

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2013 calendar year, or tax year beginning 07/01, 2013, and ending 06/30, 2014

B Check if applicable:

- Address change
- Name change
- Initial return
- Terminated
- Amended return
- Application pending

C Name of organization HARLEM CHILDREN'S ZONE, INC.		D Employer identification number 23-7112974	
Doing Business As		E Telephone number (212) 360-3255	
Number and street (or P.O. box if mail is not delivered to street address) Room/suite 35 EAST 125TH STREET			
City or town, state or province, country, and ZIP or foreign postal code NEW YORK, NY 10035		G Gross receipts \$ 83,047,551.	
F Name and address of principal officer: GEOFFREY CANADA 35 EAST 125TH STREET NEW YORK, NY 10035		H(a) Is this a group return for subordinates? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
		H(b) Are all subordinates included? Yes <input type="checkbox"/> No <input type="checkbox"/> If "No," attach a list. (see instructions)	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	J Website: ▶ WWW.HCZ.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation: 1970		M State of legal domicile: NY

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: HCZ IS A PIONEERING, NON-PROFIT COMMUNITY BASED ORGANIZATION THAT WORKS TO ENHANCE THE QUALITY OF LIFE FOR CHILDREN AND FAMILIES IN SOME OF NYC'S MOST DEVASTATED NEIGHBORHOODS.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	19.
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	18.
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	3,413.
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	57,839,897.	73,600,877.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	42,278,933.	8,417,495.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,480,292.	699,779.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	101,599,122.	82,718,151.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	3,371,549.	3,152,675.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	60,714,112.	61,983,597.
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,656,133.	0	0
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	26,177,889.	33,260,949.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	90,263,550.	98,397,221.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	11,335,572.	-15,679,070.
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	486,968,470.	521,888,906.
	22	Net assets or fund balances. Subtract line 21 from line 20	109,834,317.	116,534,237.
			377,134,153.	405,354,669.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name SCOTT THOMPSETT	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00741490
	Firm's name ▶ GRANT THORNTON LLP	Firm's EIN ▶ 36-6055558			
	Firm's address ▶ 757 THIRD AVE., 4TH FLOOR NEW YORK, NY 10017-2013	Phone no. 212-599-0100			
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III Yes No

1 Briefly describe the organization's mission:

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 63,027,626. including grants of \$ 2,532,075.) (Revenue \$ 0)

ATTACHMENT 2

4b (Code:) (Expenses \$ 7,091,171. including grants of \$ 75,946.) (Revenue \$ 0)

ATTACHMENT 3

4c (Code:) (Expenses \$ 6,686,832. including grants of \$ 500,105.) (Revenue \$ 0)

ATTACHMENT 4

4d Other program services (Describe in Schedule O.) **ATTACHMENT 5**

(Expenses \$ 1,840,057. including grants of \$ 3,197.) (Revenue \$ 0)

4e Total program service expenses ▶ 78,645,686.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	X	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	X	
c	Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14 a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	X	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>	X	
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
24 b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24 c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24 d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
25 b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payable to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
28 a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	X	
28 b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
28 c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35 a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
35 b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, description, sub-part, and Yes/No columns. Includes questions 1a through 14b regarding Form 1096, Form W-2G, Form W-3, and various tax compliance issues.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (19), 1b (18), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed NY,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ALPHA CONTEH, CONTROLLER 35 EAST 125TH STREET NEW YORK, NY 10035 212-360-3255

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII. X

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1)GEOFFREY CANADA PRESIDENT/CEO	40.00 2.00	X		X				333,415.	0	196,163.
(2)STANLEY F. DRUCKENMILLER CHAIRMAN	1.00 2.00	X		X				0	0	0
(3)MITCH KURZ TREASURER	1.00 2.00	X		X				0	0	0
(4)MATTHEW C. BLANK SECRETARY	1.00 2.00	X		X				0	0	0
(5)WALLIS ANENBERG BOARD MEMBER	1.00	X						0	0	0
(6)GARY COHN BOARD MEMBER	1.00	X						0	0	0
(7)ZOE CRUZ BOARD MEMBER	1.00	X						0	0	0
(8)JOSEPH DIMENNA BOARD MEMBER	1.00	X						0	0	0
(9)MARK KINGDON BOARD MEMBER	1.00	X						0	0	0
(10)KENNETH G. LANGONE BOARD MEMBER	1.00 2.00	X						0	0	0
(11)SUE LEHMANN BOARD MEMBER (THRU 02/2014)	1.00	X						0	0	0
(12)LAURA SAMBERG BOARD MEMBER	1.00	X						0	0	0
(13)STEPHEN SQUERI BOARD MEMBER	1.00	X						0	0	0
(14)CAROLINE TURNER BOARD MEMBER	1.00	X						0	0	0

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) RICHARD WITTEN BOARD MEMBER	1.00	X					0	0	0	
(16) BRIAN HIGGINS BOARD MEMBER	1.00	X					0	0	0	
(17) NIKESH ARORA BOARD MEMBER	1.00	X					0	0	0	
(18) JEFFREY TALPINS BOARD MEMBER	1.00	X					0	0	0	
(19) ZACHARY J. SCHREIBER BOARD MEMBER (AS OF 02/2014)	1.00	X					0	0	0	
(20) JOSHUA SILVERMAN BOARD MEMBER (AS OF 06/2014)	1.00	X					0	0	0	
(21) MINDY MILLER SR. VP OF DEVELOPMENT	40.00			X			359,704.	0	112,774.	
(22) GEORGE KHALDUN CAO	40.00			X			296,192.	0	83,663.	
(23) ANNE WILLIAMS-ISOM COO	40.00			X			258,273.	0	87,837.	
(24) MARK MOYER CFO (INTERIM)	40.00			X			253,700.	0	18,750.	
(25) TRACEY COSTELLO CHIEF PROCUREMENT OFFICER	40.00					X	234,913.	0	59,655.	
1b Sub-total							333,415.	0	196,163.	
c Total from continuation sheets to Part VII, Section A							2,140,190.	0	618,421.	
d Total (add lines 1b and 1c)							2,473,605.	0	814,584.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **30**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 6		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **11**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII X

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c	9,289,223.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	9,244,654.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	55,067,000.				
	g	Noncash contributions included in lines 1a-1f: \$		1,598,995.				
	h	Total. Add lines 1a-1f		73,600,877.				
	Program Service Revenue	2a	_____ Business Code _____					
b		_____						
c		_____						
d		_____						
e		_____						
f		All other program service revenue						
g		Total. Add lines 2a-2f		0				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		46,126.		46,126.		
	4	Income from investment of tax-exempt bond proceeds		0				
	5	Royalties		0				
	6a	Gross rents	(i) Real					
			(ii) Personal					
			b	Less: rental expenses				
			c	Rental income or (loss)				
	d	Net rental income or (loss)		0				
	7a	Gross amount from sales of assets other than inventory	(i) Securities					
			(ii) Other					
			b	Less: cost or other basis and sales expenses				
			c	Gain or (loss)	8,371,369.			
	d	Net gain or (loss)		8,371,369.		8,371,369.		
	8a	Gross income from fundraising events (not including \$ 9,289,223. of contributions reported on line 1c). See Part IV, line 18 a		124,944.				
	b	Less: direct expenses b		329,400.				
c	Net income or (loss) from fundraising events		-204,456.		-204,456.			
9a	Gross income from gaming activities. See Part IV, line 19 a							
b	Less: direct expenses b							
c	Net income or (loss) from gaming activities		0					
10a	Gross sales of inventory, less returns and allowances a							
		b	Less: cost of goods sold b					
		c	Net income or (loss) from sales of inventory		0			
Miscellaneous Revenue		Business Code						
11a	RECOVERY OF PRIOR-YEAR INVESTMENT WRITE	900099	698,366.		698,366.			
b	MISCELLANEOUS INCOME	900099	205,869.		205,869.			
c	_____							
d	All other revenue							
e	Total. Add lines 11a-11d		904,235.					
12	Total revenue. See instructions		82,718,151.		9,117,274.			

