

University Settlement 2008 Annual Report





message from the chairman of the board



As a husband and a parent, I know that raising a family is hard. From balancing the care of children with the demands of work, to worrying about the needs of aging parents, it can sometimes seem like there are not enough hours in the week or available solutions for the problems that arise.

The routine stresses and strains of family life are exponentially magnified for low-income and immigrant families facing language barriers, employment limitations, housing uncertainties, educational deficits and other obstacles that can stand in their way. I am always inspired by the tenacity and determination of the families I meet at University Settlement to confront these challenges and look to the future.

That is why I am so proud to be a part of the important work that University Settlement does every day as a trusted resource for families who may have needs like our own, but fewer options. Quality childcare. Safe and enriching after-school programs. A healthcare focus on wellness. Continuing education opportunities for adults. These basics, so easily taken for granted, are out of reach for working-class families trying to gain a foothold on economic security and grasp educational opportunity for their children. But helping families attain these goals is critical to the long-term health of our community.


Under the leadership of Executive Director Michael Zisser, University Settlement has set a standard for excellence with programs that address these urgent needs while achieving bottom-line efficiencies that wring maximum impact out of every dollar invested. The Settlement's reputation for both superior programmatic quality and rigorous operational management underlies the expansion of its programs into under-resourced communities in East Harlem and Brooklyn that lack a well-established infrastructure of social services.

This geographic expansion, as well as growth of core programs like our adult literacy classes, has driven a significant increase in our revenues. Total revenues, which were \$15.4 million at the end of fiscal '07, are expected to exceed \$19 million in the current fiscal year. This projected increase of 25% may be subject to some external budget reductions this spring, but the judicious fiscal course that guides our management will help to maintain the stability of our balance sheet. In December 2007, the sale of the Settlement's summer camp property in upstate New York relieved us of a heavy operational burden and realized a net gain of \$1.14 million. The Settlement has also launched a \$5 million endowment campaign that will secure our long-term ability to invest in pilot programmatic initiatives that can be pathfinders for the future. With \$2 million already committed to the Fund for Innovation, we are determined to grow this endowment in the years ahead.

In this time of economic dislocation, University Settlement's fiscal prudence, the strength of its experience, and its farsighted capacity to develop innovative new solutions can help to sustain the web of support that low-income families need to succeed.

A handwritten signature in black ink, appearing to read "Alan Winters". The signature is fluid and cursive.

Alan P. Winters



message from the executive director



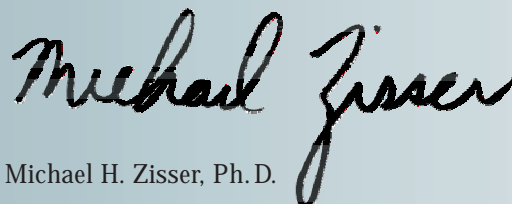
University Settlement has always recognized the central importance of family in tackling the challenges that often face low-income and immigrant communities. We believe that systemic poverty can not be overcome by focusing on one family member alone, because the needs of a family are too interconnected. At University Settlement, we approach families as a whole, and provide a diverse array of programs that target the needs of each generation.

This programmatic diversity is one of the great strengths of University Settlement. It is why thousands of families look to University Settlement for an early childhood program for their youngest child and an after-school program for their oldest. They find literacy classes that can help them achieve the language competency for better employment and senior activities to ease the isolation of a grandparent. In times of crisis, families can turn to a trusted case worker at University Settlement for help with a troubled teen or assistance with the overwhelming bureaucracy of housing court if they face eviction.

University Settlement is expert at meeting these core needs and finding operating efficiencies that enable us to enrich programs, deliver increased service, and invest in programming initiatives that tackle emerging issues. Our operational structure enables us to spread our lean administrative costs across a broad base of program budgets. In difficult economic times like these, our institutional strength is a vital asset in preserving programs that are critical to our community and the high caliber of our resourceful professional staff ensures that these programs will always meet the highest standards.

Since University Settlement was established in this community almost 125 years ago, the first settlement in America, our mission has been to help families make their way to a better life. It is a legacy that we honor, and a challenge that remains undiminished. In the past decade, while pockets of the Lower East Side have become gentrified, more than 30% of the population in our community district lives far below the federal poverty level. Because of the high-concentration of public housing that is part of this neighborhood's infrastructure, the Lower East Side remains a haven for low-income families and a first stop on the path of tens of thousands of immigrants. Hard working, they live life at the economic margins while they struggle to root their family tree here in America.

