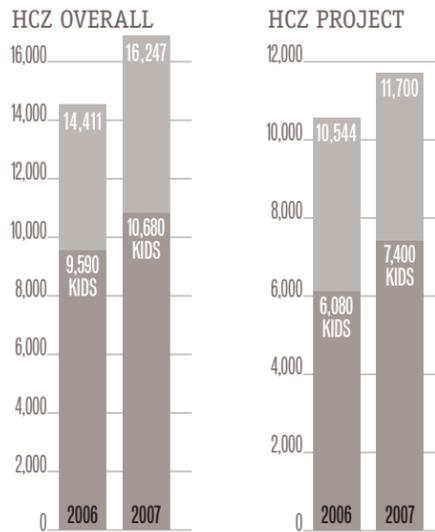
**1.** HCZ Peace March, August 2005, at Marcus Garvey Park. Every year, thousands of HCZ kids and families march through the streets of Harlem to call for an end to violence in the neighborhood.

**2.** The TRUCE Fitness and Nutrition karate team won 145 trophies in competitions in 2007.

**3.** In March 2006, a fifth-grade chess team from the HCZ Peacemakers after-school program placed second in a national competition. In 2007, two elementary-school teams placed third and fourth in the citywide championship. The chess program overall won more than 70 trophies.

**4.** In the 2006-2007 school year, eight HCZ teams participating in the Lehman Brothers Investment Camp picked their own stock portfolios and split \$14,000 in profits.

### Clients Served, Including Children



“I’m fully aware of the epidemic of our black men going to jail, dropping out of high school, or on drugs or being killed. Having three black men that I’m raising is very frightening for me. I don’t know that I could have done this in this environment without the Harlem Children’s Zone. It’s also created a village of sorts for me.”

—FLO BROWN, A PROMISE ACADEMY PARENT, TO COX NEWSPAPER GROUP



# WHO WE ARE



### The Promise Academy® Charter Schools

were created as a partnership with Harlem Children's Zone, Inc. to directly impact the centerpiece of a child's educational life.

The venture began in September 2004 with the opening of Promise Academy 1 elementary and middle schools, followed in September 2005 by Promise Academy 2. Both PA 1 and PA 2 will eventually run from kindergarten through 12th grade, taking on a new grade each year.

The mission is to give children in Harlem a high-quality, well-rounded education; to assemble a talented, loving staff that creates an enriching atmosphere where children know they are cared about and that there are high expectations of them.

The children at the three Promise Academy schools have an extended school day and year, giving them the time they need to master core skills as well as explore the arts and sciences. To make sure they are ready for the rigors of the school day, the students receive healthy, freshly made meals each day and they have daily physical activity.

The school staff works hand-in-hand with the after-school staff, which offer the students academic help, as well as various clubs — from chess to Suzuki violin; from photography to web design. There is also a Saturday Academy for children who need additional help with their English and math skills.

Results have been encouraging. Though the middle school's initial cohort arrived at the school in 2004 with less than 10 percent at grade level in math, last spring they had 63 percent at or above grade level in the statewide math exam. Part of the reason for that big turnaround has been that each Saturday volunteers from Lehman Brothers tutor the middle-school students in math.

**“With 40% of their students overweight, nutrition isn't an elective class, it's integral to their education.”** —KIWI MAGAZINE

In its citywide progress reports, the New York City Department of Education gave HCZ Promise Academy an “A” rating for its performance.

In 2006, a health clinic opened in the middle-school building so the students could get free medical, dental and mental-health services. The Harlem Children's Health Project is a partnership of the Children's Health Fund, the Mailman School of Public Health at Columbia University, New York-Presbyterian Hospital and HCZ. In addition the project works with the elementary schools to identify children's unmet health needs and to facilitate necessary care.

With many of the students spending ten or more hours a day at the school, they are immersed in the school's culture of achievement and intellectual growth. Today, many of the Promise Academy students feel it's “cool” to be smart and firmly believe they can and will succeed.

**1.** Children at Promise Academy 2 practice Beethoven's “Ode to Joy.”

**2.** In 2007, a team from HCZ Promise Academy Middle School won first place in a citywide charter school math competition.

**3.** Cornell University works in partnership with our staff to improve the teaching of science.

**4.** A Promise Academy 1 first grade class copied a Modigliani portrait.

**5.** A school-based clinic offers students free medical services and the chance to learn at the Lehman Brothers Health Promotion Learning Lab.

**6.** Students put on Shakespeare's “As You Like It.”





# PREVENTION



“[Geoffrey] Canada wants to prove that all kids can succeed.”