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	3,152,675.	3,152,675.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,096,290.	1,952,099.	94,367.	49,824.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	47,355,737.	44,351,235.	1,966,331.	1,038,171.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	876,847.	810,525.	32,128.	34,194.
9 Other employee benefits	6,680,231.	6,195,494.	229,361.	255,376.
10 Payroll taxes	4,974,492.	4,697,043.	188,513.	88,936.
11 Fees for services (non-employees):				
a Management	0			
b Legal	8,612.		8,612.	
c Accounting	267,478.		267,478.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	8,176,665.		8,176,665.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	3,026,974.	1,724,900.	1,270,768.	31,306.
12 Advertising and promotion	0			
13 Office expenses	641,748.	584,329.	55,589.	1,830.
14 Information technology	809,492.	89,379.	690,960.	29,153.
15 Royalties	0			
16 Occupancy	6,513,746.	4,682,314.	1,831,432.	
17 Travel	1,407,656.	1,235,719.	165,900.	6,037.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	4,214,294.	3,039,048.	1,103,291.	71,955.
23 Insurance	422,167.	304,437.	110,522.	7,208.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a FOOD	2,617,044.	2,537,861.	77,598.	1,585.
b EQUIPMENT RENTAL & MAINT.	845,069.	620,169.	219,070.	5,830.
c ADMISSIONS	666,834.	635,721.	31,013.	100.
d EDUCATION SUPPLIES	564,419.	502,729.	61,595.	95.
e All other expenses	3,078,751.	1,530,009.	1,514,209.	34,533.
25 Total functional expenses. Add lines 1 through 24e	98,397,221.	78,645,686.	18,095,402.	1,656,133.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	25,960,314.	1	33,037,550.
	2 Savings and temporary cash investments	1,927,527.	2	678,581.
	3 Pledges and grants receivable, net	79,810,567.	3	50,467,953.
	4 Accounts receivable, net	1,285,341.	4	1,122,443.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	1,031,869.	9	760,107.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 155,673,589.		
	b Less: accumulated depreciation	10b 20,817,365.	132,658,465.	10c 134,856,224.
	11 Investments - publicly traded securities	0	11	0
	12 Investments - other securities. See Part IV, line 11	243,670,175.	12	300,336,401.
	13 Investments - program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	624,212.	15	629,647.
16 Total assets. Add lines 1 through 15 (must equal line 34)	486,968,470.	16	521,888,906.	
Liabilities	17 Accounts payable and accrued expenses	6,928,243.	17	8,027,359.
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	87,677,625.	21	91,628,237.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	15,228,449.	25	16,878,641.
	26 Total liabilities. Add lines 17 through 25	109,834,317.	26	116,534,237.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	282,488,183.	27	340,806,742.
	28 Temporarily restricted net assets	93,008,008.	28	61,409,965.
	29 Permanently restricted net assets	1,637,962.	29	3,137,962.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	377,134,153.	33	405,354,669.
34 Total liabilities and net assets/fund balances	486,968,470.	34	521,888,906.	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	82,718,151.
2	Total expenses (must equal Part IX, column (A), line 25)	2	98,397,221.
3	Revenue less expenses. Subtract line 2 from line 1	3	-15,679,070.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	377,134,153.
5	Net unrealized gains (losses) on investments	5	43,899,586.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	405,354,669.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	X	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

2013

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
---	---

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III-Functionally integrated d Type III-Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished; 4 Total; 5 The portion of total contributions by each person; 6 Public support.

Section B. Total Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support; 12 Gross receipts from related activities; 13 First five years.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2013 (71.60%); 15 Public support percentage from 2012 Schedule A, Part II, line 14 (67.64%); 16a 33 1/3% support test - 2013; 16b 33 1/3% support test - 2012; 17a 10%-facts-and-circumstances test - 2013; 17b 10%-facts-and-circumstances test - 2012; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business under section 513; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on; 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.); 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 15: Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2012 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 17: Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2012 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2009	2010	2011	2012	2013	TOTAL
MISCELLANEOUS INCOME	205,453.	107,377.	672,573.	1,665,380.	205,869.	2,856,652.
SPECIAL EVENTS GROSS INCOME	162,120.	144,695.	131,108.	170,612.	124,944.	733,479.
RECOVERY OF PRIOR YEAR						
INVESTMENT WRITE-OFF				1,584,086.	698,366.	2,282,452.
TOTALS	<u>367,573.</u>	<u>252,072.</u>	<u>803,681.</u>	<u>3,420,078.</u>	<u>1,029,179.</u>	<u>5,872,583.</u>

Schedule of Contributors

2013

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

▶ **Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.**

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
---	---

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **HARLEM CHILDREN'S ZONE, INC.**

Employer identification number
23-7112974

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	----- ----- -----	\$ 5,010,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	----- ----- -----	\$ 2,150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	----- ----- -----	\$ 1,750,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	----- ----- -----	\$ 20,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	----- ----- -----	\$ 2,479,464.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	----- ----- -----	\$ 4,171,836.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **HARLEM CHILDREN'S ZONE, INC.**

Employer identification number
23-7112974

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	----- ----- -----	\$ 5,150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	----- ----- -----	\$ 1,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	----- ----- -----	\$ 1,560,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	----- ----- -----	\$ 1,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **HARLEM CHILDREN'S ZONE, INC.**

Employer identification number

23-7112974

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----
-----	----- ----- ----- -----	\$-----	-----

Name of organization **HARLEM CHILDREN'S ZONE, INC.**

Employer identification number

23-7112974

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- -----	----- ----- -----	----- ----- -----

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

2013

Attach to Form 990.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Includes rows for total number, aggregate contributions, aggregate grants, aggregate value, and two questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes questions about purpose of easements, number of easements, acreage, and monitoring expenses. Includes a sub-table for 'Held at the End of the Tax Year'.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting requirements and amounts for revenues and assets.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2013

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	228,837,561.	165,002,239.	140,613,742.	131,922,081.	124,566,150.
b Contributions	14,209,739.	26,958,775.	15,828,299.	1,805,293.	11,471,516.
c Net investment earnings, gains, and losses	44,307,121.	36,901,547.	8,560,198.	6,886,368.	87,669.
d Grants or scholarships					
e Other expenditures for facilities and programs	41,352.	25,000.			4,203,254.
f Administrative expenses					
g End of year balance	287,313,069.	228,837,561.	165,002,239.	140,613,742.	131,922,081.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ 98.7100 %
- b Permanent endowment ▶ 1.0922 %
- c Temporarily restricted endowment ▶ .1978 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	X	
(ii) related organizations		X

