


Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 <div> <div>2010</div> <div>Open to Public Inspection</div> </div>
	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization THE HARLEM CHILDREN'S ZONE		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) 35 East 125th Street	Room/suite	G Gross receipts \$ 315,622,355
	City or town, state or country, and ZIP + 4 New York, NY 10035		
	F Name and address of principal officer GEOFFREY CANADA 35 EAST 125TH STREET NEW YORK, NY 10035		
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		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶	
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
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Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities HARLEM CHILDREN'S ZONE, INC IS A PIONEERING, NON-PROFIT COMMUNITY- BASED ORGANIZATION THAT WORKS TO ENHANCE THE QUALITY OF LIFE FOR CHILDREN AND FAMILIES IN 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	18
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	17
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	2,789
	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)	68,937,438	208,098,844
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,149,862	0
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-4,110,449	5,614,163
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	49,512	-85,388
		66,026,363	213,627,619
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	3,148,149	3,764,787
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	49,887,149	57,408,889
	16a Professional fundraising fees (Part IX, column (A), line 11e)	1,032	4,955
	b Total fundraising expenses (Part IX, column (D), line 25) <u>1,660,063</u>		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	15,479,729	17,267,913
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	68,516,059	78,446,544
	19 Revenue less expenses Subtract line 18 from line 12	-2,489,696	135,181,075
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	192,896,560	361,267,321
	21 Total liabilities (Part X, line 26)	13,073,993	44,513,307
	22 Net assets or fund balances Subtract line 21 from line 20	179,822,567	316,754,014

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			2012-05-02 Date	
	Tracey Costello CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name Scott Thompsonett		Preparer's signature Scott Thompsonett		Date
	Check if self-employed <input checked="" type="checkbox"/>				PTIN
	Firm's name ▶ GRANT THORNTON LLP				Firm's EIN ▶
	Firm's address ▶ 666 THIRD AVENUE NEW YORK, NY 100174011				Phone no ▶ (212) 599-0100

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐ Yes ☒ No

1

Briefly describe the organization's mission

HARLEM CHILDREN'S ZONE, INC ("HCZ"), FOUNDED IN 1970, IS A PIONEERING, NON-PROFIT COMMUNITY-BASED ORGANIZATION THAT WORKS TO ENHANCE THE QUALITY OF LIFE FOR CHILDREN AND FAMILIES IN SOME OF NEW YORK CITY'S MOST DEVASTATED NEIGHBORHOODS FORMERLY KNOWN AS RHEEDLEN CENTERS FOR CHILDREN AND FAMILIES, HCZ'S 20 CENTERS SERVE CHILDREN AND ADULTS, INCLUDING AT-RISK CHILDREN THE EMPHASIS OF HCZ'S WORK IS NOT JUST ON EDUCATION, SOCIAL SERVICE, AND RECREATION, BUT ALSO ON REBUILDING THE VERY FABRIC OF COMMUNITY LIFE

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 exempt purpose achievements for each of the organization's three largest program services by expenses

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 58,008,944 including grants of \$ 1,991,380) (Revenue \$ 0)

HCZ's primary program is its Harlem Children's Zone Project, a unique, holistic approach to rebuilding a community so that its children can stay on track through college and go on to the job market The two fundamental principles of The Zone Project are to help kids in a sustained way, starting as early in their lives as possible, and to create a critical mass of adults around them who understand what it takes to help children succeed The HCZ Project began as a one-block pilot in the 1990s, then following a 10-year business plan, it expanded to 24 blocks, then 60 blocks, then ultimately 97 blocks The budget for the HCZ Project for fiscal year 2010 is over \$48 million, costing an average of \$5,000 per child Like all HCZ programs, those of the HCZ Project are provided to children and families absolutely free of charge The Harlem Children's Zone Project is a vastly ambitious program The organization has provided a copy of its extensive business plan on its website at http://www.hcz.org/images/stories/pdfs/business_plan.pdf

4b

(Code) (Expenses \$ 7,854,771 including grants of \$ 457,976) (Revenue \$ 0)

