

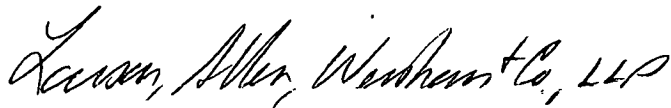
# LarsonAllen<sup>SM</sup>

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Board of Directors and Members  
Jerome Foundation, Inc.  
Saint Paul, Minnesota

In planning and performing our audit of the financial statements of the Jerome Foundation, Inc. for the year ended April 30, 2005, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control and its operation that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Directors, Members and management of the Jerome Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.



LARSON, ALLEN, WEISHAIR & CO., LLP

Minneapolis, Minnesota  
June 9, 2005

# LarsonAllen<sup>SM</sup>

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Board of Directors and Members  
Jerome Foundation, Inc.  
Saint Paul, Minnesota

We have audited the financial statements of Jerome Foundation, Inc. for the year ended April 30, 2005, and have issued our report thereon dated June 9, 2005. Professional standards require that we provide you with the following information related to our audit.

## ***Our Responsibility under U.S. Generally Accepted Auditing Standards***

As stated in our engagement letter dated March 8, 2005, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of Jerome Foundation, Inc. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

## ***Other Information in Documents Containing Audited Financial Statements***

Our audit opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a client prepared document, such as an annual report, should be done only with our prior approval and review of the document. Our responsibility for other information in documents containing the Foundation's financial statements and report does not extend beyond the financial information identified in the report. We do not have an obligation to perform any procedures to corroborate other information contained in such documents.

## ***Significant Accounting Policies***

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Jerome Foundation, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2005. We noted no transactions entered into by the Foundation during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

## ***Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and management is responsible for those estimates. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were management's estimate of excise taxes and the value of investments in timber assets. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

### ***Audit Adjustments***

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Foundation's financial reporting process (that is, cause future financial statements to be materially misstated). Material adjustments to investments and investment income accounts were proposed as a result of our audit procedures.

In addition, the attached schedule summarizes passed adjustments to the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.


### ***Issues Discussed prior to Retention of Independent Auditors***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

This information is intended solely for the use of the Board of Directors, Members and management of Jerome Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

  
LARSON, ALLEN, WEISHAIR & CO., LLP

**JEROME FOUNDATION, INC.**  
**SUMMARY OF PASSED ADJUSTMENTS**  
**APRIL 30, 2005**

Account	Description	W/P Ref	Debit	Credit
<hr/>				
Passed Journal Entries JE # 5		CC-02		
To pass on recording accrued vacation liability as of April 30, 2005.				
3000	Retained Earnings (Net Assets)		\$ 42,000.00	
5110	Salaries		4,789.00	
2055	Accrued Vacation			\$ 46,789.00
Total			<u>\$ 46,789.00</u>	<u>\$ 46,789.00</u>

**Cumulative Impact**

Assets (Overstated) Understated	\$ -
Liabilities Overstated (Understated)	(46,789)
Net Assets Overstated (Understated)	46,789
Support and Revenue Overstated (Understated)	-
Expenses (Overstated) Understated	4,789
Changes in Net Assets Overstated (Understated)	<u><u>\$ 4,789</u></u>

**JEROME FOUNDATION, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED APRIL 30, 2005 AND 2004**

**JEROME FOUNDATION, INC.  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors and Members  
Jerome Foundation, Inc.  
Saint Paul, Minnesota

We have audited the accompanying balance sheets of Jerome Foundation, Inc. as of April 30, 2005 and 2004, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jerome Foundation, Inc. at April 30, 2005 and 2004, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

