STATEMENT OF POLICY

The Scherman Foundation was founded in 1941 by Harry Scherman, founder of the Book-of-the-Month Club, as a small family foundation. From a modest giving program, averaging about one hundred thousand dollars a year, the Scherman Foundation has grown and broadened its interests. To date, it has made more than 6,855 grants, totaling almost 112 million dollars.

The giving program of the Foundation emphasizes long-term general support, reflecting the Directors' commitment to sustained support for current grantees, and the belief that strong nonprofit leaders who are closest to the issues can best decide on the most effective use of grant funds.

The main areas of interest of the Scherman Foundation are the environment, human rights and liberties, reproductive rights and services, the arts, and social welfare. In the last two areas particularly, preference is given to organizations in New York City. The Foundation does not fund colleges, universities or professional schools. No grants are made for medical, science or engineering research, nor does the Foundation make grants to capital campaigns, individuals, or in support of conferences, specific media or arts productions.

APPLICATION PROCEDURES

Grants are made only to tax-exempt 501(c)(3) organizations.

Applications which fall within the scope of interests of the Foundation are considered and acted upon by the Board of Directors at its meetings held four times a year. Meeting dates are flexible.

Request for support should be made in a brief letter of inquiry to the President outlining the purpose for which funds are sought. In addition to a brief program description, helpful information to include with your inquiry:

- Board of Directors and key personnel lists
- Current year budget
- Present sources of support, including other foundation funders
- Evidence of tax status

If additional information or a meeting is required, it will be requested.

Applicants will generally be advised within eight weeks if a proposal has been declined or is under consideration.

The Foundation does not accept proposals via fax or the Internet. Do not submit video or audio cassettes or CD's, unless requested to do so.

The Foundation does not maintain a mailing list, nor does it produce publications other than an Annual Report, which may be downloaded from the Foundation's Website.
THE SCHERMAN FOUNDATION, INC.

DIRECTORS

Karen R. Sollins  Chair and Director
Susanna Bergtold  Secretary and Director
Hillary Brown  Director
Miriam Buhl  Director
David R. Jones  Director
Gordon N. Litwin  Director
John J. O'Neil  Director
Anthony M. Schulte  Director
Marcia Thompson  Director
John Wroclawski  Director

Axel G. Rosin *  Chair and Director Emeritus
Katharine S. Rosin**  Director Emeritus

STAFF

Mike Pratt  President and Executive Director
Nancy T. Handler  Administrator
Melissa A. Fowler  Administrative Assistant

* deceased March 27, 2007
** deceased December 11, 2009
GRANTS
For the year ended December 31, 2009
Summary

The Arts $ 335,000
Environment 542,500
Human Rights and Liberties 107,500
Reproductive Rights and Services 245,000
Social Welfare 547,500
Miscellaneous 66,150
Employee Matching Gifts 4,300
TOTAL GRANTS $ 1,847,950

Unless otherwise indicated, grants are for general support
* Represents a two-year grant $1,847,950

THE ARTS

Atlantic Theater Company
New York, NY

Bronx Museum of the Arts, The
Bronx, NY

Brooklyn Museum
Brooklyn, NY

Brooklyn Youth Chorus Academy
Brooklyn, NY

Center for Traditional Music and Dance
New York, NY

City Lore
New York, NY

Classical Theatre of Harlem, The
New York, NY

Dancing in the Streets
New York, NY

Harlem Stage Gatehouse
New York, NY

Home for Contemporary Theatre and Arts (HERE)
New York, NY

Manhattan Graphics Center
New York, NY

New York City Ballet
New York, NY

Matching Grant ($7,500)

New York Festival of Song
New York, NY

New York Foundation for the Arts
New York, NY

New York Theatre Workshop
New York, NY
THE ARTS continued

New York Youth Symphony 15,000 *
New York, NY

Performance Space 122 7,500
New York, NY

Playwrights Horizons 15,000 *
New York, NY

Public Theater, The/New York Shakespeare Festival 20,000 *
New York, NY

Queens Museum of Art 10,000 *
Flushing, NY

St. Ann’s Warehouse 15,000 *
Brooklyn, NY

School of American Ballet 12,500 *
New York, NY

Second Stage Theatre 12,500 *
New York, NY

Signature Theatre Company 10,000 *
New York, NY

Studio Museum in Harlem, The 15,000 *
New York, NY

Third Street Music School Settlement 15,000 *
New York, NY

TOTAL ARTS 335,000

In 2008, the following organizations received two-year grants (for 2008 and 2009) in the Arts Program:

Alliance of Resident Theatres/New York Great Small Works
Ballet Hispanico of New York Joyce Theater Foundation
Bronx Council on the Arts National Dance Institute
The Bronx Opera Company New Dramatists
Brooklyn Academy of Music New York City Ballet
Brooklyn Arts Exchange St. Luke's Chamber Ensemble
Classic Stage Company Sphinx Organization
Dance Theater Workshop Symphony Space
Ensemble Studio Theatre Vineyard Theater

