

Return of Organization Exempt From Income Tax

2010

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

A For the **2010** calendar year, or tax year beginning **JUL 1, 2010** and ending **JUN 30, 2011**

B Check if applicable:	C Name of organization CLASSROOM, INC. Doing Business As	D Employer identification number 13-3666846
<input type="checkbox"/> Address change	Number and street (or P.O. box if mail is not delivered to street address) Room/suite	E Telephone number 212-545-8400
<input type="checkbox"/> Name change	245 FIFTH AVENUE- 20TH FLOOR	G Gross receipts \$ 5,735,951.
<input type="checkbox"/> Initial return	City or town, state or country, and ZIP + 4	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Terminated	NEW YORK, NY 10016	H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Amended return	F Name and address of principal officer: JANE CANNER SAME AS C ABOVE	If "No," attach a list. (see instructions)
<input type="checkbox"/> Application pending		H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	J Website: ▶ WWW.CLASSROOMINC.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: 1992	M State of legal domicile: NY

Part I Summary

1	Briefly describe the organization's mission or most significant activities: CLASSROOM, INC. IS A NONPROFIT ORGANIZATION WHOSE INNOVATIVE CURRICULUM ENGAGES STUDENTS WITH THE			
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		11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4		10
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5		22
6	Total number of volunteers (estimate if necessary)	6		10
7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7a		0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b		0.
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	2,009,913.	Current Year
	9 Program service revenue (Part VIII, line 2g)		1,011,391.	1,021,334.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		3,244.	7,226.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		5,801.	17,842.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		3,030,349.	5,735,951.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0.	0.
	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)		2,212,817.	1,847,248.
	16 a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 402,554.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		1,893,520.	1,949,511.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		4,106,337.	3,796,759.	
19 Revenue less expenses. Subtract line 18 from line 12		-1,075,988.	1,939,192.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	4,242,031.	End of Year
	21 Total liabilities (Part X, line 26)		456,450.	409,757.
	22 Net assets or fund balances. Subtract line 21 from line 20		3,785,581.	5,724,773.

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 JANE CANNER, PRESIDENT	Date	
Paid Preparer Use Only	Print/Type preparer's name RONALD DESOIZA	Preparer's signature	Date
	Firm's name ▶ O'CONNOR DAVIES MUNNS & DOBBINS, LLP.	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's address ▶ 60 EAST 42ND STREET NEW YORK, NY 10165	Firm's EIN ▶	Phone no. 212-286-2600

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 [X]

1 Briefly describe the organization's mission: CLASSROOM, INC. DEVELOPS AND IMPLEMENTS INNOVATIVE CURRICULA DESIGNED TO ENGAGE STUDENTS WITH THE GREATEST NEEDS AND HELPS THEM DEVELOP ACADEMIC SKILLS ESSENTIAL FOR SUCCESS IN SCHOOLS AND THE WORKPLACE.

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 [X] 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 [X] 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 \$ 2,057,834. including grants of \$) (Revenue \$ 1,021,334.) DIRECT SUPPORT TO SCHOOLS:

IN ORDER TO HELP TEACHERS, PRINCIPALS AND ADMINISTRATORS TO EFFECTIVELY INTEGRATE OUR LEARNING ENVIRONMENT PACKAGES INTO THEIR CLASSROOM, WE PROVIDE COMPREHENSIVE TRAINING FOR ALL FIRST-TIME USERS OF OUR PROGRAM. BUT WHAT PARTICULARLY SETS US APART IS OUR IN-CLASS FOLLOW-UP SUPPORT - NO MATTER WHERE OUR CUSTOMERS ARE LOCATED. WE OFFER REGULAR ONGOING SUPPORT FOR BOTH TEACHERS AND SCHOOL TECHNOLOGY-SUPPORT PERSONNEL. IN FY 11 WE TRAINED NEARLY 600 TEACHERS AND SERVED OVER 26,000 STUDENTS.

