

 Classroom inc

CHANGING LIVES >>>

2009 Annual Report

OUR MISSION

Classroom, Inc.'s innovative curriculum engages students with the greatest needs and helps them develop academic skills essential for success in school and the workplace.



245 Fifth Avenue, 20th Floor

New York, NY 10016

Phone: 212.545.8400

Toll Free: 800.258.0640

www.classroominc.org

Cover Photo: Jarrell, incoming 9th grader, Classroom, Inc. Institute

Designer: KV Design, Kerstin Vogdes

Photographer: Tina Feinberg

A MESSAGE FROM BOARD CHAIRMAN LEWIS BERNARD AND PRESIDENT JANE CANNER



Lewis Bernard, Chairman



Jane Canner, President

Our results this year clearly confirm that Classroom, Inc.'s approach to improving student achievement works. Yet while the need for our program is greater than ever, there are fewer resources available in all sectors to fund innovative educational programs like ours. Consequently, we haven't been able to serve as many students as we would have liked over the past year.

Every day, Classroom, Inc. changes students' lives for the better. From the New York City high school student who we keep on track to graduate to the Newark and Chicago middle school students who improve their reading skills after using our summer program, our unique approach consistently makes a difference for students.

The challenges are enormous—70% of eighth grade students read below grade level and half of urban students drop out of high school. Our work reignites students' interest in learning, enhances their academic skills, and helps motivate them to stay in school and to graduate. The middle school students we serve are better prepared for high school with improved reading and math skills; high school students gain the confidence and academic skills they need to graduate.

Since 1991, we have worked with thousands of educators across the country to ensure that students receive the kind of help they need to succeed. We serve over 40,000 students every year, and this year we have major initiatives in Chicago, Philadelphia, Baltimore, Newark, and of course New York City. In each of these urban centers, our program is changing the lives of poor students by helping them develop the skills essential for success in school and the workplace.

We have made progress, but the challenge remains. With graduation rates and reading levels still unacceptably low, millions more students need the chance for success that our programs provide.

We are grateful for your partnership. In these difficult times, it is more important than ever that we work together to change the lives of those most in need.

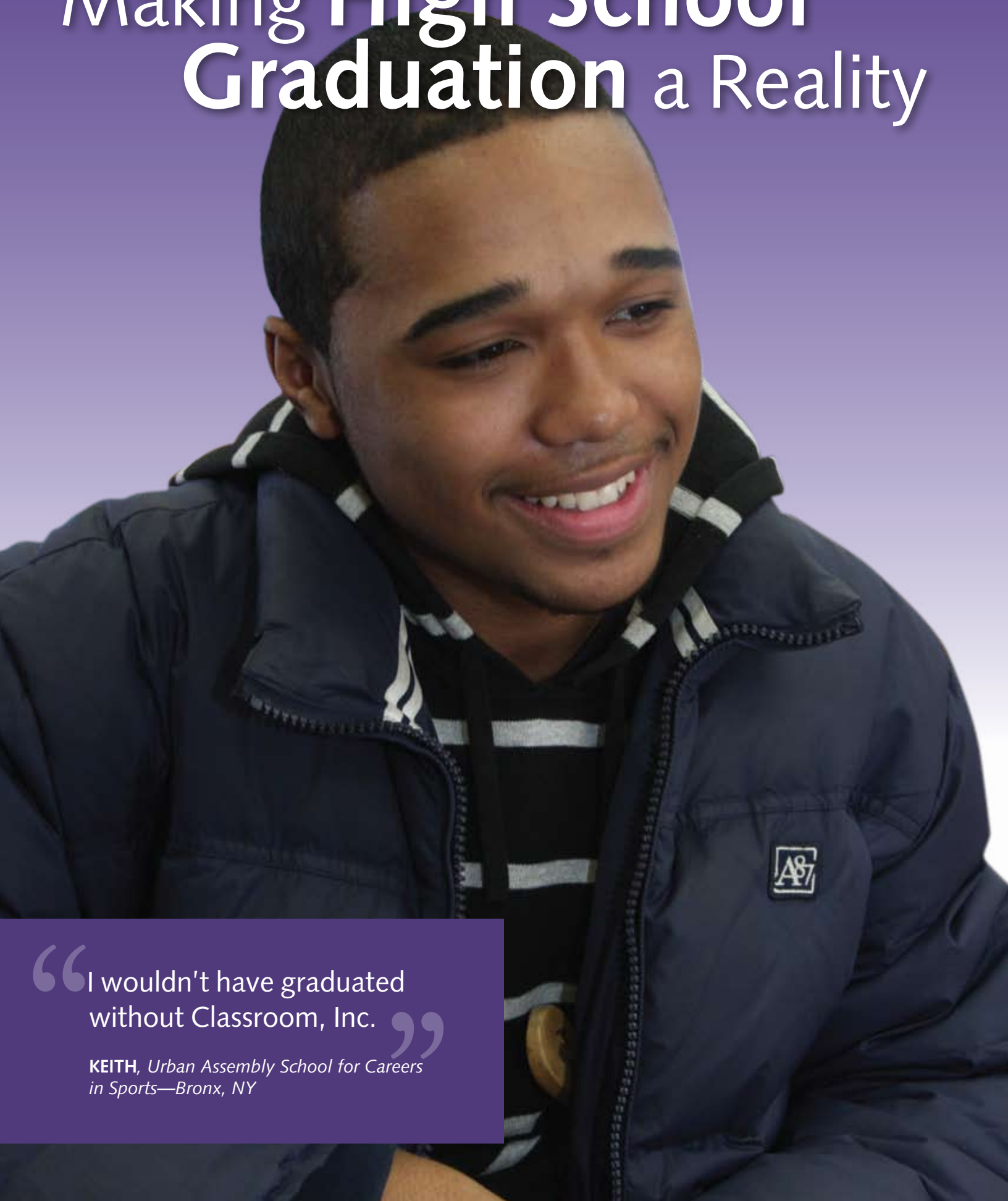
A handwritten signature in black ink that reads "Lewis Bernard".

Lewis Bernard
Chairman

A handwritten signature in black ink that reads "Jane Canner".

Jane Canner
President

Making High School Graduation a Reality



“I wouldn't have graduated
without Classroom, Inc.”