Beacon and After School Youth Services - The Beacon Program turns public school buildings into community centers that provide safe, enriching programs for children and adults The Beacons have the same holistic approach to the Harlem Children's Zone Project in their "whatever it takes" approach to meeting the needs of the surrounding community HCZ's Countee Cullen Beacon on 144th Street serves 850 children and 519 adults a year The Booker T Washington Beacon on 108th street serves 748 children and 460 adults To deepen our relationship with our children and families, the Beacons have launched two major initiatives The first deepens HCZ's relationship with our middle school parents, engaging them in their children's academic lives and partnering with them as their children approach college age The second initiative is part of an agency-wide effort, the Academic Case Management approach, working with children from fifth grade and up Each child is assigned a staff person that monitors their school progress as well as their development, providing assistance where needed The case manager works with a student's public school teacher and ensures that they get appropriate afterschool tutoring The Harlem Children's Zone Community Center, based in our 125th Street building, offers a wide variety of after-school programs and special events for children and adults It also added two satellite programs at public housing projects in the Zone

4c

(Code) (Expenses \$ 5,437,809 including grants of \$ 0) (Revenue \$ 0)

Foster Care & Other Preventive Services - Harlem Children's Zone has five foster care preventive programs that intervene with families in crisis to help them stay whole The programs work with families that have been referred to the HCZ from the city, as well as helping people who walk into the offices that need immediate assistance The Preventive programs have begun to take on new responsibilities and change the way HCZ works as a result of the new improved outcomes for children initiative from the city's administration for children's services For example, HCZ now holds family conferences every six months which empowers families and gives them more of a voice in the process and allows staff to determine the direction of our casework

4d

Other program services (Describe in Schedule O) See also Additional Data for Description






















(Expenses \$ 1,831,592 including grants of \$ 0) (Revenue \$ 0)

4e

Total program service expenses \$ 73,133,116

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> 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? 	2	Yes
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>	3	No
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>	4	No
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>	5	
6	Did the organization maintain any donor advised funds or any similar funds or accounts where 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> 	6	No
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> 	7	No
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> 	8	No
9	Did the organization report an amount in Part X, line 21, 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> 	9	Yes
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i> 	10	Yes
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> 	11a	Yes
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> 	11b	Yes
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> 	11c	No
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> 	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> 	11e	Yes
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> 	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i> 	12a	No
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, XII, and XIII is optional.</i> 	12b	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV.</i> 	14b	Yes
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? <i>If "Yes," complete Schedule F, Parts II and IV.</i> 	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? <i>If "Yes," complete Schedule F, Parts III and IV.</i> 	16	No
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> 	17	No
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> 	18	Yes
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> 	19	No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i>	20a	No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions).	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and 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>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 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>	23	Yes	
24a	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–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	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>	25a		No
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>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
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)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
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>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
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>	32		No
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>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		No
a	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>	36		No
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>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Check if Schedule O contains a response to any question in this Part V

Form **990** (2010)

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Does the organization have members or stockholders?		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		No
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		No
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	Yes	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	Yes	
15b	Other officers or key employees of the organization	Yes	
15c	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

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 Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization.	TRACEY COSTELLO 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 to any question in this Part VII

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, and **current** key employees. 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 (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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	40.0	X		X				380,713	0	88,901
(2) Stanley F. Druckenmiller Chairman	1.0	X		X				0	0	0
(3) Mitch Kurz Treasurer	1.0	X		X				0	0	0
(4) Matthew C. Blank Secretary	1.0	X		X				0	0	0
(5) Wallis Anenberg board member	1.0	X						0	0	0
(6) Gary Cohn board member	1.0	X						0	0	0
(7) Zoe Cruz board member	1.0	X						0	0	0
(8) Joseph DiMenna board member	1.0	X						0	0	0
(9) Joe Gregory board member	1.0	X						0	0	0
(10) Mark Kingdon board member	1.0	X						0	0	0
(11) Kenneth G. Langone board member	1.0	X						0	0	0
(12) Sue Lehmann board member	1.0	X						0	0	0
(13) Marshall Lux board member	1.0	X						0	0	0
(14) Richard Perry board member	1.0	X						0	0	0
(15) Laura Samberg board member	1.0	X						0	0	0
(16) Stephen Squeri board member	1.0	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 (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
(17) Jeffrey Swartz board member	10	X						0	0	0
(18) Caroline Turner board member	10	X						0	0	0
(19) Mindy Miller VP of development	400			X				267,401	0	150,655
(20) George Khaldun CAO	400			X				264,742	0	142,597
(21) Anne Williams-Isom COO	400			X				187,252	0	76,420
(22) Tracey Costello CFO	400			X				238,928	0	116,152
(23) Betina Jean Louis director of evaluation	400					X		178,107	0	68,709
(24) Katherine Shoemaker Policy director	400					X		171,496	0	77,890
(25) Conrad Pinnock HR director	400					X		157,893	0	87,875
(26) Gerald Lewis Program director	400					X		151,999	0	62,388
(27) Martin Lipp Communication Director	400					X		137,531	0	101,555
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								2,136,062	0	973,142