AS SOON AS A DISTRICT/SCHOOL ACQUIRES OUR PROGRAM, WE WORK EXTENSIVELY WITH ADMINISTRATORS TO ENSURE THAT THEY WILL HAVE THE OPTIMAL

4b (Code:) (Expenses \$ 557,883. including grants of \$) (Revenue \$) CURRICULUM DEVELOPMENT:

CLASSROOM, INC. HAS THE ANSWER TO THE QUESTION, "HOW CAN I IMPROVE MY STUDENTS' ACADEMIC SKILLS WHILE ALSO PREPARING THEM TO MEET THE DEMANDS OF TODAY'S WORKFORCE?" OUR LEARNING ENVIRONMENT PACKAGES ARE BASED ON COMPUTER SIMULATIONS OF AUTHENTIC WORKPLACES. THEY HELP YOUNG PEOPLE ACQUIRE CROSS-CURRICULAR COMPETENCIES AS THEY MEET TYPICAL CHALLENGES OF A DAY AT WORK. STUDENTS' DECISION-MAKING CAREER ROLE IS EXTENDED THROUGH A VARIETY OF OTHER ACTIVITIES IN WHICH THEY APPLY STANDARDS-ALIGNED SKILLS.

OUR PROGRAM HAS ALWAYS STRESSED WORKPLACE READINESS, COLLABORATIVE

4c (Code:) (Expenses \$ 275,228. including grants of \$) (Revenue \$) RESEARCH AND ASSESSMENT:

FROM ITS BEGINNINGS, CLASSROOM, INC. HAS CONDUCTED RESEARCH TO ASSESS THE IMPACT OF ITS PROGRAM ON STUDENTS AND TO PROVIDE REGULAR FEEDBACK TO IMPROVE ITS EVOLVING PROGRAM. OUR COMMITMENT TO MAKING A REAL DIFFERENCE IN THE LIVES OF STUDENTS IS FIRMLY EMBEDDED IN THE REQUIREMENT FOR OBJECTIVE OUTCOMES DATA. WE USE THIS DATA TO ASSESS HOW WELL WE ARE MEETING THE CRITICAL GOAL OF IMPROVING STUDENTS' ACADEMIC ACHIEVEMENT. WE HAVE WORKED WITH UNIVERSITY SCHOLARS AND EVALUATION FIRMS TO BE SURE OUR PERSPECTIVE IS BROADENED AND OUR RESEARCH IS SOUND.

4d Other program services. (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 2,890,945.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		
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>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
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>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

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

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
	1a 44		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
	1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a 22		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
	3a		
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
	4a		
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
	4b		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
	5a		
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
	5b		
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
	6a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	6b		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
	8		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
	9b		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

Check if Schedule O contains a response 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?		X
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?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?	X	
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		X

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

	Yes	No
10a		X
10b		
11a	X	
11b		
12a	X	
12b	X	
12c	X	
13	X	
14	X	
15		
15a	X	
15b	X	
16a		X
16b		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **NY, DC**
- 18 Section 6104 requires an organization to make its Forms 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.
 Own website Another's website 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.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **GEORGE DEMARCO - 212-545-8400**
245 FIFTH AVENUE, 20TH FLOOR, NEW YORK, NY 10016

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. 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			
LEWIS W. BERNARD CHAIRMAN	10.00	X		X			0.	0.	0.	
JOHN P. HAVENS TREASURER	1.00	X		X			0.	0.	0.	
MADÉLINE E. LACOVARA SECRETARY	1.00	X		X			0.	0.	0.	
BEVERLY FANGER CHASE DIRECTOR	1.00	X					0.	0.	0.	
FRANKLIN W. HOBBS DIRECTOR	1.00	X					0.	0.	0.	
MARY MEEKER DIRECTOR	1.00	X					0.	0.	0.	
MARC F. MCMORRIS DIRECTOR	1.00	X					0.	0.	0.	
CHRISTINE LASALA DIRECTOR	1.00	X					0.	0.	0.	
CARL W. TURNIPSEED DIRECTOR	1.00	X					0.	0.	0.	
GARY ZARR DIRECTOR	1.00	X					0.	0.	0.	
JANE CANNER PRESIDENT	40.00	X		X			160,234.	0.	18,130.	
GEORGE DEMARCO VP AND COO	40.00			X			153,268.	0.	14,425.	
SYLVIA BARSION VP OF CURRICULUM & ASSESSMENT	40.00					X	127,927.	0.	16,899.	
CECILIA HO DIRECTOR OF FINANCE	40.00					X	124,677.	0.	12,279.	
MARY STRAIN SENIOR DIRECTOR OF BUSINESS DEVELOPM	32.00					X	112,854.	0.	5,934.	