ENVIRONMENT

1Sky Education Fund 30,000
Takoma Park, MD

Alaska Conservation Foundation 25,000 *
Anchorage, AK

American Littoral Society 15,000 *
Highlands, NJ

City Parks Foundation 25,000 *
New York, NY

Catalyst Project ($15,000)
General Operating Support ($10,000)
EVE\textit{N\textsc{\textregistered} \textit{V\textsc{\textregistered}N\textsc{\textregistered}}} \textit{\textregistered\hspace{1em} Continued}

Clean Drinking Water Coalition  
New York, NY  
\begin{itemize}
\item NYPIRG (now Environment America) ($20,000)
\item Riverkeeper ($15,000)
\item Catskill Center ($5,000)
\end{itemize}

Conservation Law Foundation  
Boston, MA  
35,000 *

EARTHWORKS  
Washington, DC  
10,000

Energy Action Coalition  
Washington, DC  
30,000 *

Environmental Advocates  
Albany, NY  
35,000 *

Environmental Grantmakers Association  
New York, NY  
5,000

Friends of the Earth  
Washington, DC  
15,000

Green Corps  
San Francisco, CA  
20,000 *

Greenpeace Fund  
Washington, DC  
40,000 *

\textit{Climate Rescue Campaign}

Metropolitan Waterfront Alliance  
New York, NY  
20,000 *

New York League of Conservation Voters Education Fund  
New York, NY  
15,000 *

\textit{New York City activities}

New York Public Interest Research Group  
New York, NY  
30,000 *

\textit{Straphangers Campaign}

Oceana  
Washington, DC  
20,000 *

Prospect Park Alliance  
Brooklyn, NY  
12,500 *

Sierra Club Foundation  
Minneapolis, MN  
25,000 *

\textit{Blue Green Alliance}

Transportation Alternatives  
New York, NY  
30,000 *

Trust for Public Land, The  
New York, NY  
20,000 *

\textit{New York City Program}
ENVIRONMENT continued

Trustees for Alaska 20,000 *
Anchorage, AK

Union of Concerned Scientists 25,000 *
Cambridge, MA

Climate Solutions Campaign

TOTAL ENVIRONMENT 542,500

In 2008, the following organizations received two-year grants (for 2008 and 2009) in the Environmental Program:

Added Value
Ceres
Chesapeake Climate Action Network
Earthjustice
Environment America (formerly USPIRG)
Education Fund/Global Warming Solutions Campaign
Environmental Defense Fund/Living Cities activities for New York City
Green Guerillas
ICLIE-USA/For climate change work

League of Conservation Voters Education Fund
National Caucus of Environmental Legislators Natural Resources Defense Council/Climate Change
Public Employees for Environmental Responsibility
Rainforest Action Network/Climate change activities
Rocking the Boat
Tri-State Transportation

HUMAN RIGHTS and LIBERTIES

American Civil Liberties Union Foundation 35,000 *
New York, NY

Center for Constitutional Rights 25,000 *
New York, NY

Electronic Privacy Information Center (EPIC) 17,500 *
Washington, DC

National Employment Law Project, Inc. 30,000 *
New York, NY

NYC Living Wages & Economic Opportunity Project

TOTAL HUMAN RIGHTS AND LIBERTIES 107,500

In 2008, the following organizations received two-year grants (for 2008 and 2009) in the Human Rights and Liberties Program:

Human Rights First New York Immigration Coalition
Human Rights Watch Puerto Rican Legal Defense &
New York Civil Liberties Foundation Education Fund

REPRODUCTIVE RIGHTS & SERVICES

Advocates for Youth 22,500 *
Washington, DC

Catholics for Choice 20,000 *
Washington, DC

Choice USA 10,000 *
Washington, DC

Funders Network on Population, Reproductive Health and Rights 5,000
Rockville, MD
REPRODUCTIVE RIGHTS & SERVICES continued

Ms. Foundation for Women 30,000 *
New York, NY
   Reproductive Rights Coalition and Organizing Fund

National Institute for Reproductive Health 25,000 *
New York, NY

Physicians for Reproductive Choice and Health 20,000 *
New York, NY

Planned Parenthood Federation of America, Inc. 30,000 *
New York, NY

   Domestic Program

Pro-Choice Public Education Project 15,000 *
New York, NY

Religious Coalition for Reproductive Choice Educational Fund 30,000 *
Washington, DC

Reproductive Freedom Project 22,500 *
New York, NY

SIECUS 15,000 *
New York, NY

TOTAL REPRODUCTIVE RIGHTS & SERVICES 245,000

In 2008, the following organizations received two-year grants (for 2008-2009) in the Reproductive Rights and Services Program:

- The Center for Reproductive Rights
- Community Healthcare Network
- Engender Health
- Feminist Majority Foundation
- International Planned Parenthood Federation/Western Hemisphere Region
- Medical Students for Choice
- National Latina Institute for Reproductive Health
- National Abortion Federation
- National Family Planning & Reproductive Health Association