  
LARSON, ALLEN, WEISHAIR & CO., LLP

Minneapolis, Minnesota  
June 9, 2005

**JEROME FOUNDATION, INC.**  
**BALANCE SHEETS**  
**APRIL 30, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 273,578	\$ 1,607,473
Receivables from Investment Sales	1,090,956	1,507,780
Program Related Notes Receivable - Current	-	17,318
Accrued Investment Income	120,288	162,782
Prepaid Expenses	14,432	14,175
Total Current Assets	<u>1,499,254</u>	<u>2,309,528</u>
<b>INVESTMENTS</b>		
Cash Equivalents	2,363,252	1,402,241
Collateral - Securities Lending Agreement	26,957,092	-
Payable - Securities Lending Agreement	(26,957,092)	-
Bonds	5,799,711	10,661,616
Common Stocks	34,058,277	56,705,791
Securities on Loan	25,708,737	-
Mutual Funds	6,639,117	7,186,767
Timberlands	1,004,308	952,700
Total Investments	<u>75,573,402</u>	<u>76,909,115</u>
<b>PROPERTY AND EQUIPMENT - NET</b>	<u>19,519</u>	<u>5,436</u>
Total Assets	<u><u>\$ 77,092,175</u></u>	<u><u>\$ 79,224,079</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Grant Commitments Payable	\$ 1,375,590	\$ 1,574,150
Investment Purchases Payable	236,321	1,123,011
Excise Taxes Payable	6,963	36,795
Accounts Payable	90,892	83,992
Total Current Liabilities	<u>1,709,766</u>	<u>2,817,948</u>
<b>OTHER LIABILITIES</b>		
Deferred Excise Tax	<u>109,961</u>	<u>173,154</u>
Total Liabilities	1,819,727	2,991,102
<b>NET ASSETS</b>		
Unrestricted	<u>75,272,448</u>	<u>76,232,977</u>
Total Liabilities and Net Assets	<u><u>\$ 77,092,175</u></u>	<u><u>\$ 79,224,079</u></u>

See accompanying Notes to Financial Statements.



**JEROME FOUNDATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED APRIL 30, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>SUPPORT AND REVENUE</b>		
Interest	\$ 502,721	\$ 536,356
Dividends	800,037	563,972
Contributions Received	19,575	20,000
Securities Lending	32,053	27,831
Commission Recapture	28,121	27,335
Total Support and Revenue	<u>1,382,507</u>	<u>1,175,494</u>
<b>EXPENSE</b>		
Grants Awarded, Net of Cancellations and Refunds of \$-0- and \$37,200 in 2005 and 2004, Respectively	2,948,818	3,024,284
Salaries and Benefits	578,034	554,731
Office and Other Expenses	171,622	136,432
Total Expense	<u>3,698,474</u>	<u>3,715,447</u>
<b>CHANGE IN NET ASSETS - OPERATING</b>	(2,315,967)	(2,539,953)
<b>OTHER CHANGES IN NET ASSETS</b>		
Net Gains on Investments	1,774,519	10,681,909
Federal Excise Tax	4,805	(160,567)
Investment and Agent Fees	(423,886)	(372,015)
Total Other Changes in Net Assets	<u>1,355,438</u>	<u>10,149,327</u>
<b>CHANGE IN NET ASSETS</b>	(960,529)	7,609,374
Net Assets - Beginning	<u>76,232,977</u>	<u>68,623,603</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 75,272,448</u>	<u>\$ 76,232,977</u>

See accompanying Notes to Financial Statements.

**JEROME FOUNDATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED APRIL 30, 2005 AND 2004**

	2005	2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (960,529)	\$ 7,609,374
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	4,566	11,775
Net Gains on Investments	(1,774,519)	(10,681,909)
Deferred Excise Taxes	(63,193)	91,825
Changes in:		
Receivables from Investment Sales	416,824	(912,303)
Accrued Investment Income	42,494	(6,573)
Federal Excise Tax Refunds	-	10,947
Notes Receivable	17,318	82,682
Prepaid Expenses	(257)	(14,175)
Grant Commitments Payable	(198,560)	(261,171)
Investment Purchases Payable	(886,690)	970,920
Excise Taxes Payable	(29,832)	36,795
Accounts Payable	6,900	(1,528)
Net Cash Used by Operating Activities	<u>(3,425,478)</u>	<u>(3,063,341)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(70,705,228)	(94,783,243)
Proceeds from Sale of Investments	73,815,460	98,237,299
Purchases of Fixed Assets	(18,649)	-
Net Cash Provided by Investing Activities	<u>3,091,583</u>	<u>3,454,056</u>
<b>INCREASE (DECREASE) IN CASH</b>	(333,895)	390,715
Cash - Beginning of Year	<u>607,473</u>	<u>216,758</u>
<b>CASH - END OF YEAR</b>	<u><u>\$ 273,578</u></u>	<u><u>\$ 607,473</u></u>
<b>SUPPLEMENTAL INFORMATION</b>		
Excise Tax Payments	<u><u>\$ 88,220</u></u>	<u><u>\$ 21,000</u></u>