Part VIII Statement of Revenue

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	4,689,549.				
	g	Noncash contributions included in lines 1a-1f: \$		391,845.				
h	Total. Add lines 1a-1f			4,689,549.				
Program Service Revenue	2 a	LEARNING ENVIRONMENT	Business Code 611710	847,607.	847,607.			
	b	GENERAL CONSULTATION &	611710	173,727.	173,727.			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			1,021,334.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		7,226.			7,226.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
			5,145.					
			b	Less: rental expenses				
			c	Rental income or (loss)	5,145.			
	d	Net rental income or (loss)			5,145.		5,145.	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			b	Less: cost or other basis and sales expenses				
			c	Gain or (loss)				
	d	Net gain or (loss)						
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
			b	Less: direct expenses				
c			Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19	a						
		b	Less: direct expenses					
		c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances	a						
		b	Less: cost of goods sold					
		c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue			Business Code					
11 a	OTHER INCOME	611710	12,697.			12,697.		
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d			12,697.				
12	Total revenue. See instructions.			5,735,951.	1,021,334.	0.	25,068.	

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				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	369,489.	265,300.	56,704.	47,485.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,208,471.	867,465.	185,878.	155,128.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	34,245.	24,549.	5,285.	4,411.
9 Other employee benefits	110,212.	79,641.	16,888.	13,683.
10 Payroll taxes	124,831.	89,617.	19,087.	16,127.
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	24,000.	20,400.	3,600.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	566,096.	436,721.	75,831.	53,544.
12 Advertising and promotion				
13 Office expenses	156,741.	125,488.	15,317.	15,936.
14 Information technology	35,368.	23,481.	7,135.	4,752.
15 Royalties				
16 Occupancy	640,955.	460,026.	98,811.	82,118.
17 Travel	135,742.	132,738.	345.	2,659.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	42,404.	37,127.	1,084.	4,193.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	27,706.	23,550.	4,156.	
23 Insurance	10,900.	9,280.	1,620.	
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 OTHER PRODUCT SUPPLIES	244,625.	244,625.		
b TEMPORARY HELP	6,824.	6,824.		
c STAFF RECOGNITION	2,758.	547.	2,159.	52.
d STAFF DEVELOPMENT & TRA	1,543.	1,452.	31.	60.
e RECRUITING & HIRING	770.	434.	48.	288.
f All other expenses	53,079.	41,680.	9,281.	2,118.
25 Total functional expenses. Add lines 1 through 24f	3,796,759.	2,890,945.	503,260.	402,554.
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	600.	1	600.
	2	Savings and temporary cash investments	2,417,605.	2	4,103,650.
	3	Pledges and grants receivable, net	479,446.	3	551,611.
	4	Accounts receivable, net	675,849.	4	918,848.
	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)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	470,157.	8	369,377.
	9	Prepaid expenses and deferred charges	148,442.	9	152,763.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	830,562.		
	10b	Less: accumulated depreciation	792,881.	10c	37,681.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
16	Total assets. Add lines 1 through 15 (must equal line 34)	4,242,031.	16	6,134,530.	
Liabilities	17	Accounts payable and accrued expenses	311,687.	17	218,662.
	18	Grants payable		18	
	19	Deferred revenue	144,763.	19	191,095.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	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		25	
	26	Total liabilities. Add lines 17 through 25	456,450.	26	409,757.
	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	2,877,763.	27	4,613,481.
28		Temporarily restricted net assets	657,818.	28	861,292.
29		Permanently restricted net assets	250,000.	29	250,000.
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	3,785,581.	33	5,724,773.
34		Total liabilities and net assets/fund balances	4,242,031.	34	6,134,530.

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	5,735,951.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,796,759.
3	Revenue less expenses. Subtract line 2 from line 1	3	1,939,192.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,785,581.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
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	5,724,773.

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?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
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 checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate 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?		X
3b	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.		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

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?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii) A family member of a person described in (i) above?	11g(ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of 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.")	2681035.	2832203.	2518678.	2009913.	4689549.	14731378.
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	2681035.	2832203.	2518678.	2009913.	4689549.	14731378.
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)						2525123.
6 Public support. Subtract line 5 from line 4.						12206255.