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? **3b**

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,800,000.		6,800,000.
b Buildings		135,003,502.	11,533,424.	123,470,078.
c Leasehold improvements		8,084,275.	5,373,153.	2,711,122.
d Equipment		3,871,455.	2,894,610.	976,845.
e Other		1,914,357.	1,016,178.	898,179.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)). ▶				134,856,224.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) HEDGE FUND INVESTMENTS	253,079,779.	FMV
(B) LIMITED PARTNERSHIP INV.	47,256,622.	FMV
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	300,336,401.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DEFERRED COMPENSATION PAYABLE	6,330,807.
(3) DUE TO RELATED PARTY	10,547,834.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	16,878,641.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XIII Supplemental Information (continued)

SCHEDULE D, PART V: ENDOWMENTS

THE HARLEM CHILDREN'S ZONE'S ENDOWMENT IS INTENDED TO SUPPORT THE ORGANIZATION'S SOCIAL, CULTURAL AND EDUCATIONAL PROGRAMS (AS DESCRIBED IN PART III OF THE FORM 990) AND TO FUND THE EXECUTIVE PROFIT-SHARING PLAN. HCZ HAS ADOPTED INVESTMENT AND SPENDING POLICIES FOR ENDOWMENT ASSETS THAT ATTEMPT TO PROVIDE A PREDICTABLE STREAM OF FUNDING WHILE SEEKING TO MAINTAIN THE EARNINGS POWER OF THE ENDOWMENT ASSETS.

SCHEDULE D, PART X: FIN 48

THE ORGANIZATION RECOGNIZES THE TAX EFFECTS FROM AN UNCERTAIN TAX POSITION IN THE FINANCIAL STATEMENTS ONLY IF THE POSITION IS "MORE-LIKELY-THAN-NOT" TO BE SUSTAINED IF THE POSITION WERE TO BE CHALLENGED BY A TAXING AUTHORITY. THE ASSESSMENT OF THE TAX POSITION IS BASED SOLELY ON THE TECHNICAL MERITS OF THE POSITION, WITHOUT REGARD TO THE LIKELIHOOD THAT THE TAX POSITION MAY BE CHALLENGED. MANAGEMENT HAS DETERMINED THAT THERE ARE NO UNCERTAIN TAX POSITIONS WITHIN ITS CONSOLIDATED FINANCIAL STATEMENTS.

THE ORGANIZATION IS EXEMPT FROM FEDERAL INCOME TAXATION BY VIRTUE OF BEING AN ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. NEVERTHELESS, THE ORGANIZATION MAY BE SUBJECT TO TAX ON INCOME UNRELATED TO ITS EXEMPT PURPOSE, UNLESS THAT INCOME IS OTHERWISE EXCLUDED BY THE INTERNAL REVENUE CODE. THE TAX YEARS ENDING JUNE 30, 2011, 2012, 2013 AND 2014 ARE STILL OPEN TO AUDIT FOR BOTH FEDERAL AND STATE PURPOSES.

Part XIII Supplemental Information (continued)

SCHEDULE D, PART IV: AGREEMENTS

DURING THE YEAR ENDED JUNE 30, 2011, THE HARLEM CHILDREN'S ZONE ENTERED INTO AGREEMENTS FOR THE CONSTRUCTION OF A NEW CHARTER SCHOOL (THE SCHOOL PROJECT). THE AGREEMENTS PROVIDED THAT THE NEW YORK SCHOOL CONSTRUCTION AUTHORITY CONTRIBUTE UP TO \$60,000,000 TOWARDS THE SCHOOL PROJECT, WITH THE ESTIMATED BALANCE OF APPROXIMATELY \$40,000,000 TO BE CONTRIBUTED BY THE ORGANIZATION OR OTHER DONORS.

UPON COMPLETION OF CONSTRUCTION AND ISSUANCE OF THE CERTIFICATE OF OCCUPANCY, TITLE TO THE SCHOOL PROJECT WILL BE TRANSFERRED TO THE NEW YORK CITY DEPARTMENT OF EDUCATION AND LEASED BACK TO THE HARLEM CHILDREN'S ZONE.

HARLEM CHILDREN'S ZONE IS ACCOUNTING FOR THIS ARRANGEMENT AS AN AGENCY TRANSACTION ON BEHALF OF THE SCHOOL AS THE SCHOOL WILL BE THE ULTIMATE BENEFICIARY OF THE SCHOOL PROJECT.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		253,338,026.
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					253,338,026.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					253,338,026.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2013

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter. ▶ -----

3 Enter total number of other organizations or entities. ▶ -----

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926).* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A).* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471).* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621).* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865).* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).* Yes No

Part V Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

FORM 990, SCHEDULE F

THE HARLEM CHILDREN'S ZONE INVESTS DIRECTLY IN A VARIETY OF LEVEL 3 LIMITED PARTNERSHIP INVESTMENTS. THESE LIMITED PARTNERSHIP INVESTMENTS MAY, IN TURN, OWN AN INTEREST IN A FOREIGN CORPORATION, PASSIVE FOREIGN INVESTMENT COMPANY, OR FOREIGN PARTNERSHIP. TO THE EXTENT THAT THE HARLEM CHILDREN'S ZONE IS REQUIRED TO COMPLETE A FORM 926, 5471, 8621 OR 8865 BECAUSE ITS INVESTMENT EXCEEDS THE FILING THRESHOLD, THOSE FORMS HAVE BEEN ATTACHED TO THE ORGANIZATION'S FORM 990-T FILING.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		AWARD DINNER (event type)	(event type)	(total number)	(add col. (a) through col. (c))
Revenue	1 Gross receipts	9,414,167.			9,414,167.
	2 Less: Contributions	9,289,223.			9,289,223.
	3 Gross income (line 1 minus line 2).	124,944.			124,944.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	184,236.			184,236.
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	145,164.			145,164.
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				329,400.
11 Net income summary. Subtract line 10 from line 3, column (d) ▶				-204,456.	

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ -----

Address ▶ -----

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ -----

Address ▶ -----

16 Gaming manager information:

Name ▶ -----

Gaming manager compensation ▶ \$ -----

Description of services provided ▶ -----

Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

FORM 990, SCHEDULE G, PART I - FUNDRAISING

EVENT ASSOCIATES, INC. ASSISTS THE HARLEM CHILDREN ZONE WITH THE ORGANIZATION'S ANNUAL GALA EVENT. THE EVENT RAISES SIGNIFICANT FUNDS TO SUPPORT THE ORGANIZATION'S CHARITABLE MISSION; THESE FUNDS ARE RAISED THROUGH THE COMBINED EFFORTS OF HARLEM CHILDREN ZONE'S DEVELOPMENT OFFICE (AND OTHER DEDICATED PERSONNEL) AND EVENT ASSOCIATES. QUANTIFYING PRECISELY HOW MUCH WAS RAISED BY EVENT ASSOCIATES FOR SCHEDULE G PURPOSES

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ -----

Address ▶ -----

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ -----

Address ▶ -----

16 Gaming manager information:

Name ▶ -----

Gaming manager compensation ▶ \$ -----

Description of services provided ▶ -----

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV **Supplemental Information.** Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

IS NOT FEASIBLE.