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization 21

	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>		No
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>	Yes	
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>		No

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

(A) Name and business address	(B) Description of services	(C) Compensation
MATHEMATICA POLICY RESEARCH PO BOX 2393 PRINCETON, NJ 08543	EVALUATIONS	503,220
COOKE CENTER FOR LEARNING 475 RIVERSIDE DRIVE SUITE 730 NEW YORK, NY 10115	CHILD EVALUATIONS	407,858
HARLEM JUNIOR TENNIS EDUCATION 40 WEST 143RD STREET NEW YORK, NY 10037	TENNIS INSTRUCTION	214,003
FORCES OF NATURE INC 230 LENNOX AVENUE NEW YORK, NY 10027	DANCE CLASSES	208,045
Grant Thornton LLP 33570 Treasury Center CHICAGO, IL 60694	Accounting/Audit	215,119
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 7		

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a		208,098,844			
	b	Membership dues	1b					
	c	Fundraising events	1c	6,504,232				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	10,134,793				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	191,459,819				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f						
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)		203,243			203,243
4		Income from investment of tax-exempt bond proceeds . . .		0				
5		Royalties		0				
6a		(i) Real		(ii) Personal				
b		Less rental expenses						
c		Rental income or (loss)						
d		Net rental income or (loss)						
7a		(i) Securities		(ii) Other	5,410,920			
		107,068,196						
		101,657,276						
		5,410,920						
b		Less cost or other basis and sales expenses						
c		Gain or (loss)						
d		Net gain or (loss)					5,410,920	
8a		Gross income from fundraising events (not including \$ 6,504,232 of contributions reported on line 1c) See Part IV, line 18			-192,765			
		a	144,695					
		b	337,460					
c	Net income or (loss) from fundraising events . . .					-192,765		
9a	Gross income from gaming activities See Part IV, line 19			0				
	a							
	b							
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances			0				
	a							
	b							
c	Net income or (loss) from sales of inventory . . .							
Miscellaneous Revenue			Business Code					
11a	REIMBURSED INSURANCE PROCEEDS		900099	5,196			5,196	
b	MISCELLANEOUS INCOME		900099	102,181			102,181	
c								
d	All other revenue							
e	Total. Add lines 11a-11d			107,377				
12	Total revenue. See Instructions			213,627,619		0	5,528,775	

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) but are not required to complete columns (B), (C), and (D).