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	2681035.	2832203.	2518678.	2009913.	4689549.	14731378.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	182,210.	181,651.	77,781.	3,244.	12,371.	457,257.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	51,440.	36,766.	13,657.	5,801.	12,697.	120,361.
11 Total support. Add lines 7 through 10						15308996.
12 Gross receipts from related activities, etc. (see instructions)					12	5,875,919.
13 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	<input type="checkbox"/>					

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	79.73	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	73.69	%
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	<input checked="" type="checkbox"/>		
b 33 1/3% support test - 2009. If the organization did not check a 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	<input type="checkbox"/>		
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	<input type="checkbox"/>		
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	<input type="checkbox"/>		
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	<input type="checkbox"/>		

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

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2010

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

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

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

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

CLASSROOM, INC.

13-3666846

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MARIPOSA FOUNDATION 592 FIFTH AVENUE NEW YORK, NY 10036-4707	\$ 225,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	FIDELITY CHARITABLE GIFT FUND PO BOX 770001 CINCINNATI, OH 45277-0053	\$ 325,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	NEW YORK LIFE FOUNDATION 51 MADISON AVENUE NEW YORK, NY 10010	\$ 300,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	SANDRA WILSON REVOCABLE TRUST 245 FIFTH AVENUE NEW YORK, NY 10016	\$ 1,600,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	SANDRA WILSON REVOCABLE TRUST 245 FIFTH AVENUE NEW YORK, NY 10016	\$ 391,845.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	THE LOUIS CALDER FOUNDATION 230 PARK AVENUE NEW YORK, NY 10169-1525	\$ 119,815.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

CLASSROOM, INC.

13-3666846

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	NEXT GENERATION LEARNING CHALLENGES 4772 WALNUT STREET BOULDER, CO 80301-2538	\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	THE ROBERTSON FOUNDATION 101 PARK AVENUE NEW YORK, NY 10178-0002	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization CLASSROOM, INC.	Employer identification number 13-3666846
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Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
5	DONATED SECURITIES _____ _____ _____	\$ 391,845.	12/27/10
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

CLASSROOM, INC.

13-3666846

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

Name of the organization CLASSROOM, INC. Employer identification number 13-3666846

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 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...?, 6 Did the organization inform all grantees...?

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). 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution... 2a Total number of conservation easements, 2b Total acreage restricted by conservation easements, 2c Number of conservation easements on a certified historic structure included in (a), 2d 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 tax 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? 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 section 170(h)(4)(B)(ii)? 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 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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 |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part 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	250,000.	250,000.			
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	250,000.	250,000.			

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment 100.00 %
 - c Term endowment _____ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|-----------------------------|--------------------------|-------------------------------------|
| (i) unrelated organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (ii) related organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI 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				
b Buildings				
c Leasehold improvements		581,649.	580,057.	1,592.
d Equipment		248,913.	212,824.	36,089.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				37,681.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount	
(1) Federal income taxes		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶		

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	5,735,951.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	3,796,759.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	1,939,192.
4	Net unrealized gains (losses) on investments	4	
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 through 8	9	0.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	1,939,192.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	5,829,443.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	93,492.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	93,492.
3	Subtract line 2e from line 1	3	5,735,951.
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	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	5,735,951.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	3,890,251.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	93,492.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	93,492.
3	Subtract line 2e from line 1	3	3,796,759.
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	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	3,796,759.

Part XIV Supplemental 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, line 2; 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.

PART V, LINE 4: THE ENDOWMENT CONSISTS ENTIRELY OF INDIVIDUAL DONOR-RESTRICTED FUNDS, IN THE AMOUNT OF \$250,000, ESTABLISHED FOR A VARIETY OF PURPOSES, BUT NOT TO BE USED FOR THE ORGANIZATION'S GENERAL OPERATING EXPENSES. CLASSROOM, INC. DOES NOT HAVE ANY FUNDS DESIGNATED BY THE BOARD OF DIRECTORS TO FUNCTION AS AN ENDOWMENT.