— ASSOCIATED PRESS

# F

**oster Care Prevention Programs** work to stabilize and strengthen families so that their children are not placed in foster care.

HCZ operates five programs under contract from the New York City Administration for Children’s Services. These programs offer a variety of services, such as substance abuse referrals, entitlement assistance, legal consultations, and emergency food aid. The programs also work with other HCZ programs to strengthen the safety net for our children and families.

Harlem has had some of the highest foster-care placement rates in the state, HCZ’s programs have had very few placements. This is due to our commitment to intensive home visits, direct service referrals, and thorough follow-up of client services. This commitment has led to some of the highest ratings from the New York City Adminis-

tration for Children Services. For that reason, the city has increased our capacity from 355 to 410 direct-care client families.

There are five HCZ Preventive programs:

**The Family Development Program** serves 120 client families and specializes in access to mental-health professionals who collaborate with caseworkers to support therapeutic interventions.

**The Family Support Center** serves 90 client families, and specializes in providing crisis-intervention services, referrals, advocacy, groups on parenting, and anger management.

**The Midtown Family Place** has 45 client families and is based in Hell’s Kitchen. It provides counseling, referrals and advocacy, but also conducts an after-school program for children ages 5-12 and a summer program, a literacy program and a food pantry. Its newest initiative is called The Young Authors Club, a creative writing series for students.

**Project CLASS** (Clean Living and Staying Sober) serves up to 50 families. It specializes in providing referrals to drug- and alcohol-abuse programs, as well as creating, implementing and monitoring drug- treatment service plans.

It recently added the **Babies Initiative**, which is offered to 20 families with children ages five and under who are at immediate risk of being put in foster care. This intensive program works to get family members whatever services they need in order to stabilize.

**Truancy Prevention** has 90 client families with at-risk children, and conducts groups on domestic violence, on parenting called the Parenting Journey, as well as one for teen-agers.

“As many cities struggle with pockets of crime and poverty, the zone has become a rare national beacon, widely admired and studied by local governments and charities because of its success in bringing education, social services, medical help and a sense of community to thousands of children and families.”

—COX NEWSPAPERS

# H

**CZ’s Beacon Programs** were created before the Harlem Children’s Zone Project, but they also have a holistic “whatever it takes” approach to meeting the needs of the surrounding community.

The Beacons transform school buildings into community centers, offering programs during the afternoon, evening and weekend. They offer programs for youth and adults, and in everything from education to the arts to recreation. Each summer, they offer all-day camp so children have a safe, enriching place to spend their time instead of hanging out on the street.

The Countee Cullen Community Center was one of the first Beacons in New York City, created in 1991. The Center is located in PS 194 on West 144th Street in Harlem. In 2007, it served over 1,100 children and 400 adults. Its summer camp served 550 children from the ages of 5½ to 18.

In 2007, Countee Cullen started a track and field program and two of its young runners placed second and third in the “Fastest Kid in the City” competition held in Madison Square Garden.

In 2006, Countee Cullen added a Family Social Night where families get together and do various activities as a group. The center also added the Rising Stars middle-school academic enrichment program and several programs for adults, including GED, computer and job-readiness classes.

The Booker T. Washington Beacon program is located in MS 54 on West 107th Street. In 2007, it served 1,500 residents, including 1,100 young people.

In addition to its wide range of education, arts and recreation programs, Booker T. Washington has been busy building out Moving Forward, which targets young men and women who are no longer in school, but not fully employed. Moving Forward works with young people so they can obtain a high-school equivalency degree and then go on to a vocational school or other higher-learning institutions.

The HCZ Community Center, located in our 125th Street headquarters, is not an official Beacon program, but operates in the same holistic way. It provides after-school enrichment programming for the HCZ Promise Academy Middle School students, as well as programming and special events (such as an annual Thanksgiving din-



ner) for the surrounding community. The center has created a strong relationship with two housing projects, St. Nicholas and Lincoln, that are located in the northern section of the HCZ Project.

To help community members maintain a healthy lifestyle, it began holding a monthly farmers market, where families can pick up 35 pounds of fresh fruits and vegetables for a nominal fee.

In January 2007, the Community Center was able to show off its range of academic, arts and recreational programs for a visit from England’s Prince Charles and the Duchess of Cornwall.