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

Part I General Information on Grants and Assistance

- Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							
(9) -----							
(10) -----							
(11) -----							
(12) -----							

- Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ -----
- Enter total number of other organizations listed in the line 1 table ▶ -----

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2013)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 EDUCATIONAL STIPENDS	2,538.	1,915,142.			
2 HCZ INCENTIVE PROGRAM	1,575.	1,196,181.			
3 SCHOLARSHIPS	9.	41,352.			
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SCHEDULE I, PART III

THE NEED IN CENTRAL HARLEM:

CHILDREN IN CENTRAL HARLEM TYPICALLY FACE MULTIPLE CHALLENGES TO THEIR SUCCESS: FAILING SCHOOLS, INADEQUATE HEALTH CARE, LACK OF SAFE PLACES TO SPEND OUT-OF-SCHOOL TIME, THE EVER-PRESENT THREAT OF PHYSICAL VIOLENCE. NUMEROUS STUDIES HAVE DOCUMENTED THE TRAGIC LANDSCAPE FOR LOW-INCOME STUDENTS, PARTICULARLY THOSE OF COLOR. A BLACK BOY BORN IN 2001 HAS A ONE IN THREE CHANCE OF GOING TO PRISON IN HIS LIFETIME. ONE STUDY FOUND THAT BY THE AGE OF THREE, CHILDREN IN POOR FAMILIES WERE EXPOSED TO 30 MILLION FEWER WORDS THAN CHILDREN IN HIGH-INCOME HOMES.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

THE HARLEM CHILDREN'S ZONE HAS CREATED A HOLISTIC, BIRTH-THROUGH-COLLEGE PIPELINE OF FREE SUPPORTS AND SERVICES TO ENSURE THAT CHILDREN REACH THEIR POTENTIAL AT EACH STAGE OF THEIR DEVELOPMENT. IN ADDITION TO WORKING FOR YEARS WITH BOYS AND GIRLS, WE WORK TO STRENGTHEN THE FAMILIES AND COMMUNITY AROUND OUR CHILDREN. WE DO WHATEVER IT TAKES TO MITIGATE ALL THE BARRIERS TO OUR CHILDREN'S SUCCESS.

IN ADDITION TO OUR PRIMARY FOCUS ON ACADEMICS, WE CONSIDER THE WHOLE CHILD: OFFERING CHILDREN EXPOSURE TO THE ARTS AND CULTURE, PUBLIC

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SERVICE, REGULAR PHYSICAL EXERCISE, NUTRITION WORKSHOPS, AS WELL AS PROGRAMS THAT HELP THEM DEVELOP THEIR NON-COGNITIVE SKILLS SUCH AS PERSISTENCE AND RESILIENCE. TO HELP ENSURE OUR HIGH-SCHOOL STUDENTS REMAIN ENGAGED IN OUR PROGRAMS, WE OFFER THEM THE OPPORTUNITY TO EARN STIPENDS. THE STIPENDS RELIEVE SOME OF THE FINANCIAL STRESS ON CHILDREN AND THEIR FAMILIES, SO CHILDREN DO NOT NEED TO CHOOSE BETWEEN ENRICHING ACTIVITIES AND TAKING ON A PART-TIME JOB. THE STIPENDS ARE DESIGNED TO BE A PRE-EMPLOYMENT MODEL SO THAT STUDENTS BEGIN TO LEARN THE WORKPLACE STANDARD OF GETTING REWARDS FOR HARD WORK. THE STIPENDS ARE STANDARDS-BASED AND DISTRIBUTED TWICE MONTHLY.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

THE SECOND PROGRAM ON SCHEDULE I IS ONE DESIGNED TO REWARD AND HELP GRADUATING HIGH-SCHOOL SENIORS AS THEY MOVE ON TO COLLEGE. WE OFFER EACH SENIOR THE CHOICE OF A \$1000 SCHOLARSHIP OR A LAPTOP COMPUTER, WHICH IS A NECESSITY FOR TODAY'S COLLEGE STUDENT. THE INCENTIVES PAYMENTS ARE ONLY MADE IN THE FORM OF A LAPTOP OR A DIRECT SCHOLARSHIP PAYMENT MADE DIRECTLY TO THEIR COLLEGE ON THEIR BEHALF. AS NOTED, SOME OF THE GIFTS ARE NON-CASH PAYMENTS (IN THE FORM OF LAPTOPS); HOWEVER, FOR SCHEDULE I PURPOSES, BIFURCATING CASH VS. NON-CASH PAYMENTS IS ADMINISTRATIVELY DIFFICULT.

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

HCZ ALSO OFFERS A LIMITED NUMBER OF OTHER SCHOLARSHIPS THROUGH DONATED FUNDS TO REDUCE THE POTENTIAL DEBT FOR OUR COLLEGE STUDENTS. THESE FUNDS ARE CRITICALLY IMPORTANT FOR OUR STUDENTS, MANY OF WHOM HAVE FEW - IF ANY - FUNDS OF THEIR OWN TO PAY FOR THEIR COLLEGE EXPENSES.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
<input checked="" type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2013

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 GEOFFREY CANADA PRESIDENT/CEO	(i)	220,899.	112,516.	0	179,995.	16,168.	529,578.	112,516.
	(ii)	0	0	0	0	0	0	0
2 MINDY MILLER SR. VP OF DEVELOPMENT	(i)	253,446.	106,258.	0	0	0	359,704.	56,258.
	(ii)	0	0	0	0	0	0	0
3 GEORGE KHALDUN CAO	(i)	197,121.	99,071.	0	67,495.	16,168.	379,855.	59,071.
	(ii)	0	0	0	0	0	0	0
4 ANNE WILLIAMS-ISOM COO	(i)	213,273.	45,000.	0	82,476.	5,361.	346,110.	0
	(ii)	0	0	0	0	0	0	0
5 TRACEY COSTELLO CHIEF PROCUREMENT OFFICER	(i)	150,842.	84,071.	0	43,742.	15,913.	294,568.	59,071.
	(ii)	0	0	0	0	0	0	0
6 BETINA JEAN LOUIS DIRECTOR OF EVALUATION	(i)	127,327.	72,194.	0	67,600.	5,361.	272,482.	42,194.
	(ii)	0	0	0	0	0	0	0
7 CONRAD PINNOCK HR DIRECTOR	(i)	145,800.	30,000.	0	60,173.	5,361.	241,334.	0
	(ii)	0	0	0	0	0	0	0
8 MARTIN LIPP COMMUNICATION DIRECTOR	(i)	124,523.	72,194.	0	50,251.	13,850.	260,818.	42,194.
	(ii)	0	0	0	0	0	0	0
9 MARK MOYER CFO (INTERIM)	(i)	198,450.	31,250.	24,000.	18,750.	0	272,450.	0
	(ii)	0	0	0	0	0	0	0
10 MARLENE FOX SENIOR MANAGER	(i)	122,273.	43,097.	0	37,233.	15,913.	218,516.	21,097.
	(ii)	0	0	0	0	0	0	0
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FORM 990, SCHEDULE J, LINE 4 (A)

INTERIM CHIEF FINANCIAL OFFICER, MARK MOYER, RECEIVED A SEVERANCE PAYMENT
IN CALENDAR 2013. THIS AMOUNT HAS BEEN REFLECTED IN FORM 990, SCHEDULE
J, PART II, COLUMN (B) (III).