PART X, LINE 2: CLASSROOM, INC. RECOGNIZES THE EFFECT OF INCOME TAX POSITIONS ONLY WHEN THEY ARE MORE THAN LIKELY THAN NOT TO BE SUSTAINED.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
 ▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

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.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- 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?
- b** Any related organization?
- 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

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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 JANE CANNER	(i) 160,234.	(ii) 0.	(iii) 0.	8,326.	9,804.	178,364.	0.
2 GEORGE DEMARCO	(i) 153,268.	(ii) 0.	(iii) 0.	7,834.	6,591.	167,693.	0.
3	(i) 0.	(ii) 0.	(iii) 0.				
4	(i) 0.	(ii) 0.	(iii) 0.				
5	(i) 0.	(ii) 0.	(iii) 0.				
6	(i) 0.	(ii) 0.	(iii) 0.				
7	(i) 0.	(ii) 0.	(iii) 0.				
8	(i) 0.	(ii) 0.	(iii) 0.				
9	(i) 0.	(ii) 0.	(iii) 0.				
10	(i) 0.	(ii) 0.	(iii) 0.				
11	(i) 0.	(ii) 0.	(iii) 0.				
12	(i) 0.	(ii) 0.	(iii) 0.				
13	(i) 0.	(ii) 0.	(iii) 0.				
14	(i) 0.	(ii) 0.	(iii) 0.				
15	(i) 0.	(ii) 0.	(iii) 0.				
16	(i) 0.	(ii) 0.	(iii) 0.				

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

Name of the organization **CLASSROOM, INC.** Employer identification number **13-3666846**

Part I Types of Property		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art - Works of art				
2	Art - Historical treasures				
3	Art - Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities - Publicly traded	X	1	391,845.	FAIR VALUE
10	Securities - Closely held stock				
11	Securities - Partnership, LLC, or trust interests				
12	Securities - Miscellaneous				
13	Qualified conservation contribution - Historic structures				
14	Qualified conservation contribution - Other				
15	Real estate - Residential				
16	Real estate - Commercial				
17	Real estate - Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ ()				
26	Other ▶ ()				
27	Other ▶ ()				
28	Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** **0**

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

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

GREATEST NEEDS AND HELPS THEM DEVELOP ACADEMIC SKILLS ESSENTIAL FOR
SUCCESS IN SCHOOLS AND THE WORKPLACE. WE BELIEVE THAT EVERY CHILD CAN
LEARN AND THAT EVERY TEACHER CAN TEACH EFFECTIVELY - IF SUPPORTED BY
ENGAGING, WELL CRAFTED CURRICULA AND ONGOING PROFESSIONAL DEVELOPMENT.
WE CREATE WORKPLACE-BASED COMPUTER SIMULATIONS AND EXTENSIVE
INSTRUCTIONAL MATERIALS WHICH TEACH MIDDLE AND HIGH SCHOOL STUDENTS
ESSENTIAL LITERACY AND MATH SKILLS. OUR PROGRAMS OFFER HIGH-INTEREST
ACTIVITIES THAT ENCOURAGE CRITICAL THINKING AND PROBLEM SOLVING AND ARE
IMPLEMENTED IN A VARIETY OF INSTRUCTIONAL SETTINGS INCLUDING THE SCHOOL
DAY, SUMMER AND AFTER SCHOOL.

CLASSROOM, INC. HAS SERVED SCHOOLS IN 17 STATES, INCLUDING NEW YORK,
ILLINOIS, PENNSYLVANIA, FLORIDA AND WASHINGTON DC. TO DATE, WE HAVE
WORKED WITH APPROXIMATELY 650,000 STUDENTS AND 10,000 TEACHERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

EXPERIENCE USING OUR MATERIALS. IN ADDITION, WE PREPARE A CUSTOMIZED
CORRELATION OF OUR PROGRAM TO EACH DISTRICT'S STATE OR LOCAL STANDARDS.

TEACHERS ATTEND A FULL-DAY SESSION TO LEARN HOW TO USE THE PROGRAM.
THIS TRAINING INCLUDES TIME ON THE COMPUTER LEARNING THE SIMULATION
SOFTWARE AND AN ORIENTATION TO THE INTEGRATED CURRICULUM, INCLUDING HOW
IT ALIGNS TO LOCAL AND STATE STANDARDS. FOR SMALL GROUPS OF TEACHERS
NOT LOCATED IN NYC, WE OFTEN CONDUCT TRAININGS VIA WEB CONFERENCING.