# FINANCIALS

JULY 1, 2005 – JUNE 30, 2006

JULY 1, 2006 – JUNE 30, 2007  
Unaudited

## OPERATING INCOME

	JULY 1, 2005 – JUNE 30, 2006		JULY 1, 2006 – JUNE 30, 2007 Unaudited	
Public	\$ 7,401,109	16%	\$ 8,156,553	11%
Corporations/Foundations/Individuals <sup>1</sup>	\$ 25,659,766	54%	\$ 49,070,965	65%
Special Events	\$ 4,729,830	10%	\$ 11,758,894	15%
Other Income	\$ 184,430	0%	\$ 231,517	0%
Gain on Investments	\$ 9,560,036	20%	\$ 6,613,698	9%
<b>HCZ, Inc. Total Support &amp; Revenue<sup>2</sup></b>	<b>\$ 47,535,171</b>	<b>100%</b>	<b>\$ 75,932,827</b>	<b>100%</b>

## OPERATING EXPENDITURES

	JULY 1, 2005 – JUNE 30, 2006		JULY 1, 2006 – JUNE 30, 2007 Unaudited	
Program Services	\$ 26,404,835	79%	\$ 30,506,330	79%
Management & General	\$ 5,935,170	18%	\$ 6,787,267	18%
Fundraising	\$ 1,242,260	4%	\$ 1,187,490	3%
<b>Total Operating Expenditures</b>	<b>\$ 33,582,265</b>	<b>100%</b>	<b>\$ 38,481,087</b>	<b>100%</b>
<b>Capital Expenditures</b>	<b>\$ 1,288,248</b>		<b>\$ 1,401,371</b>	
<b>HCZ, Inc. Total Expenditures<sup>3</sup></b>	<b>\$ 34,870,513</b>		<b>\$ 39,893,102</b>	

1. Includes funds received for Capital Campaign: \$5,129,025 in 2006, and \$11,876,711 in 2007. Also includes multiple year grants recorded as operating income because of FASB 113 and 114.

2. Amounts are exclusive of revenue for HCZ Promise Academy I (FY 2006: \$5,930,204 and FY 2007: \$8,598,208) and for HCZ Promise Academy II (FY 2006: \$1,560,179 and FY 2007: 2,459,545).

3. Amounts are exclusive of expenditures for Promise Academy I (FY 2006: \$5,927,188 and FY 2007: \$9,235,062) and for Promise Academy II (FY 2006: \$724,490 and FY 2007: \$2,603,039).



**Harlem Children's Zone, Inc.**, has expanded both the quantity and quality of its services over the past two years.

Thanks to the remarkable generosity of its donors, the organization has begun Phase 3 of its HCZ Project business plan. As HCZ readied itself to launch Phase 3, expanding to almost 100 blocks, the preeminent management consulting firm McKinsey & Co. generously offered their strategic expertise *pro bono* to ensure the appropriate infrastructure was in place so the expansion would meet its ambitious goals.

Importantly, as the organization has grown, it has maintained its fiscal stability through careful oversight of capital spending and program budgeting.

Its management has also been remarkably stable: Geoffrey Canada has been President/CEO since 1990, Stan Druckenmiller has been Chairman since 2001 and many of the Trustees have served on the Board for years.

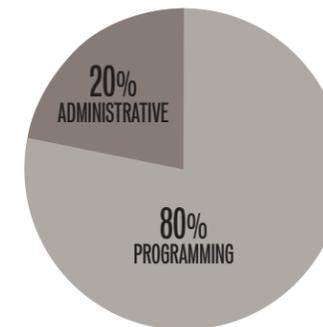
HCZ has created a unique public-private partnership that has shown the commitment of both sectors to support socio-economically disadvantaged children and families. Government's imprimatur gives the organization additional credibility, while the private sector's involvement invites a unique level of accountability and the encouragement to innovate.

HCZ has also embarked on a Capital Campaign to grow its endowment to \$150 million. Just as universities and foundations create endowments to help sustain and grow their mission and services, we want HCZ – we need HCZ – to be here not just when today's pre-schoolers get to college, but for generations to come.

HCZ, Inc. has grown to serve over 10,000 children and over 5,000 adults. The accomplishments and the audacity of the organization's ambition are unprecedented, and yet the need – in Harlem and across the nation's urban areas – still dwarfs our efforts.

Fortunately, other communities are recognizing the need to take a holistic systemic approach to breaking the cycle of generational poverty. They see our low cost-per-child-served, our successes, and are eager to replicate, and we are equally eager to have our learning leveraged.

What Funds Go For



Mitch Kurz  
Treasurer

**“Only 1% of the charities we’ve rated have received at least 6 consecutive 4-star evaluations, indicating that Harlem Children’s Zone outperforms most charities in America in its efforts to operate in the most fiscally responsible way possible.”**

—CHARITY NAVIGATOR



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