FORM 990, SCHEDULE J, LINE 4 (B)

HARLEM CHILDREN'S ZONE HAS A SECTION 457 (F) PLAN THAT ALL MEMBERS OF
SENIOR MANAGEMENT PARTICIPATE IN. THIS GROWTH FUND PLAN IS A
TAX-DEFERRED EMPLOYEE SAVINGS PLAN FOR DIRECTORS, PRINCIPALS AND SENIOR
STAFF. HARLEM CHILDREN'S ZONE MAKES AN ANNUAL DEPOSIT INTO THE PLAN THAT
IS VALUED AT 150% OF THE INDIVIDUAL EMPLOYEE'S BONUS FOR THE CURRENT
YEAR. THE EMPLOYEE ACCUMULATES INCOME ON THE INVESTMENTS IN THE NO
MARGIN SENIOR GROWTH FUND (WHICH IS MANAGED BY DUQUESNE MANAGEMENT);
AFTER FIVE YEARS, THE EMPLOYEE RECEIVES A PAYOUT.

FOR CALENDAR YEAR 2013, EMPLOYEES RECEIVED A PAYOUT FROM THE GROWTH FUND
AND THOSE AMOUNTS HAVE BEEN RECORDED IN SCHEDULE J, COLUMN (B) (II) AND IN
COLUMN (F).

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SCHEDULE J, LINE 7

HARLEM CHILDREN'S ZONE PROVIDES ANNUAL PERFORMANCE BONUSES TO ITS EMPLOYEES. THE BONUSES ARE DETERMINED AND APPROVED BY THE PRESIDENT AND CEO, GEOFFREY CANADA. BONUSES ARE APPROVED IN JUNE AND PAID OUT IN JULY (WHICH IS THE FOLLOWING FISCAL YEAR); HOWEVER, FOR 990 REPORTING PURPOSES, THE BONUS IS BOTH APPROVED AND PAID IN THE SAME CALENDAR YEAR (BUT DIFFERENT FISCAL YEARS); ACCORDINGLY, THE BONUSES ARE REPORTED AS CURRENT COMPENSATION IN COLUMN (B) (II).

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2013

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**
▶ **Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Name of the organization
HARLEM CHILDREN'S ZONE, INC.

Employer identification number
23-7112974

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total ▶ \$												

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) ZACHARY SCHREIBER	BOARD OF TRUSTEES	1,128,215.	SEE PART V		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE L, PART IV

ZACHARY SCHREIBER, BOARD OF TRUSTEES MEMBER, CO-MANAGES A LIMITED PARTNERSHIP INVESTMENT IN WHICH THE HARLEM CHILDREN ZONE INVESTS. THE VALUE OF THE ORGANIZATION'S INVESTMENT IN THIS LIMITED PARTNERSHIP INVESTMENT AS OF JULY 30, 2014 IS APPROXIMATELY \$80 MILLION. NEITHER MR. SCHREIBER NOR THE FUND CHARGE THE HARLEM CHILDREN'S ZONE ANY MANAGEMENT, ADVISORY OR SUPERVISORY FEES FOR MANAGING THE ORGANIZATION'S PORTFOLIO. NEVERTHELESS, THE VALUE OF THESE CONTRIBUTED SERVICES IS \$1,128,215.

STANLEY DRUCKENMILLER, CHAIRMAN OF THE BOARD, RUNS A HEDGE FUND IN WHICH THE HARLEM CHILDREN ZONE INVESTS. THE VALUE OF THE ORGANIZATION'S INVESTMENT IN THIS HEDGE FUND AS OF JUNE 30, 2014 IS \$31 MILLION. NEITHER MR. DRUCKENMILLER NOR THE FUND CHARGE THE HARLEM CHILDREN'S ZONE ANY MANAGEMENT, ADVISORY OR SUPERVISORY FEES FOR MANAGING THE ORGANIZATION'S PORTFOLIO.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2013

**Open To Public
Inspection**

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	18.	1,598,995.	FMV
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30 a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32 a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	X	
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2013)

JSA

3E1298 1.000

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.**

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

FORM 990, PART III, LINE 4D

OTHER PROGRAM SERVICE ACCOMPLISHMENTS

HEAD START PROGRAM - AN EARLY CHILDHOOD EDUCATION PROGRAM THAT SERVES 57
THREE-TO-FIVE-YEAR-OLD CHILDREN, AND PREPARES THEM TO ENTER KINDERGARTEN
READY TO LEARN.

FINALLY, INCLUDED WITHIN THE PROGRAM SERVICE EXPENDITURES REPORTED IN
PART III, LINES 4A THROUGH 4D ARE AMOUNTS PAID OUT AS STIPENDS/GRANTS.
HCZ PROVIDES STIPENDS TO MIDDLE AND HIGH-SCHOOL STUDENTS. THE STIPEND
SYSTEM IS A PRE-EMPLOYMENT MODEL, INTRODUCING STUDENTS TO THE TYPICAL
WORKPLACE SYSTEM WHERE EMPLOYEES RECEIVE A FINANCIAL REWARD FOR
CONSISTENT, HARD WORK. THERE ARE CERTAIN REQUIREMENTS THAT STUDENTS NEED
TO SATISFY TO EARN A STIPEND.

THE SMALL STIPEND IS ALSO AN INCENTIVE FOR THE CHILDREN TO STAY ENROLLED
IN THE PROGRAM EVEN IF THEY ARE BEING TEMPTED BY LESS-RIGOROUS OR RISKY
ALTERNATIVES FOR THEIR OUT-OF-SCHOOL TIME. WE STRONGLY FEEL THAT THE
STIPENDS ARE A VALUABLE INVESTMENT TO KEEP CHILDREN IN THE SAFE,
ENRICHING ENVIRONMENT WE HAVE CREATED, WHERE THEY CAN GET ACADEMIC
ASSISTANCE AND LEARN VALUABLE LIFE SKILLS.

HCZ ALSO GIVES INCOMING COLLEGE FRESHMEN THE CHOICE OF A LAPTOP COMPUTER
OR A \$1,000 SCHOLARSHIP TO ENSURE THAT STUDENTS START COLLEGE IN A STRONG
POSITION FOR SUCCESS. IN TODAY'S COLLEGIATE ENVIRONMENT, ACCESS TO A

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
--	--

LAPTOP IS AS IMPORTANT AS HAVING A PEN OR PENCIL ONCE WAS, SO WE WANT TO ENSURE EACH OF OUR STUDENTS HAS ONE FOR WRITING AND RESEARCH. IF THEY ALREADY HAVE A LAPTOP COMPUTER, THE \$1,000 SCHOLARSHIP IS ALSO A HUGE HELP FOR STUDENTS WHO WILL STRUGGLE TO MAKE ENDS MEET WHILE THEY ARE WORKING TOWARD THEIR DEGREE.

PLEASE SEE SCHEDULE I FOR MORE INFORMATION.