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 U S See Part IV, line 21	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	3,764,787	3,764,787		
3	Grants and other assistance to governments, organizations, and individuals outside the U S 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	1,288,862	1,227,413	27,335	34,114
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	43,916,795	41,822,976	931,425	1,162,394
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	802,906	750,270	21,931	30,705
9	Other employee benefits	6,741,818	6,466,781	151,691	123,346
10	Payroll taxes	4,658,508	4,484,390	103,766	70,352
a	Fees for services (non-employees) Management	0			
b	Legal	11,893		11,893	
c	Accounting	242,138		242,138	
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	4,955			4,955
f	Investment management fees	0			
g	Other	2,877,279	2,771,608	76,304	29,367
12	Advertising and promotion	0			
13	Office expenses	557,618	460,244	96,676	698
14	Information technology	309,054	198,889	9,482	100,683
15	Royalties	0			
16	Occupancy	4,149,948	3,290,894	859,054	
17	Travel	948,895	858,296	55,300	35,299
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	1,480,100	1,080,478	390,137	9,485
23	Insurance	205,010	171,523	28,954	4,533
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	FOOD	2,179,833	2,139,737	36,746	3,350
b	EQUIPMENT RENTAL & MAINT	1,380,561	961,728	416,296	2,537
c	EDUCATION SUPPLIES	602,950	602,838	0	112
d	TELEPHONE	492,883	461,774	21,752	9,357
e	ADMISSIONS	486,069	486,069	0	0
f	All other expenses	1,343,682	1,132,421	172,485	38,776
25	Total functional expenses. Add lines 1 through 24f	78,446,544	73,133,116	3,653,365	1,660,063
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			2,120,394	1	2,002,953
	2	Savings and temporary cash investments			11,448,010	2	16,895,379
	3	Pledges and grants receivable, net			2,936,888	3	131,478,625
	4	Accounts receivable, net			205,453	4	5,196
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	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) Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			781,713	9	744,056
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	70,095,837			
	b	Less: accumulated depreciation	10b	10,464,015	43,083,509	10c	59,631,822
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11			131,922,081	12	149,987,927
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			398,512	15	521,363
16	Total assets. Add lines 1 through 15 (must equal line 34)			192,896,560	16	361,267,321	
Liabilities	17	Accounts payable and accrued expenses			4,005,969	17	7,713,128
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			0	21	25,760,854
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			9,068,024	25	11,039,325
	26	Total liabilities. Add lines 17 through 25			13,073,993	26	44,513,307
	Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
27		Unrestricted net assets			178,297,567	27	195,047,860
28		Temporarily restricted net assets			1,525,000	28	121,706,154
29		Permanently restricted net assets				29	
Organizations that do not follow SFAS 117, 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			179,822,567	33	316,754,014
34	Total liabilities and net assets/fund balances			192,896,560	34	361,267,321	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	213,627,619
2	Total expenses (must equal Part IX, column (A), line 25)	2	78,446,544
3	Revenue less expenses Subtract line 2 from line 1	3	135,181,075
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	179,822,567
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,750,372
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	316,754,014

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question 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?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 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	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued 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 separated basis		
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?	Yes	
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	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization THE HARLEM CHILDREN'S ZONE	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 - Other

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 the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 support
			Yes	No	Yes	No	Yes	No	
Total									

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						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	68,723,455	61,473,685	75,427,826	68,937,438	208,098,844	482,661,248
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	68,723,455	61,473,685	75,427,826	68,937,438	208,098,844	482,661,248
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						148,223,581
6 Public Support. Subtract line 5 from line 4						334,437,667



Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	68,723,455	61,473,685	75,427,826	68,937,438	208,098,844	482,661,248
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	340,899	467,909	179,705	94,642	203,243	1,286,398
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	132,110	150,280	135,553	367,573	252,072	1,037,588
11 Total support (Add lines 7 through 10)						484,985,234
12 Gross receipts from related activities, etc. (See instructions.)					12	1,149,862
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	68.958 %
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	72.683 %
16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support test—2009. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
17a 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization ▶		
b 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization ▶		
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶		




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						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
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 and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c 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		
15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2010. 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—2009. 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. Supplemental Information. Complete this part to 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).

Additional Data

Software ID:
Software Version:
EIN: 23-7112974
Name: THE HARLEM CHILDREN'S ZONE

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services					
(Code) (Expenses \$	1,831,592	including grants of \$	0) (Revenue \$	0)
Head start program					

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization
THE HARLEM CHILDREN'S ZONE

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.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

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

1	Purpose(s) of conservation easements held by the organization (check all that apply) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Preservation of an historically importantly land area</div> <div><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure</div> <div><input type="checkbox"/> Preservation of open space</div>											
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table>		Held at the End of the Year	a	Total number of conservation easements	b	Total acreage restricted by conservation easements	c	Number of conservation easements on a certified historic structure included in (a)	d	Number of conservation easements included in (c) acquired after 8/17/06
	Held at the End of the Year											
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____											
4	Number of states where property subject to conservation easement is located ▶ _____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____											
7	Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____											
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
9	In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements											

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.