ONGOING SUPPORT TAKES A VARIETY OF FORMS AND MIGHT OCCUR AT THE SCHOOL

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

SITE, ON THE PHONE, AND/OR VIA EMAIL. ONE OF OUR HIGHLY-EXPERIENCED STAFF DEVELOPERS IS ASSIGNED TO EACH SCHOOL USING OUR PROGRAM. THAT PERSON IS AVAILABLE TO PROVIDE SUPPORT AND VALUABLE IMPLEMENTATION IDEAS DURING THE PERIOD THE PROGRAM IS BEING USED. CLASSROOM, INC. ALSO OFFERS ADDITIONAL PROFESSIONAL DEVELOPMENT WORKSHOPS, SUCH AS ONE ON DIFFERENTIATED INSTRUCTION FOR TEACHERS USING OUR PROGRAM. AND OUR TEACHERS LOUNGE IS A VALUABLE SOURCE FOR ONLINE SUPPORT. AMONG ITS HELPFUL FEATURES ARE VIDEO BEST PRACTICE LESSONS.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

PROBLEM-SOLVING, THE DEEP COMPREHENSION OF INFORMATIONAL TEXT, AND CONTENT-AREA LITERACY, IT EXEMPLIFIES KEY UNDERPINNINGS OF THE COMMON CORE STANDARDS. VISIT OUR WEBSITE FOR MORE INFORMATION ON HOW CLASSROOM, INC. ADDRESSES CCS'S ANCHOR STANDARDS IN READING, WRITING, SPEAKING & LISTENING, AND LANGUAGE, AS WELL AS LITERACY IN THE CONTENT AREAS AND MATHEMATICAL PRACTICE.

OUR CURRICULUM MATERIALS INCLUDE TEACHER HANDBOOKS, STUDENT WORKBOOKS AND HANDBOOKS, COMPUTER-BASED WORKPLACE SIMULATIONS, NON-FICTION LIBRARIES, CUSTOMIZED LESSON PLANS, WEBSITE RESOURCES, ASSESSMENT MATERIALS, AND MANIPULATIVES KITS TO SUPPORT THE IMPLEMENTATION OF OUR PROGRAMS.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS:

OUR INTERNAL RESEARCH IS CONDUCTED AND ANALYZED BY STAFF MEMBERS WHO HAVE SUBSTANTIAL EXPERTISE IN EDUCATIONAL RESEARCH AND STATISTICS. DIRECTOR OF RESEARCH MARY SCHEARER HAS A PH.D. IN PSYCHOLOGY; VICE PRESIDENT OF EDUCATIONAL PROGRAMS SYLVIA BARSION HAS A PH.D. IN

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

EDUCATIONAL RESEARCH, MEASUREMENT, AND EVALUATION; AND CLASSROOM, INC.

PRESIDENT JANE CANNER HAS A DOCTORATE IN EDUCATIONAL PSYCHOLOGY.

TOGETHER THEY HAVE SIGNIFICANT EXPERIENCE IN MANAGING RESEARCH AND STUDENT TESTING PROGRAMS AND IN CONDUCTING AND INTERPRETING OUTCOME STUDIES.

THE COLLECTIVE FINDINGS OF CLASSROOM, INC. INTERNAL RESEARCH, AS WELL AS STUDIES CONDUCTED BY METIS ASSOCIATES, INC., INDIANA UNIVERSITY'S CENTER FOR INNOVATION IN ASSESSMENT, AND THE UNIVERSITY OF PITTSBURGH'S LEARNING RESEARCH AND DEVELOPMENT CENTER, REVEAL IMPROVEMENTS IN STUDENTS' ACADEMIC PERFORMANCE AND APPLIED LEARNING RELATED TO READING AND MATHEMATICS PERFORMANCE. IN ADDITION, CLASSROOM, INC. AND EXTERNAL STUDIES OF MULTIPLE SCHOOL-YEAR AND SUMMER PROGRAMS OVER THE YEARS, RESEARCHERS HAVE DOCUMENTED IMPROVEMENTS IN STUDENTS' PROBLEM SOLVING, COLLABORATION, AND TECHNOLOGY SKILLS, AS WELL AS IN THEIR CAREER READINESS AND ETHICAL REASONING.