In our 2008 annual report, University Settlement celebrates each generation of the families that we have come to know and the investment they make each day in reaching their American dream.



Michael H. Zisser, Ph.D.



the seeds of a family tree are well planted here

Freddy and Edwin are the youngest of Sue's four children. A friend in Chinatown first told Sue about the bi-lingual teachers at University Settlement's Early Childhood Center, and all her children have attended.

Sue drops the boys off each morning before she goes to the bakery where she works until the evening hours.

Their grandmother picks them up to bring them home.

Like their older siblings, who are now in public school, Freddy and Edwin are learning English at University Settlement to prepare them for elementary school.

Sue knows some English, but not enough to communicate with a teacher about the educational and developmental progress of her sons.

"Teachers who speak Chinese, that is a big help," Sue says.



Early childhood education is a critical step on the ladder out of poverty for immigrant and low-income families, and it has been a priority at University Settlement since it pioneered kindergarten programs in the 19th century. University Settlement remains an innovator in the field of early childhood education in this century, a laboratory for curriculum development and program implementation.

For children under three, University Settlement offers an Early Head Start program, recently designated a national "program of excellence." The program enriched its operational model this year to incorporate parent/child sessions along with classroom-centered learning and home visits. This hands-on, personalized attention supports at-risk and immigrant parents as they cope with the challenges of parenting in a new cultural framework.

A program for three- and four-year-old pre-schoolers ensures a seamless transition for children as they get a little older. Called the Early Childhood Center, it is distinguished by a multi-cultural staff that reflects the ethnic and cultural diversity of the families who live in the community. A new curriculum for math, reading and writing introduced this year incorporates the most current educational research and gives children a strong foundation for elementary school.

For decades, University Settlement has been awarded both Head Start and Child Care grants to care for children. While Head Start focuses on educational outcomes, the grant does not support sufficient classroom hours to mirror a full work day for parents. Child care funding supports all day care so low-income parents can go to work, but does not mandate the extensive educational content that Head Start requires. Each government program has distinct income-eligibility requirements for parents.

Employing the business acumen that it is known for, University Settlement succeeded in overcoming challenging management obstacles to effectively blend these two funding streams into one high-quality integrated program. As a result, the Early Childhood Center offers low-income parents all day childcare with a strong educational component. University Settlement's approach has become a best practice in the city, emulated by other program providers to raise the level of pre-school programs while making best use of available government funding.

As an organization University Settlement is a pathfinder, willing to take managerial risks to redefine how services are delivered in the city. It continues to work with colleagues in government and leading foundations to pilot strategies for early childhood education that increase operational efficiency and invest in the future of children like Freddy and Edwin.



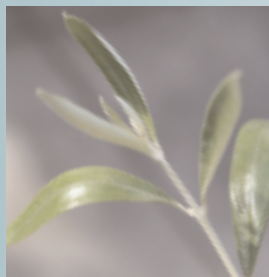
youth grow strong with support to aim high

Joel

was born here on the Lower East Side where his mom Carmen grew up. She has always known University Settlement and enrolled Joel for pre-school in the Early Childhood Program. He transitioned into the Settlement's after-school program when he started kindergarten.

The family moved uptown last year, but Joel takes the subway downtown with his dad to finish elementary school at P.S. 20, and then goes to the after-school program he has attended now for six years.

Carmen is studying for a degree in criminal justice and wants to be a cop. Having Joel in the after-school program gives her the time she needs to focus on her own education. "Joel finishes most of his homework at University Settlement's after-school program so when he gets home, he usually only has one assignment left," says Carmen. "That gives us some family time in the evening."



Filling the after school hours from 3:00 to 6:00 with enriching recreational and educational activities that will help their children grow is often a critical problem for working parents. University Settlement has long been actively engaged in meeting this challenge, and its reputation as a model provider of after-school programs on the Lower East Side is well established with funding agencies.

In neighborhoods without a sufficient infrastructure of social service organizations, it can be difficult for funding agencies to find capable partners to manage programs. This year, University Settlement made a strategic decision to share its institutional strength by exporting its programmatic experience to high-need communities beyond the boundaries of the Lower East Side.