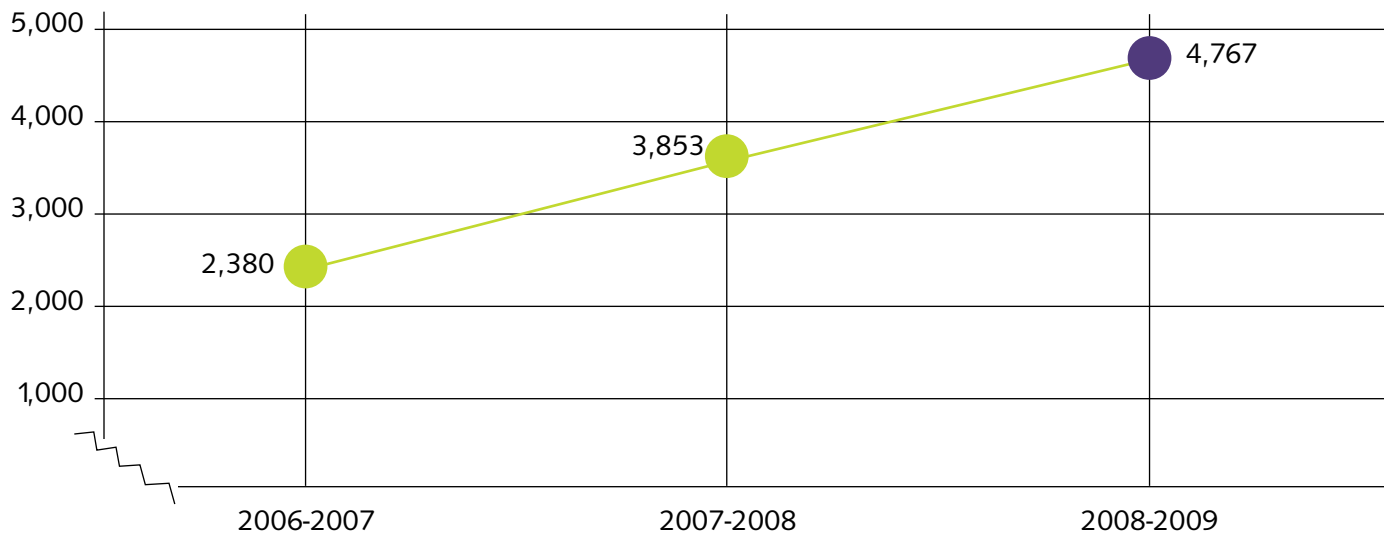
*KEITH, Urban Assembly School for Careers
in Sports—Bronx, NY*

“Dropping out of high school is no longer an option. It’s not just quitting on yourself, it’s quitting on your country—and this country needs and values the talents of every American.” — President Barack Obama, *address to Joint Session of Congress, February 24th, 2009*

We have heard the call. Students like Keith should have the support they need to graduate from high school. Our innovative curriculum helps all students, particularly those most at risk for dropping out.

Measure of Our Success:

NUMBER OF HIGH SCHOOL STUDENTS SERVED BY CLASSROOM, INC. 2006-2009



Helping Principals to Address the **Dropout Crisis**



“Our graduation rate went from 70% to 90% after using Classroom, Inc.”

FELICE LEPORE, *Principal of Urban Assembly School for Careers in Sports—Bronx, NY*

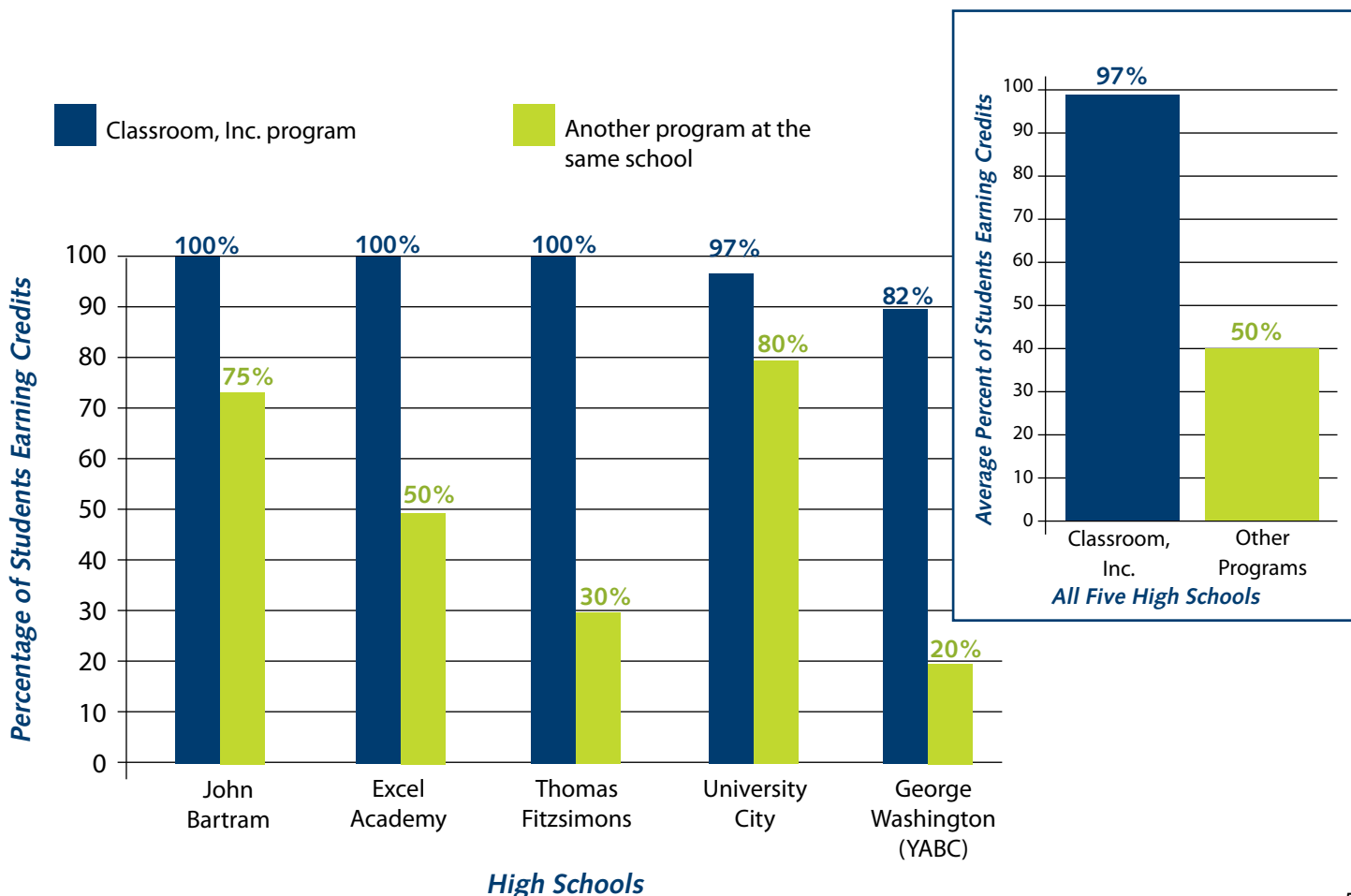
“Every 26 seconds a student drops out of high school.” – America’s Promise Alliance

Improving our lowest performing high schools is a national imperative. One way to help meet this challenge is by delivering a proven approach to help low-achieving students graduate. Classroom, Inc.'s program fits that bill. We are often used in high school programs that give over-aged and under-credited students an opportunity to earn the credits they need to graduate.