SOCIAL WELFARE

Andrew Glover Youth Program 17,500 *
New York, NY

Association for Neighborhood & Housing Development 40,000 *
New York, NY
   Initiative for Neighborhood and Citywide Organizing

Bedford Stuyvesant Restoration Corporation 15,000 *
Brooklyn, NY

Center for Court Innovation 22,500 *
New York, NY

City Futures, Inc. 7,500 *
New York, NY

City-Wide Task Force 15,000
New York, NY
   Matching Grant (15,000)

Community Voices Heard 30,000 *
New York, NY

Food Bank for New York City 30,000 *
New York, NY
SOCIAL WELFARE continued

Good Old Lower East Side 20,000 *
New York, NY

Legal Aid Society, The 50,000 *
New York, NY

Civil Division

Legal Services NYC 30,000 *
New York, NY

National Center for Law and Economic Justice 20,000 *
New York, NY

Project Fair Play New York

National Women’s Law Center 20,000 *
Washington, DC

Neighborhood Economic Development Advocacy Project 40,000 *
New York, NY

New York Lawyers for the Public Interest 35,000 *
New York, NY

Environmental Justice and Community Development Project

New York State Tenants & Neighbors Information Service 20,000 *
New York, NY

Northwest Bronx Community & Clergy Coalition 25,000 *
Bronx, NY

Point Community Development Corporation, The 25,000 *
Bronx, NY

Pratt Center for Community Development 20,000
Brooklyn, NY

Sustainable South Bronx 20,000 *
The Bronx, NY

UJA-Federation of New York 25,000
New York, NY

New York City Program

UPROSE 20,000 *
Brooklyn, NY

TOTAL SOCIAL WELFARE 547,500

In 2008, the following organizations received two-year grants (for 2008-2009) in the Social Welfare Program:

Brooklyn Legal Services Corporation A/Community 
& Economic Development Unit
The Brotherhood/Sister Sol
Center for Community Change
Citizens Committee for New York City
City-Wide Task Force on Housing Court
Community Resource Exchange
The Correctional Association of New York
Center for Alternative Sentencing & Employment Service
The Door - A Center of Alternatives
Families United for Racial & Economic Equality
The Fifth Avenue Committee
Fresh Youth Initiatives
InMotion

Lawyers Alliance for New York
Make the Road New York
MFY Legal Services
New York Agency for Community Affairs/
New York ACORN
New York City Coalition Against Hunger
Nontraditional Employment for Women
The Osborne Foundation
United Neighborhood Houses
Urban Homesteading Assistance Board
Women's Housing and Economic Development 
Corporation
Youth Ministries for Peace and Justice
MISCELLANEOUS

Alliance for Justice 20,000 *
Washington, DC

Demos: A Network for Ideas & Action 12,500 *
New York, NY

Institute for Policy Studies 5,000
Washington, DC

MinutemanMedia.com

Lower East Side Tenement Museum 10,000 *
New York, NY

Neighborhood Funders Group 2,000
Washington, DC

Philanthropy New York formerly (NYRAG) 6,650
New York, NY

Public Education Center 10,000 *
Washington, DC

National Security News Service
and Natural Resources News Service

TOTAL MISCELLANEOUS 66,150

In 2008, the following organizations received two-year grants (for 2008-2009) in the Miscellaneous Program:
The Center for Public Integrity
Focus Project, Inc/OMB Watch.
National Committee for Responsive Philanthropy
Taxpayers for Common Sense
WNYC Foundation

Employee Matching Gifts 4,300
GRAND TOTAL $1,847,950
Summary of Financial Activities for the Year Ended
December 31, 2009

Changes in unrestricted net assets

<table>
<thead>
<tr>
<th>Revenues</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>$ 453,772</td>
</tr>
<tr>
<td>Dividends</td>
<td>764,721</td>
</tr>
<tr>
<td>Gain on investments</td>
<td>11,951,672</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>$ 13,170,165</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$ 1,847,950</td>
</tr>
<tr>
<td>Investment</td>
<td>247,238</td>
</tr>
<tr>
<td>General and administrative</td>
<td>781,162</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>$ 2,876,350</strong></td>
</tr>
</tbody>
</table>

Increase in unrestricted net assets

<table>
<thead>
<tr>
<th>Increase in unrestricted net assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10,293,815</td>
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</tbody>
</table>

Unrestricted net assets, beginning of year

<table>
<thead>
<tr>
<th>Unrestricted net assets, beginning of year</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 59,116,168</td>
</tr>
</tbody>
</table>

Unrestricted net assets, end of year

<table>
<thead>
<tr>
<th>Unrestricted net assets, end of year</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 69,409,983</strong></td>
</tr>
</tbody>
</table>

Statement of Assets at December 31, 2009

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 4,699,576</td>
</tr>
<tr>
<td>Investments</td>
<td>64,871,321</td>
</tr>
<tr>
<td>Other</td>
<td>35,057</td>
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<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 69,605,954</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities - Accrued expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>195,971</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Unrestricted net assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 69,409,983</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Liabilities and net assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$ 69,605,954</strong></td>
</tr>
</tbody>
</table>