University Settlement opened its first site in Brooklyn in January at P.S. 133, serving a largely Latino and African American community where 75.3% of the children are from families below the poverty line. To launch the program, the Settlement transferred a staff person from the Lower East Side to tackle gearing up a new program in an underserved community. The human capital of its highly-trained staff is one of University Settlement's most valuable assets. The program took root quickly, and it is now serving approximately 130 elementary school children each day, providing homework help, art projects, sports activities, and a nutritious supper before the children head home in the evening.

Word quickly spread last spring among school principals in Brooklyn about the excellence of the new after-school program. Within months University Settlement was engaged to start a second program in Brooklyn at a new elementary school opening in a very high-risk section of Bedford Stuyvesant where 25% of the children live in shelters. Here University Settlement is working with The After School Corporation (TASC) to pilot a new initiative called Extended Learning Time, which emphasizes a strong, collaborative partnership between the school principal and the site director of the after-school program to integrate school day and after school activities. By year end, University Settlement committed to expand into two additional Brooklyn schools, P.S. 130 in Kensington and P.S. 219 in East Flatbush, which will launch in January 2009 and serve 240 more children.

The lessons learned in Brooklyn will soon benefit the after-school programs back in the Lower East Side as experience gained in these new communities nourishes University Settlement's programmatic growth.



from the strength of parents, children can branch out

Valerie

was homeless and unemployed when she turned to University Settlement's Project Home for assistance almost ten years ago. She knew she needed some help to be the kind of parent she wanted to be.

Project Home helped Valerie with the difficult transition from a shelter to affordable housing and put her on the path to education and employment. Her case manager directed her into an eight-month PACE college program and an internship.

Providing ongoing support and guidance through the years, Project Home helped Valerie land a job she loves, teaching at an after-school program for teens.

Valerie's daughters Zhane and ShaQuasia look up to their mom, and she keeps an eye on them. "Teenagers need direction and boundaries to grow up right," she says. With a steady salary, and the security of medical benefits, now Valerie can support her family with confidence and give her daughters the guidance they need.



When poverty is the core issue, a family can face difficulties that rapidly cascade. Even when help is available from various government agencies, it can be hard to navigate a complex system to find and qualify for these programs. As the crisis builds to overwhelming, families need a place to start to get on the right track. On the Lower East Side, University

Settlement is that place, a trusted resource that helps families coping with multiple problems. Because University Settlement understands that poverty-driven problems are interconnected, it offers programs for families that systematically address housing, mental health, childcare, literacy and educational issues that may be standing in their way.

A stable home is at the heart of family security, and University Settlement's Project Home tackles the threat of homelessness head on. Rising pressure on the real estate market has led to tenant abuses and evictions that are often unwarranted, but low-income families can seldom afford the same kind of legal representation that landlords retain. Project Home provides sustained hands-on case management to help low-income and immigrant tenants understand their rights, comply with the law, and present their case in housing court. Over the last five years, Project Home's housing advocates have successfully resolved 99% of their cases in housing court and this year, Project Home was honored by Legal Services of NY with their community service award.

At Project Home, adults like Valerie find a case worker who will stick with them and guide them through the thicket of problems they face. One Project Home client with mental health issues and a very low literacy level faced eviction after his mother's death. A Project Home caseworker helped him with pressing legal issues, guided him in applying for disability benefits, and referred him for ongoing counseling at University Settlement's free mental health clinic. Recently, a young Chinese mother who was struggling with domestic violence came to the Project Home office. In addition to counseling for this dangerous situation, Project Home helped her manage an appearance at housing court prompted by the family strife and facilitated enrolling her son in the Settlement's Early Childhood Center, giving her some time during the day to get her life in order.

It's a myth that gentrification has eliminated high-risk homelessness on the Lower East Side, where more than 30% of families still live at or below the poverty line. This year Project Home's budget increased over 150% to help the growing number of families that need experienced guidance to get past crisis and move forward constructively.



healthy and vital in the autumn of life

Olga

raised her children in this neighborhood and her grandchildren, too. She came from Puerto Rico to the Lower East Side decades ago and is deeply rooted in the neighborhood. She is the heart of her family, and the next generation gathers round her kitchen to eat her special chicken and rice.

A frequent participant at University Settlement's program for older adults on Allen Street, Olga was among the first to add more activity to her lifestyle when the Settlement's new Houston Street Center offered fitness options for seniors.