See accompanying Notes to Financial Statements.

**JEROME FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2005 AND 2004**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

The Jerome Foundation, Inc. ("Foundation") is a private foundation incorporated under the laws of Minnesota. Grants are made to support programs and projects located in the State of Minnesota and New York City in the areas of dance, literature, media arts, multidisciplinary arts, music, theater, visual arts and arts criticism.

**Net Asset Classification**

The Foundation classifies net assets and revenues, expenses, gains, and other support based on the existence or absence of donor-imposed restrictions. Amounts for each of three classes of net assets – permanently restricted, temporarily restricted, and unrestricted, if applicable – are displayed in the financial statements. In 2005 and 2004, the Foundation had no permanently or temporarily restricted net assets.

**Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

**Investments**

Investments are stated at fair value based on current quoted market prices or appraised values. Net unrealized appreciation or depreciation for the year is reflected in the statement of activities and changes in net assets.

Purchases and sales of investments are reflected on a trade-date basis. Realized gains or losses on sales are based on the specific identification method.

Interest income is recorded on the accrual basis and dividend income is recorded on the ex-dividend date.

The Foundation holds a sole interest in timberlands, which is valued once each fiscal year by a forestry consultant.

**Grants**

Grant commitments are charged to operations at the time the grants are approved by the Board of Directors.

**Property and Equipment**

Expenditures for property and equipment that exceed the capitalization threshold are capitalized at cost. Depreciation is provided using the straight-line method over a useful life of three to five years.

**Contributions**

Contributions are recorded when received or pledged. Restricted contributions that are fulfilled in the same time period are classified as unrestricted.

**JEROME FOUNDATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2005 AND 2004**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concentration of Credit Risk**

At times during the year, the Foundation may have cash in excess of federally insured limits of \$100,000 per financial institution.

**Classification of Expenses**

Grants and expenses associated with the Foundation's direct charitable activities are considered to be program expenses, while all other expenses of the Foundation are considered to be management and general expenses.

**Tax Exempt Status**

The Foundation has a tax exempt status under Section 501(c)(3) of the Internal Revenue Code and Minnesota Statute. Due to the Foundation's classification as a private foundation under the Internal Revenue Code (Code), the Code imposes an excise tax of 2% (reduced to 1% if certain requirements are met) on net taxable investment income of the Foundation.

**Measure of Operations**

In its statements of activities, the Foundation includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Non-operating activity consists primarily of net realized and unrealized gains and losses on investments, investment and agent fees and federal excise tax.

**NOTE 2 INVESTMENTS**

The fair value of investments is estimated based upon quoted market prices for those or similar investments. The fair values at April 30, 2005 and 2004 were as follows:

	2005		2004	
	Cost	Fair Value	Cost	Fair Value
Based on Market				
Quotation:				
Cash Equivalents	\$ 2,363,252	\$ 2,363,252	\$ 1,402,241	\$ 1,402,241
Common Stock	32,188,019	34,058,277	48,986,387	56,705,791
Common Stock on				
Loan	19,756,296	22,775,243	-	-
Bonds	5,686,048	5,799,711	10,207,547	10,661,616
Bonds on Loan	2,780,385	2,933,494	-	-
Mutual Funds	7,224,472	6,639,117	7,578,337	7,186,767
Based on Independent				
Appraisal:				
Timberlands	76,882	1,004,308	76,882	952,700
	<u>\$ 70,075,354</u>	<u>\$ 75,573,402</u>	<u>\$ 68,251,394</u>	<u>\$ 76,909,115</u>