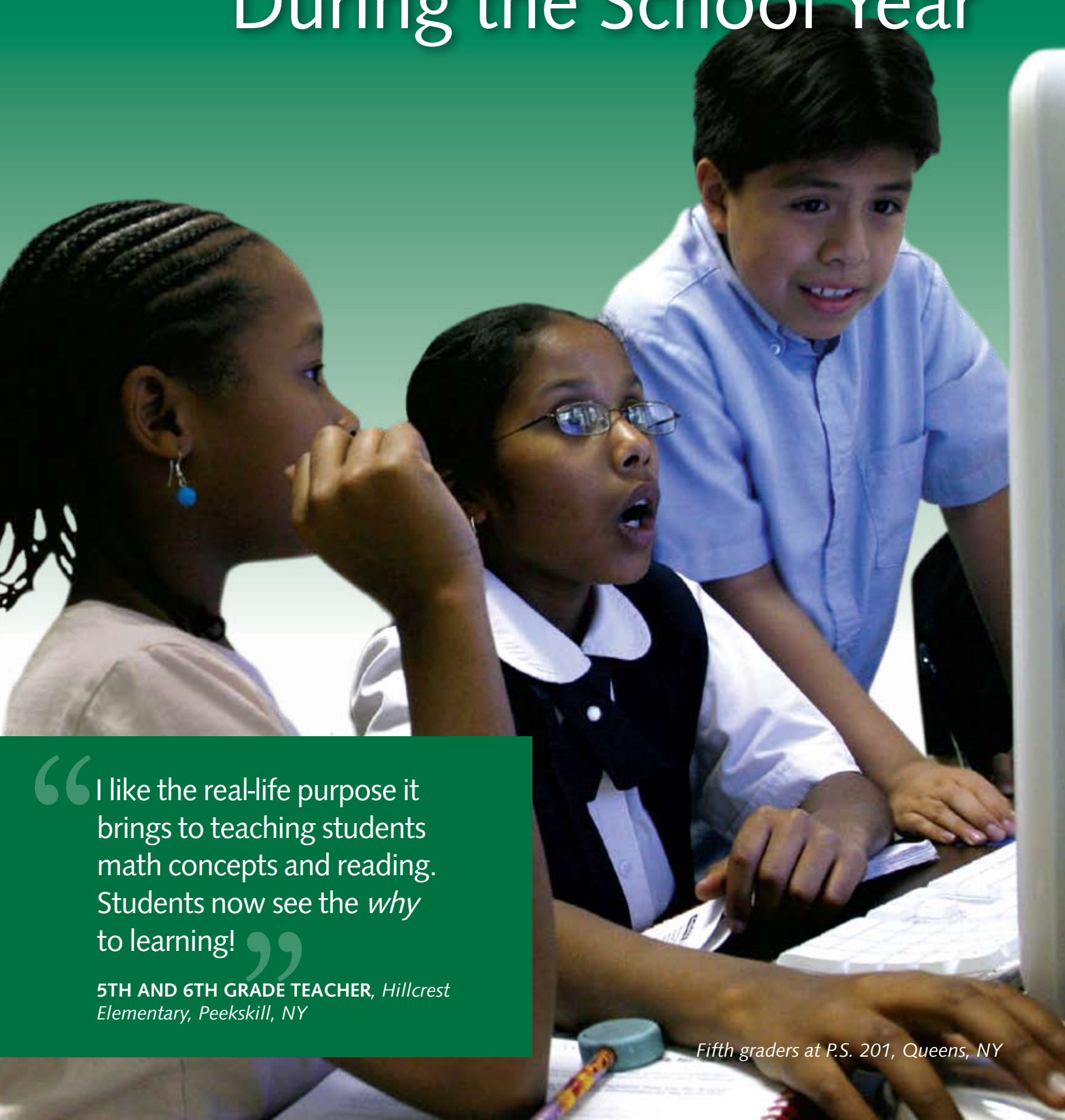
Measure of Our Success:

CLASSROOM, INC. V. OTHER HIGH SCHOOL CREDIT RECOVERY PROGRAMS—SUMMER, 2009

Five high schools—in Philadelphia, New York City, and Baltimore—used Classroom, Inc.'s summer program for credit recovery. Almost all of these students (96%) stayed with the program and earned one high school credit, as compared to only 50% who earned credit using other programs.



Improving Student Achievement During the School Year



“ I like the real-life purpose it brings to teaching students math concepts and reading. Students now see the *why* to learning! ”

5TH AND 6TH GRADE TEACHER, *Hillcrest Elementary, Peekskill, NY*

Fifth graders at P.S. 201, Queens, NY

A recent study concluded that sixth graders who are falling behind are already at high risk for not graduating from high school on time. These students need intervention while still in middle school. — *findings from the National Middle School Association study, "Putting Middle Grade Students on the Path to Graduation"*

Middle school is often the point at which Classroom, Inc. comes in. We help struggling students before they become serious candidates for dropping out—improving their academic skills and preparing them for a strong start to high school.

Measure of Our Success:

CLASSROOM, INC. RAISES STUDENT READING LEVELS

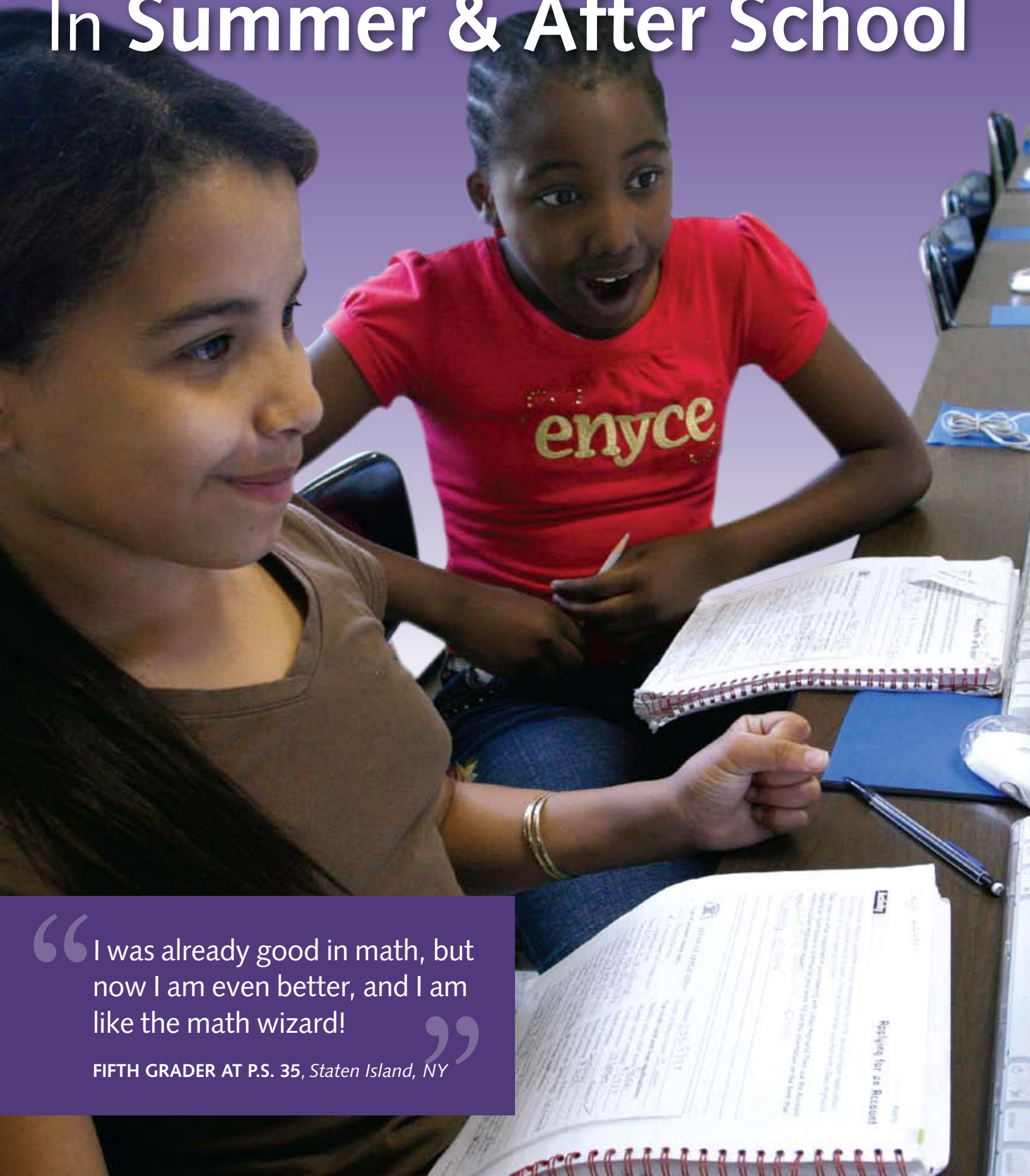
During the 2008–2009 school year, we tested over 900 Classroom, Inc. middle school students in NYC, using the Reading-Level Indicator, a highly reliable screener of reading ability. The results clearly show that our program had a resounding and significant effect on students' reading achievement.