Although not a swimmer, she ventured into the shallow end of the sparkling pool to take part in senior aqua aerobics classes. Now she has registered for belly dancing. "You have to stay involved and stay active," says Olga. "Make new friends. Learn new things. Don't let life get boring."



The older adult population in New York City is booming. The percent of Manhattan's population over the age of 65 has jumped to more than 26%, and these statistics are projected to rapidly increase in the decade ahead. The Lower East Side and its surrounding neighborhoods are home to thousands of these older adults, many of them living well below the poverty line, socially isolated, and suffering with chronic illness. Responding to these challenging demographics, University Settlement is at the forefront of a movement to create a new model of programming for older adults that promotes wellness and enables the community's aging population to remain vital and engaged members of the community.

The centerpiece of this effort is an initiative called Senior HeART, which University Settlement launched in 2006 at the newly-opened Houston Street Center.

University Settlement's investment in the construction of the Houston Street Center, which it co-owns with the Chinatown Y, was a significant financial commitment. But this investment is providing dividends for hundreds of seniors in the community who are now enjoying the state-of-the-art fitness center and participating in a robust selection of low-cost classes offered there. Celebrating seniors as lifelong learners, Senior HeART offers swimming, dance, cardio fitness, yoga, aqua exercise, arts, and computer skills classes that promote physical and mental wellness.

The Senior HeART program was designed to augment rather than duplicate the services of other neighborhood senior centers, including the Settlement's 30-year-old Senior Center on Allen Street, which is open five days a week from 8:00 in the morning until 5:00 each afternoon. With 500 seniors registered as members, the Allen Street Senior Center offers a variety of social and recreational activities from ballroom dancing to mahjong, organizes field trips to cultural institutions, and serves a nutritious lunch daily to an average of 150 older adults. The Settlement's Older Adults Program also coordinates Meals-On-Wheels for 80 homebound seniors and includes an on-staff escort worker.

University Settlement's programs for older adults recognize that aging can take many different forms, and the needs of the senior population are diverse and changing. While some older adults like Olga spend time at both the Allen Street Senior Center and the Houston Street Center, an estimated 40% of participants in Senior HeART classes have not previously been affiliated with a senior program. University Settlement is committed to defining a new concept in "healthy aging" that meets the needs of this growing segment of the community.

university settlement programs

From its original site at 184 Eldridge Street, University Settlement has expanded across Lower Manhattan and into Harlem and Brooklyn.

1 184 Eldridge Street Headquarters

- Executive Offices
- Butterflies Program
- Consultation Center
- Early Childhood Center
- Early Head Start
- Literacy and Technology Lab
- NYU/US Family Child Care Program
- The Performance Project

2 189 Allen Street Community Center

- Children's Blended Case Management
- Older Adults Program
- Project Home

3 Houston Street Center

A new education and recreation destination for low-income families opened in 2006

- Community Offices and Program Space
- Older Adults: Fitness, Arts and Technology
- Middle School After-School Program

4 The Door

Our subsidiary since 2000, serving adolescents aged 12 - 21

- Adolescent Health Center
- Counseling Services
- Crisis Services
- Education and Career Services
- Legal Services

Other Programs

- A** Beacon Program at East Side Community High School Summer Day Camp
- B** After-School Program at P.S. 63
- C** After-School Program at P.S. 137 Summer Day Camp
- D** Even Start Family Literacy Program at P.S. 4
- E** After-School Program Family Literacy Program Summer Day Camp
- F** Family Day Care Network Home Based Crisis Intervention
- G** Early Intervention Program

University Settlement also operates programs at these locations (not indicated on map)

Talent Search sites

- City-As-School
- The Door
- East Side Community High School
- Health Professions and Human Services High School
- Manhattan Comprehensive Night and Day School
- Murry Bergtraum High School
- Norman Thomas High School
- Seward Park Campus (Lower Manhattan Arts Academy)
- Unity High School
- Washington Irving High School

Programs in Upper Manhattan and Brooklyn

Harlem

- Children's Blended Case Management

East Harlem

- Healthy Families

Brooklyn

- After-School Program at P.S. 636 Young Scholars' Academy for Discovery and Exploration
- After-School Program at P.S. 133
- After-School Program at P.S. 130
- After-School Program at P.S. 219



an overview of university settlement programs

2008: A Year of Growth and Progress

■ Services For Young Children

Early Head Start

The Early Head Start program for children under three is in heavy demand in the community with a waiting list that has risen to 100 families. A new grant enabled the program to increase its capacity by one-third this year, and it is expanding from 75 children to 100. Evaluated as a “program of excellence” during its tri-annual federal funding review, the Early Head Start program has collaborated with the renowned Ackerman Institute for the Family to implement a parent-child program to support social-emotional development and school readiness.