**JEROME FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2005 AND 2004**

**NOTE 3 SECURITIES LENDING**

The Jerome Foundation, Inc. lends its investment securities to registered broker-dealers. The borrower must provide collateral in the form of cash, U.S. Government securities or a bank letter of credit in an amount in excess of the loaned security's value. The Foundation receives either (i) a fee in the case of non-cash collateral or (ii) payment of a portion of earnings in the case of cash-collateral. The amount of collateral held is adjusted daily based on market value changes of the loaned security. The borrower must return identical securities to close the loan at which time the collateral will be returned. Collateral is held by the investment custodian and is immediately available upon default. All earnings from interest and dividends on the loaned security revert to the Foundation, except for commissions to the agent for handling this security lending.

The following is a summary of securities loaned balances at:

	April 30,	
	2005	2004
Fair Value of Collateral Held	\$ 26,957,092	\$ -
Fair Value of Securities on Loan	25,708,737	-

**NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The carrying amounts reflected in the balance sheet for cash, sales receivable, accrued investment income, grants payable, purchases payable and excise taxes payable approximate the fair value due to the short maturities of those instruments. The fair value for investments, notes receivable and securities lending collateral are based primarily on quoted market prices for those or similar instruments. The fair value of timberlands is determined by an independent forestry appraisal.

During the years ended April 30, 2005 and 2004, the Foundation's investments (including those bought, sold and held during the year) appreciated (depreciated) in value as follows:

	April 30, 2005		
	Realized Net Gains	Unrealized Appreciation (Depreciation)	Total
Marketable Securities	\$ 4,934,192	\$ (3,211,281)	\$ 1,722,911
Timberlands	-	51,608	51,608
Total	\$ 4,934,192	\$ (3,159,673)	\$ 1,774,519

	April 30, 2004		
	Realized Net Gains	Unrealized Appreciation	Total
Marketable Securities	\$ 6,090,628	\$ 4,553,081	\$ 10,643,709
Timberlands	-	38,200	38,200
Total	\$ 6,090,628	\$ 4,591,281	\$ 10,681,909

**JEROME FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2005 AND 2004**

**NOTE 5 PROPERTY AND EQUIPMENT**

The detail of property and equipment is as follows:

	2005	2004
Equipment	\$ 87,474	\$ 68,825
Vehicle	20,971	20,971
Leasehold Improvements	66,524	66,524
	174,969	156,320
Less: Accumulated Depreciation	155,450	150,884
	<u>\$ 19,519</u>	<u>\$ 5,436</u>

**NOTE 6 GRANTS**

Grant activity for the fiscal years ended April 30, 2005 and 2004 is summarized as follows:

	April 30, 2005	2004
Grant Commitments Payable, Beginning of Year	\$ 1,574,150	\$ 1,835,321
Appropriations	2,931,500	3,061,484
Payments	(3,130,060)	(3,322,655)
Grant Commitments Payable, End of Year	<u>\$ 1,375,590</u>	<u>\$ 1,574,150</u>
Grant Appropriations	\$ 2,931,500	\$ 3,061,484
Grant Payments Returned and Reallocated	-	(37,200)
Forgiveness of Loan	17,318	-
Grants Awarded, Net	<u>\$ 2,948,818</u>	<u>\$ 3,024,284</u>

Essentially all grant commitments outstanding at April 30, 2005 are expected to be paid within one year.