All grades showed significant gains in reading.

| Grade | Number of Students Tested | Pretest Reading Level* | Posttest Reading Level* | Growth in Reading Level |
|-------|---------------------------|------------------------|-------------------------|-------------------------|
| 6 | 446 | 5.6 | 7.5 | 1 yr. 9 months |
| 7 | 289 | 6.9 | 9.2 | 2 yrs. 3 months |
| 8 | 173 | 7.7 | 10.1 | 2 yrs. 4 months |

* Reading scores are expressed in grades and months, e.g. 7.5 indicates that students are, on average, reading at the level of a seventh grader who is in the fifth month of the school year.

Keeping Kids Learning In Summer & After School



“I was already good in math, but now I am even better, and I am like the math wizard!”

FIFTH GRADER AT P.S. 35, Staten Island, NY

“During the school year, [lower-income children] progress at about the same rate as their peers. Over the summer, disadvantaged children tread water at best, or even fall behind. It’s what we call ‘summer slide’ or ‘summer setback.’” — Professor Karl Alexander, *Johns Hopkins University*

The middle and high-school students that Classroom, Inc. serves need opportunities outside of regular school hours to learn and keep up. Our summer and after-school programs provide students with the extra support that research shows can make all the difference.

In 2008–2009, we served over 7,500 summer and after-school students in 12 cities nationwide.

Measure of Our Success:

STUDENTS’ MATH SKILLS SHOWED STRONG GAINS OVER THE SUMMER

We administered the Math-Level Indicator pre- and posttests to Classroom, Inc. students enrolled in 2009 summer enrichment programs in both Chicago and in a large urban school district in the Northeast. In **just five-to-six weeks**, students using our curriculum made statistically significant gains—improvements highly unlikely to have occurred without the intervention of our program.

| Grade | Number of Students | Pretest Math Level* | Posttest Math Level* | Growth in Math Level |
|-------|--------------------|---------------------|----------------------|----------------------|
| 4 | 65 | 3.1 | 3.5 | 4 months |
| 5 | 74 | 4.1 | 5.1 | 1 yr. |
| 6 | 166 | 5.0 | 5.5 | 5 months |
| 7 | 227 | 5.0 | 6.0 | 1 year |
| 8 | 191 | 5.7 | 6.4 | 7 months |

* Math scores are expressed in grades and months, e.g. 6.4 indicates that students on average have mastered math skills at the level of a sixth grader who is in the fourth month of the school year.



Giving Struggling Students a **Jumpstart into** **High School**

“Classroom, Inc. helped me
with public speaking and
interpersonal skills.”

CHIAHARA, *Urban Action Academy
High School, Brooklyn, NY*

"After many years helping NYC's at-risk eighth graders in summer school, we created the Classroom, Inc. Institute to give students a jumpstart into high school through an internship in our office. Our simulations came alive for them with guest speakers, mentors, and trips to exciting workplaces. The Institute has become a highlight for both students and our staff, and we plan to extend it in the coming years." – Jane Canner, Ph.D., *President, Classroom, Inc.*



2008 Classroom, Inc. Institute student hard at work

Measure of Our Success:

Q: HOW HAS THE EXPERIENCE AT CLASSROOM, INC. AFFECTED YOU?

"Now I read the newspaper every day."

Andy



"It helped me visualize what a day of work might look like."

Tevin

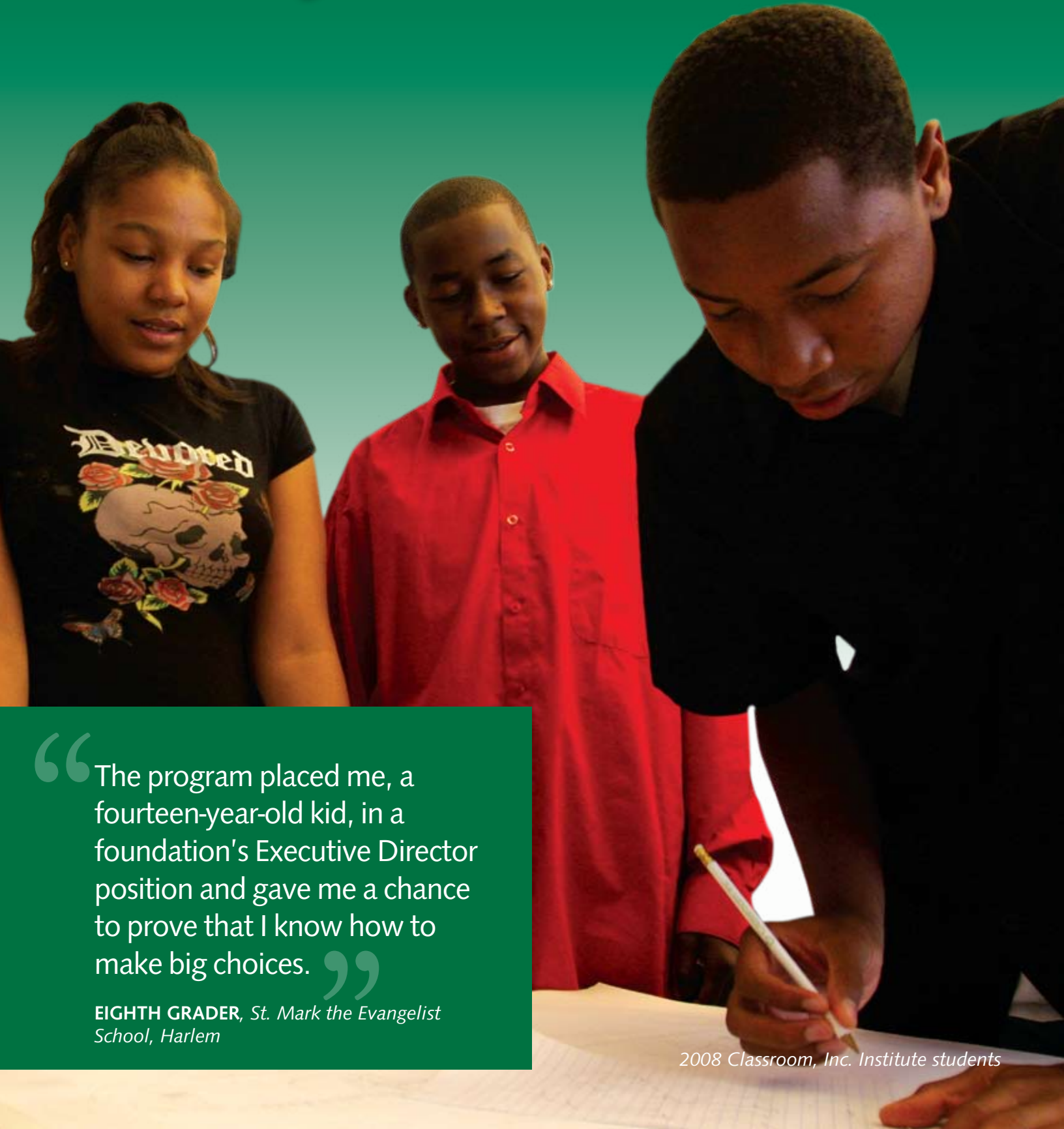


"It gave me more confidence."