Early Childhood Center

The Early Childhood Center for children aged three to five, serves approximately 150 children in eight classrooms. In the school year ending June 2008, the Center introduced new curriculum programs including Preschool Reading and Writing Workshop, Big Math for Little Kids, and Creative Curriculum. The Center measures student progress and shares this information with parents through portfolio assessment. In conjunction with its new curriculum, the Center embarked on a longitudinal program quality evaluation examining the efficacy on children’s outcomes.

Family Child Care Network

University Settlement’s Family Child Care Network meets a critical need for working families in need of child care while helping local women achieve economic self-sufficiency by supporting them in starting up small child care businesses from their homes. The Network assists these family child care providers in obtaining their license and provides ongoing support to maintain the quality of their child care service. To match families with providers, the Network assists neighborhood parents to qualify for child care eligibility and then refers them to home-based providers with space available. Working through the Network, 65 licensed providers cared for over 200 children between the ages of two months and twelve years old on the Lower East Side. Building on these relationships, families in the program are introduced to additional services at the Settlement that might address other needs facing the family.

Early Intervention Program

Since 2001, University Settlement’s Early Intervention Program has provided culturally sensitive and much-needed services to children under the age of three with developmental delays and disabilities. With a diverse team of over 100 skilled practitioners with the capability to offer services such as speech therapy and physical therapy in eleven languages, the Early Intervention Program serves over 250 children throughout Manhattan and the Bronx. In 2008, enrollment increased by 3% and the program’s scope expanded to include child development evaluation. A new state-of-the-art web-based system is improving communication among team members, streamlining paperwork, and enhancing client privacy.

Butterflies Program

The Butterflies Program is a supportive mental health program designed to help children under age five cope with stress and trauma. Issues such as domestic violence, divorce, homelessness, substance abuse, and family disruption can damage parent/child bonding and impede a child’s ability to develop and learn. In its third year, this innovative program nearly doubled its reach, with seven sites now providing direct services to 550 children and approximately 575 adults. The Butterflies Program offers free individual, dyadic, and group art therapy, play therapy, and yoga in English, Spanish, Cantonese, and Mandarin. A variety of workshops for parents, educators, and community members extend the impact of the program by addressing such topics as attachment and bonding, how to play together, positive discipline, stress management, and the impact of trauma in the classroom.

■ Houston Street Center

The Houston Street Center has completed its second full year of operation and is now successfully established as a thriving community gathering place for low-income families. This year, over 1,000 senior citizens enrolled in Senior HeART programs and 200 middle school students enrolled in the STRIDE after-school program, making active use of the community center’s recreational, fitness, and classroom facilities. More than 300 organizations offered a wide array of programming, from English lessons to staff training, in the Center’s classroom and other spaces. The indoor swimming pool, the only one currently accessible in the neighborhood, quickly emerged as a popular destination. The Settlement’s Early Childhood Center nearby at 184 Eldridge Street integrated swimming classes into its curriculum and an additional 160 children from low-income families registered for low-cost swim lessons. Water aerobics classes for senior citizens, community swim hours for families, and swim sessions for summer day campers kept the pool filled throughout the week. Available to low-income individuals at minimal cost, the state-of-the-art cardio fitness center is enhancing wellness in the neighborhood. The Houston Street Center was built and is operated through an innovative partnership between University Settlement and the Chinatown Y.



■ The Door

A Settlement subsidiary since 2000, The Door is a multi-service youth development agency providing a full range of integrated services, including confidential health care, education and career development, legal assistance, and counseling and arts programming, free of charge to youth between the ages of 12 and 21. This year more than 11,000 young people from all five boroughs of New York City benefited from these services, particularly through the expansion of The Door's highly effective academic and career support programs for out-of-school youth. For more information on The Door, visit www.door.org.