1a	If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items	
b	If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
	(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
	(ii) Assets included in Form 990, Part X	▶ \$ _____
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items	
a	Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b	Assets included in Form 990, Part X	▶ \$ _____

Part III

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

3

Using the organization's 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 XIV

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 XIV and complete the following table

	Amount
1c	
1d	
1e	
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 XIV

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	131,922,081	124,566,150	101,517,597	
b	Contributions	1,805,293	11,471,516	19,310,236	
c	Investment earnings or losses	6,886,368	87,669	7,254,672	
d	Grants or scholarships				
e	Other expenditures for facilities and programs	0	4,203,254	3,516,355	
f	Administrative expenses				
g	End of year balance	140,613,742	131,922,081	124,566,150	

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 100 000 %

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

☐ Yes

☐ No

(ii)

related organizations

3a(ii)

☐ Yes

☐ No

b

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

3b

☐ Yes

☐ No

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0			
b Buildings		48,935,464	6,239,463	42,696,001
c Leasehold improvements	0	7,193,520	1,325,982	5,867,538
d Equipment	0	3,491,920	2,898,570	593,350
e Other	0	10,474,933	0	10,474,933
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				59,631,822

Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	213,627,619
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	78,446,544
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	135,181,075
4	Net unrealized gains (losses) on investments	4	1,750,372
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	1,750,372
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	136,931,447

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	217,728,173
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	1,750,372
b	Donated services and use of facilities	2b	2,350,182
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	4,100,554
3	Subtract line 2e from line 1	3	213,627,619
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	213,627,619

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	80,796,726
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	2,350,182
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	2,350,182
3	Subtract line 2e from line 1	3	78,446,544
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	78,446,544

Part XIVSupplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
Schedule D, part V		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 executive profit-sharing plans. HCZ had adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding while seeking to maintain the purchasing power of the endowment assets.
Fin 48		The Organization follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can be recognized 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 determined that there are no uncertain tax positions within its 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 Code. The tax years ending June 30, 2008, 2009, 2010 and 2011 are still open to audit for both federal and state purposes. Management has determined that there are no uncertain tax positions within its consolidated financial statements.
Form 990, Schedule D, Part IV		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 estimates balance of approximately \$40,000,000 to be contributed by the Organiztaion 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)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization
THE HARLEM CHILDREN'S ZONE

Employer identification number
23-7112974

Part I

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

- 1 For grantmakers. 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
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States
- 3 Activites per Region (Use Part V if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(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 region/investments in region
Central America and the Caribbean			Investments		149,987,927
3a Sub-total					149,987,927
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					149,987,927

1

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

[illegible]

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 (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 and/or Form 3520-A. (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, 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 (see instructions) required in Part I, line 2, and any additional information.

Identifier	Return Reference	Explanation
Form 990, Schedule F		The Harlem Children's Zone invests in foreign investments that may own an interest in a foreign corporation, passive foreign investment company, or foreign partnership. Nevertheless, the Harlem Children's Zone's investment in these partnerships may not reach the thresholds required for filing the Forms 926, 8621 or 8865.

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
THE HARLEM CHILDREN'S ZONE

Employer identification number
23-7112974

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** ☐ Mail solicitations
- b** ☐ Internet and e-mail solicitations
- c** ☐ Phone solicitations
- d** ☐ In-person solicitations
- e** ☐ Solicitation of non-government grants
- f** ☐ Solicitation of government grants
- g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ➡						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

[illegible]

Part II Fundraising Events.

Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. 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)	0 (total number)	(Add col (a) through col (c))
Revenue	1	Gross receipts	6,648,927		6,648,927
	2	Less Charitable contributions	6,504,232		6,504,232
	3	Gross income (line 1 minus line 2)	144,695		144,695
Direct Expenses	4	Cash prizes			
	5	Non-cash prizes			
	6	Rent/facility costs	213,138		213,138
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses	124,322		124,322
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			337,460
	11	Net income summary Combine lines 3 and 10 in column (d). ▶			-192,765

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			
	2	Cash prizes			
Direct Expenses	3	Non-cash 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 Combine lines 1 and 7 in 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 _____

10a 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 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ _____

Address ▶ _____

15a

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

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 distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
THE HARLEM CHILDREN'S ZONE

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

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

OMB No 1545-0047

2010

Open to Public
Inspection

Employer identification number
23-7112974

Part I

General Information on Grants and Assistance

- 1

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
- 2

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. Check this box if no one recipient 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 Code 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