Chiahara



Preparing Students for Today's Work World



“The program placed me, a fourteen-year-old kid, in a foundation's Executive Director position and gave me a chance to prove that I know how to make big choices.”

EIGHTH GRADER, *St. Mark the Evangelist School, Harlem*

2008 Classroom, Inc. Institute students



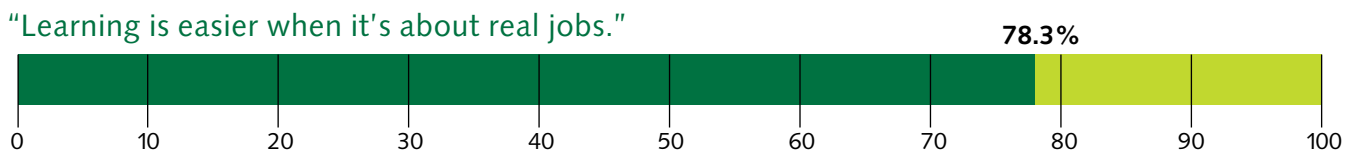
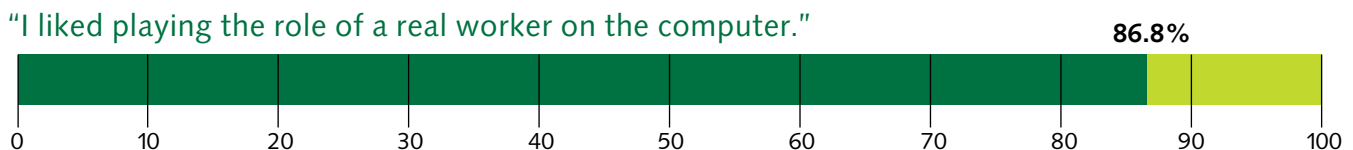
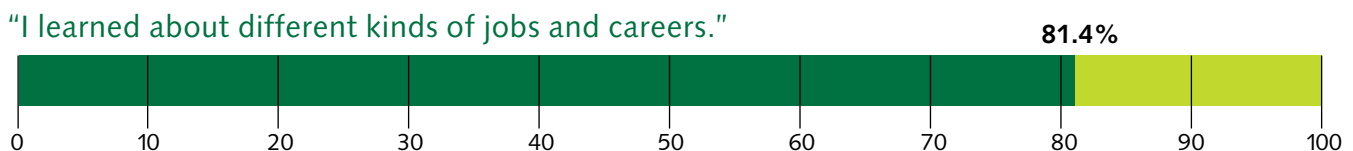
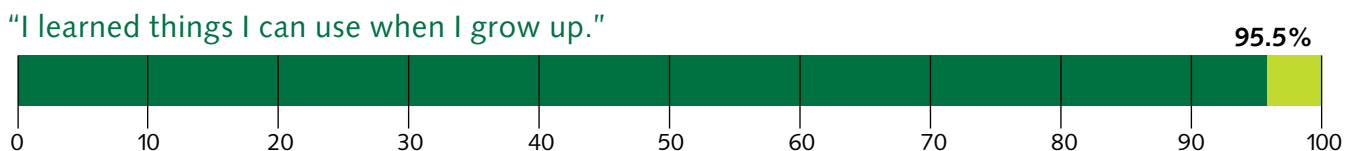
Lobby of The Chelsea Bank, Classroom, Inc. simulation


“Colleges and employers are complaining that too many students earn diplomas without learning the skills needed for college or the workplace.” – “Few Gains Are Seen in High School Test,” Robert Tomsho, *Wall Street Journal*, April 29th, 2009

Classroom, Inc. cultivates students' workplace skills—both “hard,” such as analyzing data, and “soft,” such as solving problems collaboratively. We help students stay on track to graduate and leave high school with the foundational and critical thinking skills they'll need to succeed in today's workforce.

Measure of Our Success:

We asked over 2,000 Classroom, Inc. students about the relevance of our programs to their future. Here are their responses:



 Percentage of students who agreed or strongly agreed

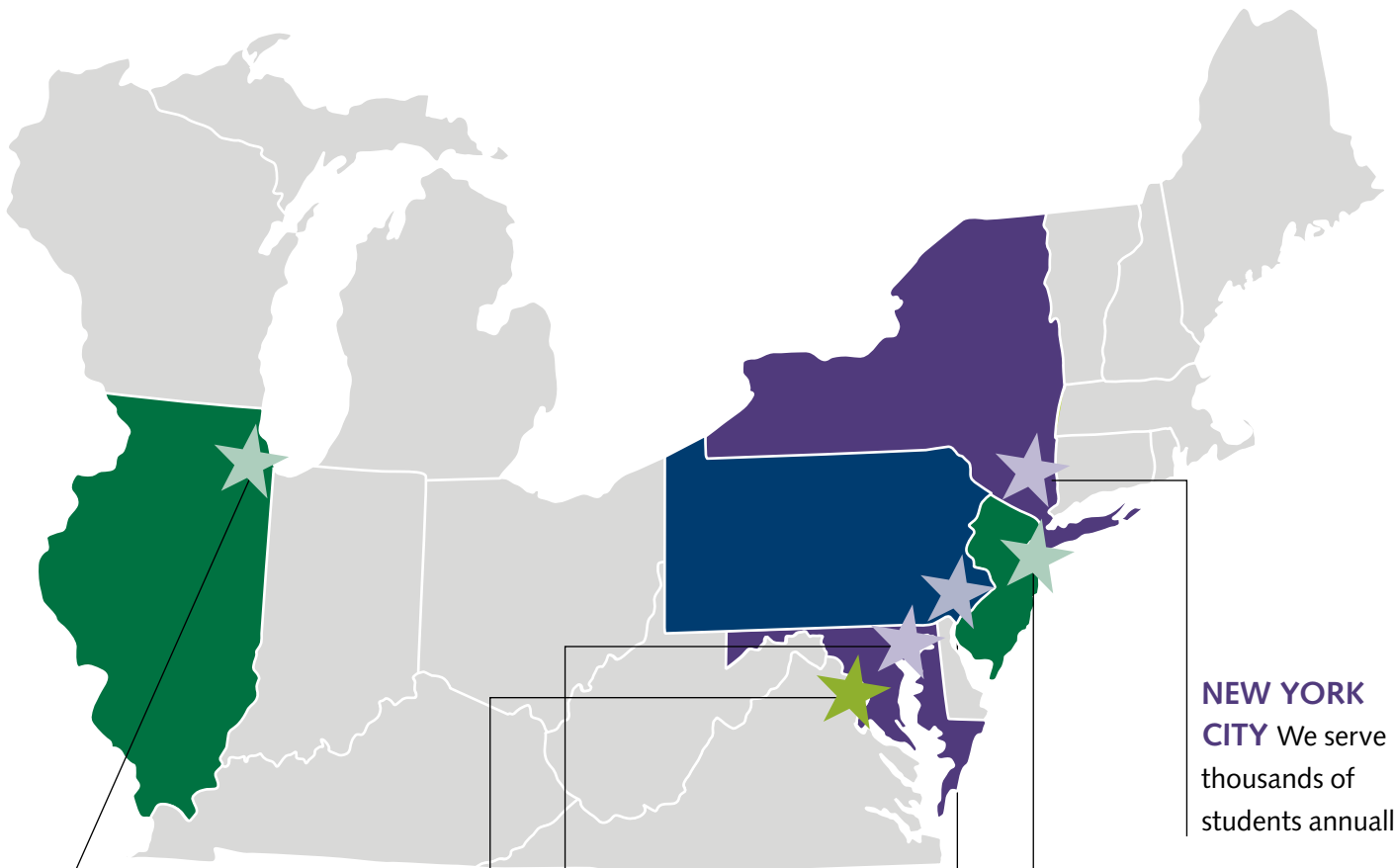
Improving Student Outcomes Across the Nation