■ Talent Search College Guidance

Based at The Door, University Settlement's Talent Search Program guides low-income students who are in high school or working on a GED through the college application process and helps them to understand that college can be accessible and affordable. Working with youth aged 16 to 21, Talent Search assists students in overcoming educational, economic, and other obstacles in the way of pursuing a post-secondary education. The first generation in their family to attend college, these young people are from schools that are over-crowded, understaffed, and lacking proper and effective educational opportunities. Talent Search works with approximately 1,000 students each year and achieves college placement rates of 70%.

Healthy Families

University Settlement's Healthy Families program was launched in September 2007 and serves 80 families in East Harlem and parts of the Lower East Side. Based on a national model, Healthy Families fosters strong relationships between parents and their young children, and supports a healthy focus on child development in the family. The program features individual home visits that begin during pregnancy and continue until the young child enters school. Group activities, such as infant massage, prenatal and parent-child yoga, have been added to the home-based foundation, enriching the program and working to build a supportive community of parents in the historically under-resourced neighborhoods that Healthy Families serves.

■ Services For Youth

After-School Programs including STRIDE

University Settlement's after-school programs significantly expanded this year, building on the foundation of three well-established programs on the Lower East Side that serve children from kindergarten through fifth grade. Two new programs were started in underserved neighborhoods of Brooklyn and an additional two programs are set to begin in that borough. In session on weekday afternoons until 6 pm and all day during school holidays and the summer, the after-school program addresses the needs of the whole child by fostering social, emotional, physical, moral, cognitive, and educational development through creative, project-based learning. Program staff was cited for excellence this year by PASE and The After-School Corporation (TASC). In 2007, the Settlement also initiated the STRIDE after-school program at the Houston Street Center. Specifically designed to meet the developmental needs of middle-school youth, the STRIDE program uses the community center's gym and pool for team sports activities that complement the academic support services.

Beacon Program

University Settlement's year-round Beacon Program at East Side Community High School served over 1,200 community members of all ages this year, primarily young people, with an emphasis on increased engagement of middle school youth. The after-school, weekend, and summer programs offer a range of quality activities for youth in five core areas: academic enhancement; career awareness/school work transition; life skills; community building; and recreation. This year the program significantly expanded leadership opportunities to engage high-risk youth by partnering with TASC and creating 62 slots for the "City Connection Interns" and "Scholars in Training" programs. Recognized for the high caliber of its program, University Settlement's Beacon Program was selected as a Leadership Site by the Youth Development Institute.

Children's Blended Case Management

This program provides intensive and supportive case management services to emotionally challenged children and youth between the ages of five and twenty-one to prevent emergency room visits, psychiatric hospitalizations, and placement in residential treatment facilities. The Children's Blended Case Management program serves children throughout Manhattan and maintains convenient offices in Harlem as well as the Lower East Side. Through home visits, families are provided with ongoing assistance and advocacy in order to access mental health, education, and income support programs that are essential to meeting their child's needs. A full range of recreation and socialization activities are also provided. Offering services in English, Spanish, Cantonese, and Mandarin, the program is distinguished by its capacity to work with mentally ill children who have been victims of sexual abuse.

Home Based Crisis Intervention

The Home Based Crisis Intervention (HBCI) program provides intensive in-home case management services for emotionally disturbed youth and their families. Professionally trained case managers intervene when a child or adolescent is at imminent risk of hospitalization or removal from their home due to a psychiatric crisis. Working with a family for a period of six to eight weeks, the case managers stabilize the immediate crisis and set up long-term support services to manage the child's mental health needs and help keep the family together. This year, the HBCI program served 49 children and adolescents and was able to help avert psychiatric hospitalization or out-of-home placement over 91% of the time.

■ Services For Adults

Victory Guild Psychiatric Consultation Center

For over 60 years, the Consultation Center at University Settlement, an Article 31 outpatient mental health clinic under the auspices of the New York State Office of Mental Health, has been serving the Lower East Side community in addition to other boroughs. The multicultural and multilingual professional staff at the Consultation Center currently provides services to over 200 children and adults and has the unique ability to meet the needs of the diverse immigrant population of the Lower East Side. The clinic provides individual, family, couple, and group therapy modalities. In addition, there are two Board Certified Psychiatrists specializing in the treatment of both adults and children. These psychiatrists conduct psychiatric evaluations and monitor medications if needed. Vigilant about responding to community needs, the Consultation Center has expanded clinic hours and networked with neighborhood referral sources. In collaboration with the Butterflies program, the Consultation Center has increased its services to children under five and their families.