FORM 990, PART VI, SECTION B, LINE 11: THE VP OF OPERATIONS AND COO REVIEWED THE DRAFT 990, WHICH WAS THEN EMAILED TO THE AUDIT COMMITTEE AND THE FULL BOARD FOR COMMENTS. UPON REVIEW AND CONSIDERATION OF ANY COMMENTS, THE FORM 990 WOULD BE AMENDED AND FILED WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: THE PRESIDENT AND VICE PRESIDENT OF OPERATIONS/COO REGULARLY AND CONSISTENTLY MONITOR AND ENFORCE COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY. THE ENTIRE BOARD AND ALL EMPLOYEES HOLDING VICE PRESIDENT POSITIONS AND ABOVE ARE CONSIDERED ABLE TO INFLUENCE A DECISION CONCERNING CLASSROOM, INC'S OPERATIONS AND ARE REQUIRED TO DISCLOSE ANY ACTUAL OR POTENTIAL CONFLICT OF INTEREST ON HIS OR HER PART AS

Name of the organization

CLASSROOM, INC.

Employer identification number

13-3666846

TO WHICH HE OR SHE MAY PLAY ANY DECISION-MAKING OR INFLUENTIAL ROLE. ALL SUCH DIRECTORS AND EMPLOYEES ARE REQUIRED TO REVIEW AND SIGN THE CONFLICT OF INTEREST POLICY ANNUALLY. CLASSROOM, INC. HAS NOT COME ACROSS ANY CONFLICT OF INTEREST SITUATIONS. ALL CONFLICTS AND POTENTIAL CONFLICTS ARE TO BE DISCLOSED TO THE PRESIDENT AND RESOLVED. EMPLOYMENT OUTSIDE CLASSROOM, INC. MAY CREATE A POSSIBLE CONFLICT OF INTEREST. IF CLASSROOM, INC. DETERMINES THAT AN EMPLOYEE'S OUTSIDE WORK INTERFERES OR CONFLICTS WITH PERFORMANCE OR THE ABILITY TO MEET THE REQUIREMENTS OF CLASSROOM, INC., THE EMPLOYEE MAY BE ASKED TO TERMINATE THE OUTSIDE EMPLOYMENT IF HE/SHE WISHES TO REMAIN EMPLOYED WITH CLASSROOM, INC.

FORM 990, PART VI, SECTION B, LINE 15: THE COMPENSATION OF CLASSROOM INC.'S CEO AND OTHER OFFICERS AND KEY EMPLOYEES IS DETERMINED BY THE COMPENSATION COMMITTEE, ONE OF THE GOVERNING COMMITTEES OF THE BOARD OF DIRECTORS. OFFICERS AND KEY EMPLOYEES INCLUDE ALL EMPLOYEES HOLDING POSITIONS OF SENIOR DIRECTOR AND ABOVE. THE COMPENSATION COMMITTEE IS CHAIRED BY AN INDEPENDENT VOTING MEMBER OF THE BOARD, AND CONSISTS OF OTHER INDEPENDENT VOTING MEMBERS OF THE BOARD AND THE PRESIDENT. THE PRESIDENT IS NOT DIRECTLY INVOLVED IN THE DECISION MAKING OF HER OWN COMPENSATION. THE COMMITTEE REVIEWS COMPENSATION OF COMPARABLE NONPROFIT ORGANIZATIONS, ECONOMIC CONDITIONS OF THE MARKETPLACE AND INDIVIDUAL PERFORMANCES TO DETERMINE COMPENSATION. THE COMMITTEE MEETS ONCE A YEAR TO REVIEW ALL EMPLOYEES' COMPENSATION AND IS DOCUMENTED BY MEETING MINUTES IN WRITING. THE PROCESS WAS LAST UNDERTAKEN IN JUNE 2011.

FORM 990, PART VI, SECTION C, LINE 19: CLASSROOM, INC. MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC.

Name of the organization

CLASSROOM, INC.

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CLASSROOM, INC. POSTS ITS AUDITED FINANCIAL STATEMENTS AND FORM 990 ON ITS WEBSITE, PROVIDES COPIES ON REQUEST, AND THEY ARE AVAILABLE FOR INSPECTION AT CLASSROOM, INC.'S OFFICE.