Over the past year, Classroom, Inc. began work or expanded significantly in four key urban centers—Newark, Chicago, Baltimore, and Philadelphia—while maintaining a strong presence in New York City. In summer 2009, we were enthusiastically welcomed in all these cities.

Here are some highlights of Classroom, Inc.'s work with schools across the nation:

- ★ **NEW YORK CITY** Every year we train hundreds of teachers in over 100 NYC schools. They in turn provide academic support to thousands of at-risk NYC students.
- ★ **NEWARK** For the second year in a row, the Newark, NJ school system used Classroom, Inc. for its middle school summer program. This year they also relied on our program to help prepare incoming ninth graders for high school. In all, Classroom, Inc. has helped over 3,000 Newark students enhance their literacy and math skills.
- ★ **PHILADELPHIA** This summer, high schools across the city used Classroom, Inc. in a program to help incoming 10th graders improve their academic skills.
- ★ **WASHINGTON, D.C.** Since 2007, Classroom, Inc. has been an ongoing presence in the Washington, D.C. school system, serving over 1,500 middle and high school students.
- ★ **BALTIMORE** In Spring 2009, Classroom, Inc. initiated a pilot program with the Baltimore City Public Schools. As a result of the program's success, our curriculum was used during Summer 2009, as well as in several middle school enrichment programs.
- ★ **CHICAGO** As they did last year, in 2009 the Chicago Public Schools used Classroom, Inc. for all fourth–seventh graders in their summer enrichment program, *Keep Kids Learning*. In all, we have served over 3,000 Chicago students. In addition to training Chicago teachers, we also trained 160 *Teach for America* corps members who helped teach the program.

CLASSROOM, INC., 2008-2009



CHICAGO We added 160 Teach for America corps members to the 81 teachers we trained this summer.

BALTIMORE Our successful spring pilot program expanded during the summer.

WASHINGTON, D.C. Since 2007, our program has engaged 1,500 students.

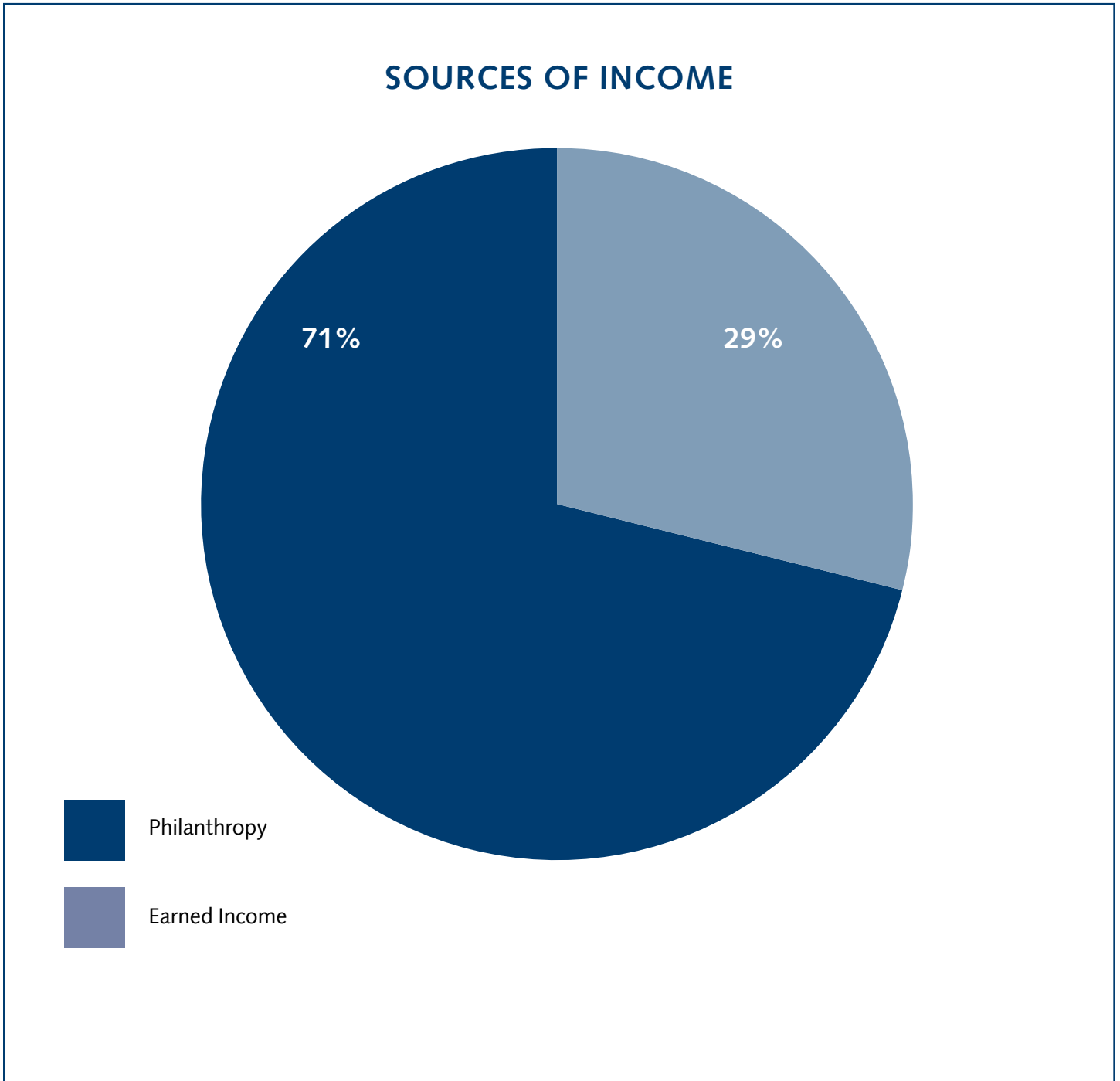
PHILADELPHIA Incoming 10th graders across the city used us this summer.

NEWARK This summer we added incoming ninth graders to the thousands of students we serve.

NEW YORK CITY We serve thousands of students annually.