FORM 990, PART VI: POLICIES

LINE 11 - PROCESS USED TO REVIEW FORM 990

THE FORM 990 WAS PREPARED BY A NATIONALLY RENOWNED ACCOUNTING FIRM IN CONJUNCTION WITH THE ORGANIZATION'S FINANCIAL DEPARTMENT. A COPY OF THE DRAFT FORM 990 WAS CIRCULATED TO THE AUDIT COMMITTEE FOR DISCUSSION AND COMMENT. EACH AUDIT COMMITTEE MEMBER WAS PROVIDED AMPLE OPPORTUNITY TO COMMENT ON THE INFORMATION CONTAINED IN THE 990 PRIOR TO ITS FILING WITH THE INTERNAL REVENUE SERVICE. THE AUDIT COMMITTEE WILL SUMMARIZE ITS FINDING ON THE FORM 990 TO THE FULL BOARD OF DIRECTORS.

LINE 12 - ENFORCEMENT AND MONITORING OF CONFLICT OF INTEREST POLICY

ALL EMPLOYEES ARE EXPECTED TO USE HONESTY, GOOD JUDGEMENT AND HIGH ETHICAL STANDARDS IN ALL PROFESSIONAL DEALINGS. ALL EMPLOYEES MUST AVOID ANY ACTIONS THAT COULD CREATE A CONFLICT OF INTEREST OR THE APPEARANCE OF SUCH A CONFLICT OR REFLECT UNFAVORABLY ON THEM OR ON HARLEM CHILDREN'S ZONE. AN EMPLOYEE MUST DISCLOSE IF SHE/HE OR AN IMMEDIATE FAMILY MEMBER HAS ANY POTENTIAL CONFLICT OF INTEREST SUCH AS A RELATIONSHIP TO A THIRD PARTY VENDOR WHO SEEKS OR HAS A BUSINESS RELATIONSHIP TO HARLEM

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
--	--

CHILDREN'S ZONE. AN EMPLOYEE'S VIOLATION OF THIS POLICY, ESPECIALLY A FAILURE TO REPRESENT ACCURATELY HIS OR HER CONNECTION OR ACTION ON BEHALF OF HARLEM CHILDREN'S ZONE AND A THIRD PARTY WILL CONSTITUTE GROUNDS FOR DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION OF EMPLOYMENT.

LINE 15 - PROCESS FOR DETERMINING COMPENSATION

THE ORGANIZATION UNDERTAKES A THOROUGH PROCESS TO ENSURE THAT THE EXECUTIVE COMPENSATION IT PAYS TO ITS TOP MANAGEMENT OFFICIAL AND ALL OF ITS OFFICERS AND KEY EMPLOYEES IS REASONABLE GIVEN THE MARKET IN WHICH THE ORGANIZATION OPERATES. IN RELEVANT PART, THE BOARD OF DIRECTORS HAS ESTABLISHED A COMPENSATION COMMITTEE OF INDEPENDENT PERSONS THAT HAVE NO PERSONAL INTEREST IN THE PROPOSED COMPENSATION AGREEMENT. THE COMPENSATION COMMITTEE CONTRACTS WITH A COMPENSATION CONSULTANT TO COMPLETE A MARKET ASSESSMENT AND COMPETITIVE POSITION ANALYSIS FOR THE ORGANIZATION'S TOP EXECUTIVES. THE COMPENSATION CONSULTANT UTILIZES COMPARABILITY AND BENCHMARKING SURVEYS TO ENSURE THAT THE ORGANIZATION COMPENSATES ITS EXECUTIVES COMMENSURATE WITH THE MARKET. THE COMPENSATION COMMITTEE WILL THEN SET THE COMPENSATION FOR THE RELEVANT EXECUTIVE AND DOCUMENT THE DECISION IN BOARD MINUTES.

FORM 990, PART VI

LINE 19 - AVAILABILITY OF DOCUMENTS TO THE PUBLIC

THE ORGANIZATION MAKES ITS FORM 990 AVAILABLE TO THE PUBLIC BY RETAINING A COPY AT ITS PLACE OF BUSINESS. THE FORM 990 IS LIKEWISE PUBLISHED ON THE INTERNET AT WWW.GUIDESTAR.ORG. THE ORGANIZATION POSTS ITS AUDITED FINANCIAL STATEMENTS AND FORM 990 ON ITS WEBSITE, BUT ITS GOVERNING

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

Employer identification number

23-7112974

DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST AND PROVIDED AT MANAGEMENT'S DISCRETION.

FORM 990, PART IV

LINE 4 - LOBBYING DISCLOSURE

THE HARLEM CHILDREN'S ZONE DOES NOT UNDERTAKE ANY LOBBYING ACTIVITIES. PRESIDENT AND CEO, GEOFFREY CANADA IS A VERY PROMINENT INDIVIDUAL IN THE COMMUNITY AND HE MAY UNDERTAKE ADVOCACY EFFORTS THAT HAVE ANCILLARY BENEFITS TO THE HARLEM CHILDREN'S ZONE. MR. CANADA'S ADVOCACY EFFORTS, TO THE EXTENT THERE ARE ANY, ARE UNDERTAKEN AT HIS OWN BEHEST AND ARE FUNDED FROM HIS OWN PERSONAL FINANCES; THE HARLEM CHILDREN'S ZONE DOES NOT SUBSIDIZE THOSE EFFORTS.

FORM 990, PART VIII

LINE 7 - REALIZED GAINS ON INVESTMENTS

THE INVESTMENT INCOME REPORTED ON FORM 990, PART VIII, LINE 7(D) REPRESENTS BOTH REALIZED AND UNREALIZED GAINS ON INVESTMENTS. BECAUSE THE ORGANIZATION'S INVESTMENT PORTFOLIO IS COMPRISED ENTIRELY OF ALTERNATIVE INVESTMENTS, A DEFINITIVE BREAKOUT BETWEEN REALIZED AND UNREALIZED GAINS WAS UNAVAILABLE.

FORM 990, PART VII

BOARD OF TRUSTEES MEMBERS KENNETH LANGONE, GEOFFREY CANADA, MITCH KURZ, AND STANLEY DRUCKENMILLER SIT ON THE BOARD OF TRUSTEES OF BOTH HARLEM CHILDREN'S ZONE PROMISE ACADEMIES. EACH TRUSTEE SPENDS APPROXIMATELY 2 HOURS PER WEEK ON BOARD MATTERS FOR THESE RELATED ORGANIZATIONS.

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
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ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

H CZ'S MISSION IS TO BREAK THE CYCLE OF GENERATIONAL POVERTY THROUGH EDUCATION FOR THE CHILDREN AND FAMILIES IN HARLEM. WE WORK WITH CHILDREN FROM BIRTH THROUGH COLLEGE, USING AN INTERLOCKING NETWORK OF PROGRAMS, SO THAT OUR STUDENTS CAN SUCCESSFULLY GRADUATE FROM COLLEGE, ENTER THE HIGH-SKILLS JOB MARKET AND BECOME PRODUCTIVE, TAX-PAYING MEMBERS OF SOCIETY. OUR GOAL IS TO ENSURE THAT OUR KIDS GROW UP TO BECOME WELL-ROUNDED, SUCCESSFUL, HEALTHY, CIVIC-MINDED CITIZENS.