CLASSROOM, INC. PROVIDES COPIES OF THE GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ON REQUEST, AND THEY ARE AVAILABLE FOR INSPECTION AT CLASSROOM, INC.'S OFFICE.

FORM 990, PART XII, LINE 2C

THE PROCESS FOR ASSUMING RESPONSIBILITY OVER THE AUDIT OF CLASSROOM, INC. AND FOR THE SELECTION OF AN INDEPENDENT ACCOUNTANT HAS NOT CHANGED SINCE THE PRIOR YEARS.

Form CHAR500	Annual Filing for Charitable Organizations New York State Department of Law (Office of the Attorney General) Charities Bureau - Registration Section 120 Broadway New York, NY 10271 http://www.charitiesnys.com	2010
This form used for Article 7-A, EPTL and dual filers (replaces forms CHAR 497, CHAR 010 and CHAR 006)		Open to Public Inspection

1. General Information			
a. For the fiscal year beginning (mm/dd/yyyy) <u>07/01/2010</u> and ending (mm/dd/yyyy) <u>06/30/2011</u>			
b. Check if applicable for NYS: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial filing <input type="checkbox"/> Final filing <input type="checkbox"/> Amended filing <input type="checkbox"/> NY registration pending	c. Name of organization CLASSROOM, INC.	d. Fed. employer ID no. (EIN) 13-3666846	e. NY State registration no. 04-98-90
	Number and street (or P.O. box if mail not delivered to street address) Room/suite 245 FIFTH AVENUE- 20TH FLOOR	f. Telephone number 212 545 8400	
	City or town, state or country and ZIP + 4 NEW YORK, NY 10016	g. Email CHO@CLASSROOMINC.ORG	

2. Certification - Two Signatures Required			
We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.			
a. President or Authorized Officer	Signature	JANE CANNER <small>Printed Name</small>	PRESIDENT <small>Title</small>
		<small>Date</small>	
b. Chief Financial Officer or Treas	Signature	GEORGE DEMARCO <small>Printed Name</small>	CFO <small>Title</small>
		<small>Date</small>	

3. Annual Report Exemption Information	
a.	Article 7-A annual report exemption (Article 7-A registrants and dual registrants) Check <input type="checkbox"/> if total contributions from NY State (including residents, foundations, corporations, government agencies, etc.) did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during this fiscal year. NOTE: An organization may claim this exemption if no PFR or FRC was used and either: 1) it received an allocation from a federated fund, United Way or incorporated community appeal and contributions from other sources did not exceed \$25,000 or 2) it received all or substantially all of its contributions from one government agency to which it submitted an annual report similar to that required by Article 7-A.
b.	EPTL annual report exemption (EPTL registrants and dual registrants) Check <input type="checkbox"/> if gross receipts did not exceed \$25,000 and assets (market value) did not exceed \$25,000 at any time during this fiscal year.
For EPTL or Article 7-A registrants claiming the annual report exemption under the one law under which they are registered and for dual registrants claiming the annual report exemptions under both laws, simply complete part 1 (General Information), part 2 (Certification) and part 3 (Annual Report Exemption Information) above. Do not submit a fee, do not complete the following schedules and do not submit any attachments to this form.	

4. Article 7-A Schedules	
If you did not check the Article 7-A annual report exemption above, complete the following for this fiscal year:	
a. Did the organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? ...	<input type="checkbox"/> Yes* <input checked="" type="checkbox"/> No <small>* If "Yes", complete Schedule 4a.</small>
b. Did the organization receive government contributions (grants)?	<input type="checkbox"/> Yes* <input checked="" type="checkbox"/> No <small>* If "Yes", complete Schedule 4b.</small>

5. Fee Submitted: See last page for summary of fee requirements	
Indicate the filing fee(s) you are submitting along with this form:	
a. Article 7-A filing fee \$ <u>25.</u> b. EPTL filing fee \$ <u>250.</u> c. Total fee \$ <u>275.</u>	Submit only one check or money order for the total fee, payable to "NYS Department of Law"

6. Attachments - For organizations that are not claiming annual report exemptions under both laws, see last page for required attachments ▶▶▶