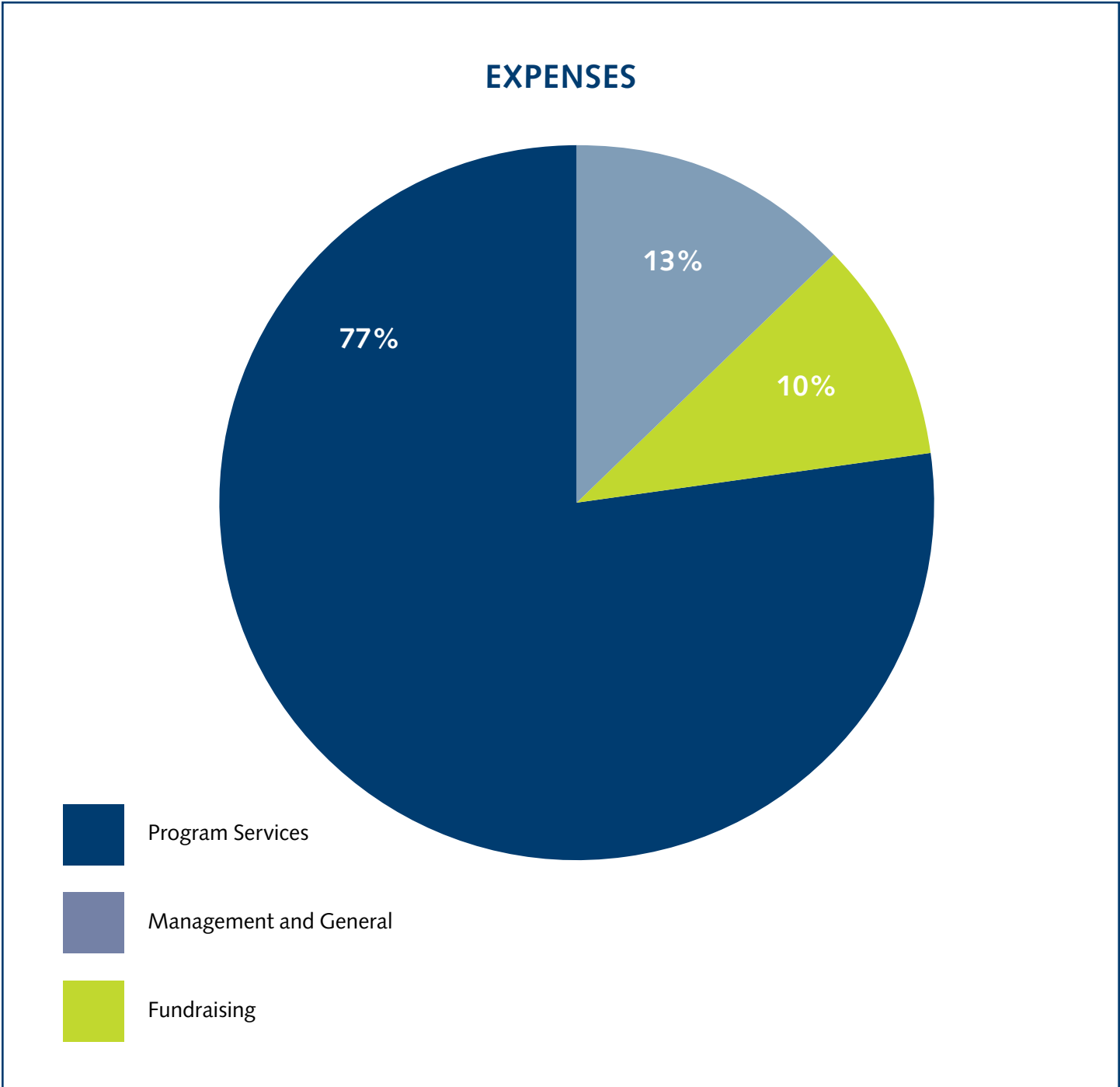
Fiscal Year 2009*

Our earned income strategy, where schools pay a portion of the program costs, continues to make a substantial contribution to our income.



* unaudited

Program Costs represent 77% of our expenses.



To Our Donors

Classroom, Inc. is extremely grateful to you, our donors. We understand that each and every one of you had to make considered choices about giving this year, and we are grateful that Classroom, Inc. was one of those choices. Your gift helps tens of thousands of students each year to improve their academic skills and stay on the path to success. Thank you.

VALEDICTORIAN'S CIRCLE

\$25,000 AND ABOVE

Tsunami Foundation-
Anson and Debra Beard, Jr. and Family
Jill and Lewis Bernard
Steven A. Denning and Roberta D. Bowman
The Carson Family Charitable Trust
Fiona and Stan Druckenmiller
Jeanne Donovan Fisher
Wendy and John Havens
Franklin W. Hobbs
Marc F. McMorris
Mr. and Mrs. Julian H. Robertson, Jr.
Mr. and Mrs. Thomas A. Saunders, III
Mr. and Mrs. John H.T. Wilson

REGENT'S CIRCLE

\$10,000 AND ABOVE

Anonymous
Herbert C. Bernard
Lisa and Dick Cashin
Mr. Richard Gilder, Trustee, Gilder Foundation
Mr. Glenn H. Greenberg
Philip and Madeline Lacovara
Christine LaSala and Ellen J. Lipschitz
Margaret E. Mahoney
Mary Meeker
Allison and Roberto Mignone
John and Cynthia Reed
Betsy and Sam Reeves
The Richard Salomon Family Foundation
A.J.C. Smith
The Aaron and Betty Lee Stern Foundation
Nicki and Harold Tanner
Thomas C. Theobald
Jay and Toshiko Tompkins
Carl and Joyce Turnipseed
Mrs. William M. Weaver
Migs Woodside

CHANCELLOR'S CIRCLE

\$5,000-\$9,999

Scott and Roxanne Bok
Richard and Susan Braddock
Centennial Energy Partners
E. Gerald Corrigan—
The Challenger Foundation
Mr. Kenneth M. deRegt
Robert and Margaret Gartland
Golden Family Foundation
Susan and Roger Hertog
The David S. Howe Foundation
The Hultquist Foundation
Denis and Carol Kelleher
Paul and Kathleen Kimball
Knight Capital Group, Inc.
Sheila C. Labrecque
Martin L. Leibowitz
George S. Loening
Maverick Capital Charities
The McClean Family Foundation
Mr. and Mrs. Manfred D. Moross
Mr. and Mrs. Nicholas B. Paumgarten
The Sire Foundation
Margaret and Amor Towles
John C. Whitehead
The Zankel Fund

PRINCIPAL'S CIRCLE

\$2,500-4,999

Richard S. Aldrich, Jr.
Anonymous
Thomas C. Barry
Judith L. Biggs
Mac and Ellen Caputo
Centennial Energy Partners
Mr. and Mrs. John T. Lykourazos
Gerard P. Lynch Family Foundation
Kate and Bob Niehaus
The Pumpkin Foundation—Joe and Carol Reich
The Ripplewood Foundation, Inc.
on behalf of D. Ronald Daniel
The Schwartz Family Foundation

MENTOR'S CIRCLE

\$1,000-\$2,499

Acacia Capital Corporation
Simin and Herb Allison
Anonymous (2)
Mr. John C. Baker
Thomas C. Barry
Richard Beattie
Liz and Rod Berens
John and Penelope Biggs
Dale and Robert Burch
Mr. and Mrs. James Burke
Don and Lisa Callahan
Dr. Jane Canner and Mr. Kevin O' Mealy
Mr. and Mrs. Peter O. Crisp
D. Ronald Daniel and Lise Scott
Geoffrey Dann and Lauri Novick
Hal Davidson and Sally Peters
Mr. and Mrs. J. Hugh Devlin–
 The Navesink Foundation
Mr. and Mrs. Robert S. Dow
Cheryl and Blair Effron
Alec Ellison
Robert E. Fink
Ivan K. Freeman
Mr. Bart Friedman
Ellen V. Futter
Mrs. Bruce Gelb
Mr. and Mrs. Robert B. Goergen–
 The Goergen Foundation
Mr. and Mrs. Peter H. Havens
Linda J. Hickox
William and Sharon Higgins
Mr. and Mrs. Robert A. Jeffe
Kim and Jon Jodka