H CZ'S UNIQUE APPROACH IS TO PROVIDE SUPPORTS FOR EACH STAGE OF A CHILD'S DEVELOPMENT AND ADDRESS ANY BARRIER TO HIS OR HER ACADEMIC SUCCESS. OUR EARLY-CHILDHOOD PROGRAMS HELP BUILD A STRONG FOUNDATION FOR LATER LEARNING. OUR ELEMENTARY-SCHOOL PROGRAMS SUPPORT STUDENTS IN THE LOCAL TRADITIONAL PUBLIC SCHOOLS BY PROVIDING ASSISTANT TEACHERS DURING THE DAY WHO ALSO RUN ENRICHING PROGRAMS AFTER SCHOOL. OUR TWO K-12 CHARTER SCHOOLS ARE STAFFED WITH DEDICATED, QUALITY TEACHERS AND SPECIALISTS TO ENSURE OUR STUDENTS STAY ON TRACK FOR COLLEGE SUCCESS. WE ALSO OFFER AFTER-SCHOOL PROGRAMS FOR MIDDLE-SCHOOL AND HIGH-SCHOOL STUDENTS WHO LIVE IN THE CHILDREN'S ZONE - WORKING CLOSELY WITH THEM, THEIR TEACHERS AND PARENTS TO MAKE SURE THEY GRADUATE ON-TIME AND ARE READY FOR COLLEGE.

WHETHER STUDENTS ATTEND LOCAL COLLEGES OR ARE OUT-OF-TOWN, OUR

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

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ATTACHMENT 1 (CONT'D)FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

COLLEGE SUCCESS OFFICE HELPS THEM WITH EVERYTHING FROM TIME MANAGEMENT TO TUTORING TO GETTING PAID INTERNSHIPS, WHICH IS SO IMPORTANT TO EARNING EXTRA INCOME AND GAINING AN INVALUABLE WORK EXPERIENCE. WE HAVE THE SAME EXPECTATIONS OF SUCCESS FOR THE CHILDREN WE SERVE FROM TRADITIONAL PUBLIC SCHOOLS AS WE DO FROM OUR CHARTER SCHOOLS. THOUGH OUR PROGRAMS WORK WITH THOUSANDS OF CHILDREN, WE MAKE SURE EACH CHILD GETS HIS OR HER SPECIFIC NEEDS MET AND IS FOCUSED ON GRADUATING FROM COLLEGE. EVERY CHILD FROM FIFTH GRADE AND UP IS ASSIGNED AN ADVOCATE WHO CREATES AN ONGOING ASSESSMENT OF WHAT SERVICES ARE NECESSARY AND MAKES SURE THE STUDENT GETS THEM, WHETHER IT IS RELATED TO HEALTH CARE, A CHAOTIC HOME LIFE OR AN EMOTIONAL PROBLEM.

IMPORTANTLY, IN ADDITION TO OUR DIRECT WORK WITH CHILDREN, WE HAVE PROGRAMS AIMED AT STRENGTHENING FAMILIES AND THE VERY FABRIC OF THE COMMUNITY - TRANSFORMING THE NEIGHBORHOOD FROM ONE MIRED IN POVERTY TO ONE OF ECONOMIC STABILITY AND A POSITIVE CULTURE. SINCE WE ARE CONCERNED WITH THE ENTIRE CHILD, WE ALSO HAVE DEVELOPED PROGRAMS TO IMPROVE THE HEALTH OF OUR CHILDREN. BECAUSE OBESITY THREATENS THE HEALTH OF SO MANY OF OUR CHILDREN AND ADULTS, WE CREATED AN AGENCY-WIDE PROGRAM CALLED HEALTHY HARLEM. WE CREATED A DATABASE OF THE HEIGHT, WEIGHT AND BODY MASS INDEX OF ALL PARTICIPANTS TO TRACK THEIR PROGRESS. THE PROGRAM OFFERS ONE HOUR A DAY OF EXERCISE EACH DAY AND ONE HOUR OF NUTRITION EDUCATION EACH WEEK TO THOUSANDS OF OUR STUDENTS. CHILDREN WITH THE MOST-SEVERE OBESITY PROBLEMS RECEIVE MORE INDIVIDUALIZED ATTENTION. HEALTHY HARLEM ALSO WORKS WITH PARENTS,

Name of the organization

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ATTACHMENT 1 (CONT'D)FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

OFFERING EXERCISE CLASSES, COOKING CLASSES AND A SUBSIDIZED FARMERS MARKET.

AS A RESULT OF THE UNPRECEDENTED SUCCESS OF OUR EFFORTS, WE HAVE BECOME A NATIONAL MODEL FOR FIGHTING POVERTY AND EDUCATING AT-RISK YOUTH. HUNDREDS OF DELEGATIONS FROM AROUND THE WORLD HAVE VISITED US OR TAKEN WORKSHOPS TO LEARN ABOUT WHAT WE DO. PRESIDENT BARACK OBAMA CREATED THE PROMISE NEIGHBORHOODS PROGRAM TO USE FEDERAL MATCHING GRANTS TO REPLICATE OUR COMPREHENSIVE MODEL IN OTHER POOR COMMUNITIES.

ATTACHMENT 2FORM 990, PART III - PROGRAM SERVICE, LINE 4A

THE HARLEM CHILDREN'S ZONE PROJECT OFFERS A COMPREHENSIVE NETWORK OF EDUCATION, SOCIAL-SERVICE AND COMMUNITY-BUILDING PROGRAMS ACROSS A 97-BLOCK AREA OF CENTRAL HARLEM. THE CHILDREN'S ZONE PROJECT SUPPORTS CHILDREN FROM BIRTH THROUGH COLLEGE AS WELL AS WORKING WITH THE ADULTS AROUND THEM. THE ORGANIZATION SERVES APPROXIMATELY 13,700 CHILDREN - MOST OF WHOM GO TO TRADITIONAL PUBLIC SCHOOLS - AND APPROXIMATELY 13,300 ADULTS.

THE ORGANIZATION HAS BEEN SUCCESSFUL IN TEACHING NEW PARENTS HOW TO ENGAGE WITH THEIR CHILDREN TO OPTIMIZE BRAIN DEVELOPMENT, WHICH SETS THE STAGE FOR LATER ACADEMIC SUCCESS. THE BABY COLLEGE

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
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ATTACHMENT 2 (CONT'D)

PARENTING WORKSHOPS HAVE GRADUATED MORE THAN 5,000 PARENTS AND CAREGIVERS SINCE ITS INCEPTION A DOZEN YEARS AGO. IN THE HARLEM GEMS PRE-KINDERGARTEN PROGRAMS, THREE- AND FOUR-YEAR-OLDS ATTEND AN ALL-DAY, YEAR-ROUND PROGRAM THAT TEACHES IN ENGLISH, SPANISH AND FRENCH. IN 2014, 100% OF THE CHILDREN WHO COMPLETED THE HARLEM GEMS PRE-SCHOOL PROGRAM HAVE BEEN ASSESSED AS "SCHOOL READY," AS DETERMINED BY THE NATIONALLY RECOGNIZED BRACKEN SCALE ASSESSMENT.

WE PROVIDE SUPPORTS FOR STUDENTS IN ALL THE TRADITIONAL PUBLIC ELEMENTARY SCHOOLS WITHIN THE CHILDREN'S ZONE BOTH DURING THE SCHOOL DAY AND AFTER SCHOOL. WE WORK WITH MIDDLE-SCHOOL AND HIGH-SCHOOL STUDENTS THROUGH SEVERAL AFTER-SCHOOL PROGRAMS, MAKING SURE THEY ARE READY FOR COLLEGE, OFFERING TUTORING, WRITING WORKSHOPS, SAT PREP AND TOURS OF COLLEGE CAMPUSES, IN ADDITION TO PROVIDING ACCESS TO OTHER FUN, ENRICHING DISCIPLINES.