Adult Literacy

University Settlement's Adult Literacy Program provides ESOL classes to immigrant adults from across NYC. This highly-regarded program has seen marked growth this year, with new contracts that significantly expanded the program to provide classes for 430 students for the academic year 2008-09, as well as expanded night classes and, for the first time, ESOL and civics classes on weekends. This unusually sustained and rich literacy program includes a 10-month course of study from September through June, supported with computer aided instruction using state-of-the-art wireless access notebook computers and sophisticated web-based speech recognition software from IBM. An advanced creative writing course taught by the head of NYU's Gallatin Writing Program, a novels class, a movie class, and other courses enable students to build their proficiency with English. Students who have young children are encouraged to participate in the Settlement's Even Start Family Literacy partnership with P.S. 42, which provides ESOL classes in conjunction with parenting workshops, parent-child interactive activities, and home visits.

Project Home

During 2008, Project Home provided long-term case management to an average of 250 low-income, immigrant households facing eviction as well as short-term housing assistance and tenant rights education to another 400 households. In addition, the program provided community based domestic violence education to over 200 community residents. Over the last five years, Project Home's housing advocates have successfully resolved 99% of their cases in housing court and 95% of the short-term cases. This year, Project Home was honored by Legal Services of NY with their community service award. In addition to direct service, Project Home works in coalition with other not-for-profits to address issues faced by low-income clients including city and state housing policy, raising the welfare grant, community violence, landlord harassment, and language access. Last year, Project Home encouraged the participation of over 100 community residents to become more involved in policy that shapes their lives.

Older Adults

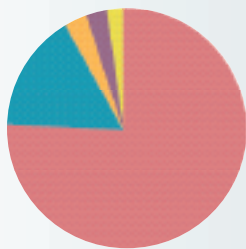
University Settlement's Senior Center has been serving a diverse population of older adults for over 35 years, providing a nutritious lunch and recreational and social service activities. The program has grown steadily, with over 75 new members this year, attracted in part by a new Latino Club and Men's Club. Fine art activities on site, as well as field trips, have expanded this year through relationships with the New Museum and the Whitney Museum. The center is currently adding a health and wellness model with walking clubs and blood pressure screenings already in place and coordinating with the Senior HeART program at the Houston Street Center, which is attracting a growing number of older adults in the community.

■ The Performance Project @ University Settlement

University Settlement recently initiated a new, comprehensive and holistic arts program encompassing public performances, community outreach, arts education, and youth development. The heart of the arts program is The Performance Project @ University Settlement, a series of public performances now in its second year, which seeks to provide innovative artists and diverse audiences with a range of opportunities to connect and enrich their lives. Artists who are presented at The Performance Project are integrated as teaching artists throughout the Settlement's many programs, via family workshops and residencies. In this way, the program nurtures a singular and invaluable set of relationships among artists, Settlement participants and staff, cultural consumers, and the "new neighbors" within the rapidly gentrifying Lower East Side neighborhood. Performances are held in Speyer Hall at University Settlement's historic home at 184 Eldridge Street. In its pilot year, The Performance Project presented 24 diverse and low-cost cultural events to a total audience of 1,200, attracting hundreds of new community residents to the Settlement.

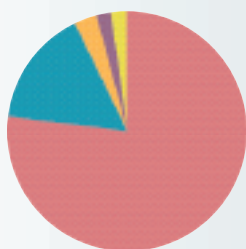


2008
Funding Sources
(Net of One-Time Revenues)



- 76% Government Grants and Contracts
- 16% Private Support: Individuals, Corporations and Foundations
- 3% Management Fees
- 3% Miscellaneous Income
- 2% Program Fees

2007
Funding Sources



- 77% Government Grants and Contracts
- 16% Private Support: Individuals, Corporations and Foundations
- 3% Management Fees
- 2% Miscellaneous Income
- 2% Program Fees

2008 balance sheet

■ Years ended June 30,

ASSETS	2008	2007
Cash and cash equivalents	\$ 638,351	\$ 1,200,546
Investments, at fair value	2,997,046	1,525,917
Government grants and contracts receivable	2,193,826	1,547,925
Pledges receivable, net	856,027	1,074,500
Prepaid and other assets	128,059	67,062
Land, buildings and equipment*	1,917,592	2,109,848
Total Assets	\$ 8,730,901	\$ 7,525,798