George A. Kellner
Mr. and Mrs. William J. Kneisel
James R. Knickman
Robert and Alison Leupold
Mr. and Mrs. Robert D. Lindsay
Mr. and Mrs. Lloyd N. Morrisett
David W. Niemiec
Mr. Drew Pearson
Mr. and Mrs. Joe Perella
Jane H. Poole
Ruth Porat & Anthony Paduano
Mr. and Mrs. Thomas Robards
Sabin and Beverley Streeter
Mr. and Mrs. F. Davis Terry
The Warner Family Foundation

SUPPORTERS

Anonymous (4)
Simon Canning
Mr. Ramon C. Cortines
Thomas E. Engel
Mr. and Mrs. Lawrence Geneen
Antonia M. Grumbach
Gaines Gwathmey, III
Mr. and Mrs. John E. Hawkins
Landon Hilliard
JTK Foundation - Jayne T. Keith
Helene and Mark Kaplan
Tom and Sally Neff
Tyler Rigg Foundation
Alex and Mary Ross
Michael B. Stubbs
Mrs. Elizabeth B. Weaver
Andrew Wylie
Mr. Gary Zarr

Foundations and Corporations

Classroom, Inc. is grateful to the foundations and corporations who allocate their resources to help us serve at-risk middle and high school students.

Thank you for your confidence in our work. Just as we rely on you for your support, you can rely on us to use your funding wisely and effectively to help students gain the academic skills and self-assurance they need to stay on track towards graduation.

Acacia Capital Corporation
The Altman Foundation
Anonymous (3)
The Bay and Paul Foundations
Bloomberg
Booth Ferris Foundation
The Louis Calder Foundation
The Carson Family Charitable Trust
The Charina Endowment Fund, Inc.
Centennial Energy Partners, L.P.
Citi Foundation
The Clark Foundation
Consolidated Edison Company of New York, Inc.
Davis Polk & Wardwell*
Flushing Savings Bank
The Marc Haas Foundation
Gladys and Roland Harriman Foundation
The Hyde and Watson Foundation
The JPMorgan Chase Foundation
Knight Capital Group, Inc.
The Lauder Foundation
Lone Pine Foundation, Inc.
Maverick Capital Charities
Morgan Stanley*
The Morgan Stanley Foundation
Stavros S. Niarchos Foundation
Henry E. Niles Foundation
Robin Hood Foundation
The Richard Salomon Family Foundation
Select Equity Group, Inc.
The Staten Island Foundation
The Starr Foundation
Tiger Foundation

Thank you!

We are honored to acknowledge the **Robin Hood Foundation**, which has provided a grant to support our efforts to continue and expand literacy initiatives in the coming year.

The **Louis Calder Foundation, Flushing Savings Bank, The Lauder Foundation** and **The Staten Island Foundation** have also provided generous funding for Classroom, Inc.'s literacy program.

We want to express our appreciation to the **Stavros S. Niarchos Foundation** for making a two-year grant to fund Classroom, Inc.'s high school project.

We acknowledge with thanks the **Henry E. Niles Foundation** for their generous funding towards our high school project.

We are grateful for funding received from **Citi Foundation** for Classroom, Inc.'s financial literacy project.

We also want to thank **The Bay and Paul Foundations** for its grant toward the financial literacy curriculum.

We deeply appreciate the support of **The Altman Foundation** to expand our work in New York City Archdiocesan schools.

We are grateful for the generous capacity-building grant from the **Booth Ferris Foundation**, which has enabled Classroom, Inc. to enhance its implementation programs.

We gratefully acknowledge the **Gladys and Roland Harriman Foundation** for its multi-year grant that enabled us to complete curricular materials for eight of our computer simulations.

We also want to thank **Consolidated Edison Company of New York, Inc.** for its support of new curricular materials for Classroom, Inc.'s *The Green Mountain Paper Company* program.

We are grateful to the **JPMorgan Chase Foundation** for funding our ongoing curriculum development.

We appreciate **The Hyde and Watson Foundation** grant toward our capital improvements.

We want to thank **The Carson Family Charitable Trust** for its multi-year gift in support of our general operations.

We also acknowledge with gratitude support from **Bloomberg, The Clark Foundation, The Charina Endowment Fund, The Lone Pine Foundation, The Marc Haas Foundation, The Morgan Stanley Foundation, The Richard Salomon Family Foundation, The Starr Foundation** and the **Tiger Foundation** for our general operations.

Classroom, Inc. Board of Directors

Lewis W. Bernard, Chairman
Jane Canner, President
John P. Havens, Treasurer
Franklin W. Hobbs
Madeline E. Lacovara, Secretary
Christine LaSala

Marc F. McMorris
Mary Meeker
Nick Rudenstine, Ex-Officio
Carl W. Turnipseed
Gary Zarr

Honorary Directors

W. Michael Brown
Governor Gaston Caperton
Ramon C. Cortines
Margaret E. Mahoney
Lloyd N. Morrisett
Josephine T. Robertson
Harold Tanner
John H. T. Wilson

Classroom, Inc. Council for Learning

Nick Rudenstine, Chair
Adam H. Clammer
Betsy Morgan
Nicolas D. Zerbib

Classroom, Inc., Council


Josephine T. Robertson, Chair
Marian S. Bott
Lueza Gelb
Linda Hickox
Ruth Houghton
Sheila Labrecque
Patricia Patterson
Jane H. Poole
Marguerite H. Purnell
Julia Ireland Randall
Rosemary Weaver
Caroline Williamson

This year we welcome a new group of supporters to Classroom, Inc., the Classroom, Inc. Council for Learning. The Council is a dedicated group of advocates for learning who are committed to equal-opportunity education. They support the Classroom, Inc. Institute, a program that provides low-achieving students with an intense week of study at Classroom, Inc., along with year-round follow-up activities. We look forward to working with this group of supporters to expand the Institute's reach.

Thank you, Josie Robertson and Governor Caperton.

Josephine T. Robertson retired from the Board this year after almost 10 years as a dedicated Director. Josie has been a passionate advocate for the children we serve, a generous colleague, and Chair of the Women's Council. We are grateful, and we thank her for her service on behalf of the many students that she has helped guide towards a better future. We are very pleased that Josie continues as an Honorary Director and remains closely involved in our activities.

Governor Gaston Caperton, who has also been a Director for almost 10 years, retired this year as a Board member from Classroom, Inc. and continues as an Honorary Director. As a former two-term governor of West Virginia and the eighth president of the College Board, he has helped bring Classroom, Inc.'s program to West Virginia schools sorely in need of enriching educational opportunities. With his extensive knowledge of the issues facing disadvantaged students, he has been a force for change and innovation. We thank him for his distinguished service and commitment to education and to Classroom, Inc.



Emily, incoming 9th grader,
Classroom, Inc. Institute

Changing lives
is a group effort.
Thank you!

See what you've already achieved—and what more can be done: www.classroominc.org