2

Enter total number of section 501(c)(3) and government organizations ▶

3

Enter total number of other organizations ▶

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) 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	24000	2,449,356			
(2) HCZ Incentive Program	700	1,315,431			

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

Identifier	Return Reference	Explanation
Schedule I, part III		The Need in Central Harlem The odds are stacked against our children and families Children in poverty do not have the opportunity to develop to their full potential Inequality disadvantages them in every aspect of their lives they are less healthy, less educated, and more likely to enter into prison than more affluent children The cumulative impact of a community in crisis can have resounding affects on a child, putting them at a severe disadvantage on their pathways to productive adult lives Poor children, particularly those of color, do significantly worse academically than their middle class counterparts The Economic Policy Institute reported a substantial difference by race and ethnicity in children's academic test scores, with the disparity already showing up in kindergarten Students who do poorly in school often end up drifting into anti-social behavior A Black boy born in 2001 has a 1 in 3 chance of going to prison in his lifetime, and a Latino boy a 1 in 6 chance In Central Harlem, our youth must overcome significant barriers along their pathway to adulthood At the Harlem Children's Zone, we have set up a seamless system of support from the time a child is born to the time that child finishes college, implementing best practices at every stage This seamless system of support includes a pipeline of program services providing academic tutoring, health and nutrition lessons, fitness programs, such as karate and dance, and media and technology programs to help students increase their knowledge and computer proficiency to perform well in school To ensure consistent participation, we offer modest educational stipends to encourage regular and consistent attendance to ensure students, ages 10 to 18, receive the maximum impact of our programs HCZ acknowledges that our students must give up part-time jobs to participate in our programs The stipends help to off-set some of the financial loss our students might experience by foregoing part-time jobs and prevent them from having to make a choice between work and supplemental academic activities Educational stipends are determined based on program attendance and punctuality, student grades, and student conduct Education stipends are distributed twice monthly by the fiscal office The second program disclosed on Schedule I is a program to reward the organization's graduating High School Seniors Harlem Children's Zone offers a \$1,000 incentive scholarship These Seniors have actively participated in HCZ College Prep programs and are currently enrolled in a College 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 All scholarships and stipends disbursed are required to be used to further the student's educational career, no further monitoring of the funds is undertaken by HCZ once the stipends or scholarships are granted to the student Since scholarship amounts are remit directly to the College (and the student has no discretion on how the funds are spent), no monitoring of these payments is required

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2010

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
THE HARLEM CHILDREN'S ZONE

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		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
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 from the organization or a related organization?		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only 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?		No
b	Any related organization?		No
	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?		No
b	Any related organization?		No
	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	Yes	
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 Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(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 in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Geoffrey Canada	(i) (ii)	225,000 0	155,713 0	0 0	88,901 0	0 0	469,614 0	155,713 0
(2) Mindy Miller	(i) (ii)	217,401 0	50,000 0	0 0	133,901 0	16,754 0	418,056 0	50,000 0
(3) George Khaldun	(i) (ii)	146,427 0	118,315 0	0 0	121,401 0	21,196 0	407,339 0	118,315 0
(4) Anne Williams-Isom	(i) (ii)	162,252 0	25,000 0	0 0	69,391 0	7,029 0	263,672 0	25,000 0
(5) Tracey Costello	(i) (ii)	133,533 0	105,395 0	0 0	96,080 0	20,072 0	355,080 0	 0
(6) Betina Jean Louis	(i) (ii)	111,988 0	66,119 0	0 0	61,680 0	7,029 0	246,816 0	66,119 0
(7) Katherine Shoemaker	(i) (ii)	151,496 0	20,000 0	0 0	56,695 0	21,196 0	249,387 0	20,000 0
(8) Conrad Pinnock	(i) (ii)	127,893 0	30,000 0	0 0	80,846 0	7,029 0	245,768 0	30,000 0
(9) Gerald Lewis	(i) (ii)	93,720 0	58,279 0	0 0	55,359 0	7,029 0	214,387 0	58,729 0
(10) Martin Lipp	(i) (ii)	107,531 0	30,000 0	0 0	80,359 0	21,196 0	239,086 0	30,000 0
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

Part IIISupplemental Information

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

Identifier	Return Reference	Explanation
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 starts to receive payouts. For calendar year 2010, employees received a payout and those amounts have been recorded in Schedule J, column (b)(ii) and in column (f).
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). For 990 reporting purposes, these bonuses are reported as deferred compensation in the year that they are approved and current compensation once they hit the employees W-2 in the following year. Bonuses deferred in the prior year and paid out on the calendar year 2010 Form W-2 are reflected in Schedule J, Column (B)(II) and Column (F).