LIABILITIES AND NET ASSETS

LIABILITIES

Advances under government grants	\$ 775,891	\$ 1,157,381
Accrued vacation	297,774	264,571
Accounts payable and accrued expenses	767,459	587,526
Notes payable	64,786	86,408
Amounts held on behalf of others	59,654	42,569
Total Liabilities	\$ 1,965,564	\$ 2,138,455

NET ASSETS

Unrestricted		
Undesignated for general use	\$ 427,692	\$ 302,916
Board designated**	1,244,508	—
Net investment in fixed assets	1,917,592	2,109,848
Temporarily restricted	1,058,828	1,115,736
Permanently restricted	2,116,717	1,858,843
Total Net Assets	\$ 6,765,337	\$ 5,387,343
Total Liabilities and Net Assets	\$ 8,730,901	\$ 7,525,798

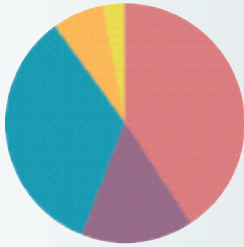
* Amount shown is net of depreciation; land and buildings owned by University Settlement consist of approximately 40,000 square foot building at 184 Eldridge Street in New York, NY, which is insured for \$8.5 million dollars.

During the year ended June 30, 2008, University Settlement sold its 82-acre program site in Beacon, NY.

** Substantially all of the increase in board designated funds for the fiscal year ended June 30, 2008 relates to the realized gain on fixed assets from the sale of the Beacon Campus.

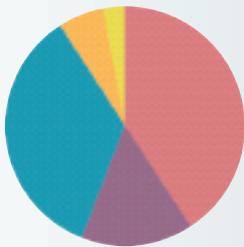
University Settlement's subsidiary, The Door, produces its own Annual Report. For a copy please email info@door.org.

2008 Expenses by Category



- 41% Early Childhood Services
- 34% Family & Counseling Services
- 15% Youth Services
- 7% Management & General
- 3% Fund Raising

2007 Expenses by Category



- 41% Early Childhood Services
- 35% Family & Counseling Services
- 15% Youth Services
- 6% Management & General
- 3% Fund Raising

2008 statement of activities

■ Years ended June 30,

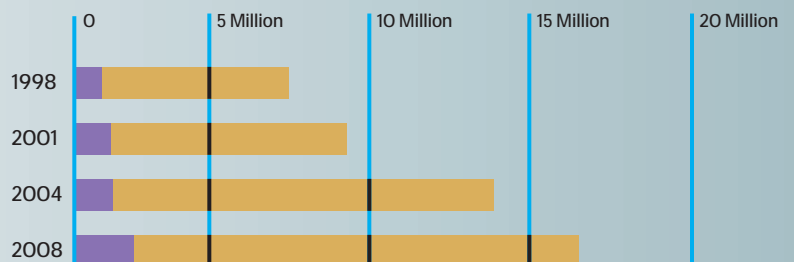
SUPPORT AND REVENUES:	2008	2007
Private support: individual and foundations	\$ 2,659,093	\$ 2,463,568
Government grants and contracts	13,080,989	12,196,776
Program fees	377,057	360,997
Management fees	484,619	428,723
Miscellaneous income	496,255	335,240
Realized gain on fixed assets sale*	1,140,437	—
Total Support and Revenues	\$ 18,238,450	\$ 15,785,304
EXPENSES:		
Program Services		
Early childhood services	\$ 6,904,917	\$ 6,423,024
Youth services	2,527,093	2,332,531
Family and counseling services	5,732,931	5,381,881
Total Program Services	\$ 15,164,941	\$ 14,137,436
Supporting Services		
Management and general	\$ 1,212,173	\$ 956,283
Fund raising	483,342	434,312
Total Supporting Services	\$ 1,695,515	\$ 1,390,595
Total Expenses	\$ 16,860,456	\$ 15,528,031
Changes in net assets * *	\$ 1,377,994	\$ 257,273
Net assets at beginning of year	5,387,343	5,130,070
Net assets, end of year	\$ 6,765,337	\$ 5,387,343

*Realized gain on fixed assets sale relates to the sale of University Settlement's 82-acre program site in Beacon, NY, which is net of sales costs and accumulated depreciation on fixed assets

** Net of depreciation

University Settlement Expense Growth

- Administration
- Programming





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University Settlement thanks all of its supporters who have donated generously during the 2008 Fiscal Year.

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