WE HAVE NEARLY 880 STUDENTS IN COLLEGE AND TO MAKE SURE THEY ARE SUCCESSFUL, WE OFFER A VARIETY OF SUPPORTS: TUTORING, SCHOLARSHIPS, FINANCIAL AID COUNSELING, TIME MANAGEMENT CLASSES AND HELP WITH GETTING WORKPLACE EXPERIENCE THROUGH PAID INTERNSHIPS IN COMPANIES, HEALTH-CARE INSTITUTIONS, GOVERNMENT AGENCIES AND NON-PROFITS AS WELL AS EMPLOYING THEM TO HELP WITH PROGRAMS AT HCZ.

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ATTACHMENT 3

FORM 990, PART III - PROGRAM SERVICE, LINE 4B

HCZ'S FOSTER-CARE PREVENTIVE PROGRAMS WORK TO STRENGTHEN FAMILIES IN CRISIS SO THAT THE FAMILIES CAN STAY WHOLE AND NOT HAVE CHILDREN PLACED INTO FOSTER CARE. THERE ARE FIVE PREVENTIVE PROGRAMS, WHICH SERVE MORE THAN 600 FAMILIES THAT HAVE BEEN REFERRED TO US BY THE CITY, AS WELL AS WORKING WITH FAMILIES THAT WALK IN TO OUR STOREFRONT OFFICES OR WHO HAVE CHILDREN IN OUR OTHER PROGRAMS.

FOR MORE INFORMATION ABOUT THE VARIOUS PREVENTIVE PROGRAMS RUN BY THE HARLEM CHILDREN'S ZONE, PLEASE REFER TO THE ORGANIZATION'S WEBSITE AT:

[HTTP://HCZ.ORG/OUR-PROGRAMS/PREVENTIVE-PROGRAMS/](http://HCZ.ORG/OUR-PROGRAMS/PREVENTIVE-PROGRAMS/)

ATTACHMENT 4

FORM 990, PART III - PROGRAM SERVICE, LINE 4C

HCZ HAS ESTABLISHED TWO PIONEERING AND AWARD-WINNING BEACON COMMUNITY CENTERS AND TURNED PUBLIC SCHOOL BUILDINGS INTO COMMUNITY CENTERS FOR CHILDREN AND ADULTS DURING EVENING, WEEKEND AND SUMMER HOURS. FOR STUDENTS, THESE CENTERS PROVIDE CRITICAL ACADEMIC ASSISTANCE AS WELL AS A SAFE, ENRICHING PLACE TO SPEND THEIR OUT-OF-SCHOOL HOURS.

THE CENTERS PROVIDE TUTORING, TEST PREPARATION, ARTS AND SPORTS

Name of the organization HARLEM CHILDREN'S ZONE, INC.	Employer identification number 23-7112974
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ATTACHMENT 4 (CONT'D)

PROGRAMS. FOR ADULTS, THE CENTERS OFFER RECREATIONAL AND SPORTS PROGRAMS. OVERALL, THE CENTERS ARE ASORELY NEEDED RESOURCE IN NEIGHBORHOODS THAT ARE BEREFT OF PLACES FOR CHILDREN AND ADULTS TO GATHER, HAVE FUN, LEARN NEW SKILLS AND IMPROVE THEIR FITNESS.

ATTACHMENT 5FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
HEAD START PROGRAM	3,197.	1,840,057.	0
TOTALS	<u>3,197.</u>	<u>1,840,057.</u>	<u>0</u>

ATTACHMENT 6990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MATHEMATICA POLICY RESEARCH, INC. P.O. BOX 2393 PRINCETON, NJ 08543-2393	EVALUATIONS	376,237.
FORCES OF NATURE, INC. 230 MALCOLM X BLVD NEW YORK, NY 10027	DANCE INSTRUCTION	261,250.
GRANT THORNTON, LLP 666 THIRD AVENUE, 13TH FLOOR NEW YORK, NY 10017-4011	ACCOUNTING SERVICES	255,446.
RIGHT CONSULTING, INC. 211 NEW MILFORD AVENUE DUMONT, NJ 07628	CONSULTING	219,688.
HARLEM JUNIOR TENNIS AND EDUCATION PRGM 40 WEST 143RD STREET NEW YORK, NY 10037	TENNIS INSTRUCTION	214,003.

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2013

**Open to Public
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization

HARLEM CHILDREN'S ZONE, INC.

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Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) RHEEDLEN 125TH STREET, LLC 35 EAST 125TH STREET NEW YORK, NY 10035	HOLD PROPERTY	NY	0	0	HARLEM CHILD
(2) HCZ PROMISE LLC 27-2392634 35 EAST 125TH STREET NEW YORK, NY 10035	HOLD PROPERTY	NY	0	0	HARLEM CHILD
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) HCZ PROMISE ACADEMY CHARTER SCHOOL 76-0756768 35 EAST 125TH STREET NEW YORK, NY 10035	EDUCATION	NY	501 (C) (3)	2	N/A		X
(2) HCZ PROMISE ACADEMY CHARTER SCHOOL II 34-2049530 35 EAST 125TH STREET NEW YORK, NY 10035	EDUCATION	NY	501 (C) (3)	2	N/A		X
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2013

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) -----									
(2) -----									
(3) -----									
(4) -----									
(5) -----									
(6) -----									
(7) -----									

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		X
1b	X	
1c		X
1d		X
1e		X
1f		X
1g		X
1h		X
1i		X
1j		X
1k		X
1l	X	
1m		X
1n	X	
1o	X	
1p		X
1q		X
1r	X	
1s	X	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

SCHEDULE R, RELATED PARTY TRANSACTIONS

PURSUANT TO THE TERMS OF A COMMITMENT LETTER BETWEEN HARLEM CHILDREN'S ZONE (HCZ) AND THE CHARTER SCHOOLS, HCZ COMMITTED TO PROVIDE THE SCHOOLS, DURING THE INITIAL FIVE YEAR TERM OF THEIR CHARTERS, CERTAIN SERVICES AT NO COSTS. THESE SERVICES INCLUDE FINANCIAL MANAGEMENT, SOCIAL, LIBRARY, TECHNOLOGY, FUNDRAISING, PUBLIC RELATIONS AND TEACHING ASSISTANCE SERVICES, IN ADDITION, HCZ IS COMMITTED TO PROVIDING THE SCHOOLS WITH THE USE OF SPACE AT ITS PREMISES LOCATED AT 35 EAST 125TH STREET, NEW YORK, NEW YORK.

BOTH CHARTER SCHOOLS HAVE RENEWED THEIR COMMITMENT LETTERS WITH HARLEM CHILDREN'S ZONE FOR AN ADDITIONAL FIVE YEAR PERIOD THAT RUNS THROUGH AUGUST 2015 AND MARCH 2015 RESPECTIVELY.

IN ADDITION, THE HARLEM CHILDREN'S ZONE INCLUDES WITHIN ITS SECTION 457(F) PLAN, EMPLOYEES OF BOTH CHARTER SCHOOLS AND PROVIDES THE CHARTER SCHOOLS AN ANNUAL SUBSIDY TO COVER THIS COST.