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
THE HARLEM CHILDREN'S ZONE

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) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$ _____										

Part III Grants or Assistance Benefitting 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 grant or type of assistance

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) Stanley Druckenmiller	Chairman of the board	2,350,182	See schedule O		No

Part V

Supplemental Information
Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
Schedule L, Part IV		Stanley Druckenmiller, Chairman of the Board, runs a hedge fund, the No-Margin Fund, in which the Harlem Children Zone invests. Neither Mr. Druckenmiller 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 approximately \$2,350,182. Additionally, in the interests of full disclosure, the Harlem Children's Zone is disclosing that several board members manage or run private foundations that do make grants to the Harlem Children's Zone. For the year ending June 30, 2011, the organization received the following grants: \$500,000 - from the Annenberg Foundation (Board member - Wallis Annenberg)

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 to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization THE HARLEM CHILDREN'S ZONE	Employer identification number 23-7112974
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Identifier	Return Reference	Explanation
OTHER PROGRAM SERVICE ACCOMPLISHMENTS	FORM 990, PART III, LINE 4D	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

Identifier	Return Reference	Explanation
Policies	FORM 990, PART VI, QUESTION 11	<p>Line 11 - 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 finance committee for discussion and comment. Each finance 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 finance committee will summarize its finding on the Form 990 to the full board of directors.</p> <p>Line 12 - 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 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.</p> <p>Line 15 - 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 of organization 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 College's top executives. The compensation consultant utilizes comparability and benchmarking surveys to ensure that the College 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.</p>

Identifier	Return Reference	Explanation
Disclosure	FORM 990, PART VI	Line 19 - The taxpayer 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's financial statements, governing documents and conflict of interest policy are not ordinarily made available to the public, but, if requested, will be provided at management's discretion.

Identifier	Return Reference	Explanation
Form 990, Part IV, line 4		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.

Identifier	Return Reference	Explanation
Reconciliation of Net Assets	Part XI, Line 5	unrealized gain on investments 1,750,372

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
THE HARLEM CHILDREN'S ZONE

Employer identification number
23-7112974

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

(a) Name, address, and EIN 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 35 east 125th Street New York, NY 10035 27-2392634	Hold Property	NY	0	0	Harlem Child

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 organization	
						Yes	No
(1) HCZ PROMISE ACADEMY CHARTER SCHOOL 35 EAST 125TH STREET NEW YORK, NY 10035 76-0756768	EDUCATION	NY	501(c)(3)	2			No
(2) HCZ PROMISE ACADEMY II CHARTER SCHOOL 35 EAST 125TH STREET NEW YORK, NY 10035 34-2049530	EDUCATION	NY	501(c)(3)	2			No

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) Disproporionate 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	

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

Part V

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

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

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 (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to other organization(s)

c

Gift, grant, or capital contribution from other organization(s)

d

Loans or loan guarantees to or for other organization(s)

e

Loans or loan guarantees by other organization(s)

f

Sale of assets to other organization(s)

g

Purchase of assets from other organization(s)

h

Exchange of assets

i

Lease of facilities, equipment, or other assets to other organization(s)

j

Lease of facilities, equipment, or other assets from other organization(s)

k

Performance of services or membership or fundraising solicitations for other organization(s)

l

Performance of services or membership or fundraising solicitations by other organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets

n

Sharing of paid employees

o

Reimbursement paid to other organization for expenses

p

Reimbursement paid by other organization for expenses

q

Other transfer of cash or property to other organization(s)

r

Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

Yes

No

No

No

No

No

No

No

No

Yes

No

Yes

Yes

No

No

No

No

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

Schedule R (Form 990) 2010

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.

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation
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.