The Foundation has received the following contributions to support the 2005 and 2004 Travel and Study Grant Programs:

	April 30, 2005	2004
Travel and Study Programs:		
General Mills Foundation	\$ -	\$ 20,000

**JEROME FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2005 AND 2004**

**NOTE 7 FEDERAL EXCISE TAX**

The Federal excise tax provision and liability (refund) consists of the following as of:

	April 30,	
	2005	2004
Provision:		
Current	\$ 58,388	\$ 68,741
Deferred	(63,193)	91,826
Total	<u>\$ (4,805)</u>	<u>\$ 160,567</u>
Liability:		
Current	\$ 6,963	\$ 36,795
Deferred	109,961	173,154
Total	<u>\$ 116,924</u>	<u>\$ 209,949</u>

Federal law requires that minimum distributions of funds be made each year. At April 30, 2005, the Foundation has approximately \$-0- of excess distributed income.

**NOTE 8 PENSION PLAN**

The Foundation has a defined contribution pension plan for all employees who are eligible. Contributions have been made at 15% of employee compensation for the years ended April 30, 2005 and 2004. Pension expense was \$61,055 and \$59,518 for the years ended April 30, 2005 and 2004, respectively.

**NOTE 9 FUNCTIONAL EXPENSES**

The functional allocation of expenses for the years ended April 30, 2005 and 2004 is as follows:

	2005	2004
Program	\$ 3,033,658	\$ 3,100,484
Management and General	664,816	614,963
Total	<u>\$ 3,698,474</u>	<u>\$ 3,715,447</u>

**JEROME FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2005 AND 2004**

**NOTE 10 FINANCIAL MANAGEMENT**

U.S. Bank Institutional Financial Services, Wells Fargo Bank Minnesota, N.A., Peregrine Capital Management, and Alliance/Bernstein Capital Management Corporation provide the Foundation with custodial and investment management services for a fee.

The corporate articles of the Foundation provide for the Members of the Foundation to elect the Directors of the Foundation who appoint the investment managers.

**NOTE 11 LEASE COMMITMENT**

The Foundation has a five-year non-cancelable operating lease that expires September 30, 2008 for office space. The Foundation is required to pay a base rental and operating expense adjustments. Rent expense related to this lease was \$52,653 and \$35,581 for the years ended April 30, 2005 and 2004, respectively.

<u>Fiscal Year Ending April 30,</u>	<u>Minimum Rentals</u>
2006	\$ 47,936
2007	48,745
2008	49,542
2009	20,780
Total	<u>\$ 167,003</u>






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**INDEPENDENT AUDITORS' REPORT ON  
SUPPLEMENTARY INFORMATION**

Board of Directors and Members  
Jerome Foundation, Inc.  
Saint Paul, Minnesota

Our report on the audits of the basic financial statements of Jerome Foundation, Inc. for the years ended April 30, 2005 and 2004 appears on page 1. Those audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of administrative expenses for the years ended April 30, 2005 and 2004, schedule of investments for the year ended April 30, 2005, and the schedule of grant commitments and payments for the year ended April 30, 2005 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
June 9, 2005

**JEROME FOUNDATION, INC.**  
**SCHEDULES OF ADMINISTRATIVE EXPENSES**  
**YEARS ENDED APRIL 30, 2005 AND 2004**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	<u>2005</u>	<u>2004</u>
<b>SALARIES AND BENEFITS EXPENSES</b>		
Salaries and Temporary Services	\$ 418,327	\$ 405,443
Health and Dental Insurance	70,587	62,343
Pension Plan Expense	61,055	59,518
Payroll Taxes	<u>28,065</u>	<u>27,427</u>
Total Salaries and Benefits Expenses	578,034	554,731
<b>OFFICE AND OTHER EXPENSES</b>		
Rent	52,653	35,581
Meetings and Events	37,175	25,950
Education Program	5,377	4,895
Office Operations	14,484	9,260
Travel	16,113	14,329
Telephone and Internet	15,526	7,153
Audit Services	14,741	13,647
Insurance	6,808	7,044
Postage	3,153	2,706
Publications	624	708
Legal Services	69	1,001
Bank Fees	333	2,383
Depreciation	<u>4,566</u>	<u>11,775</u>
Total Office and Other Expenses	<u>171,622</u>	<u>136,432</u>
Total Expenses	749,656	691,163
Less Expenses Allocated to Program Activities:		
Minnesota Media Arts Program	23,040	19,840
New York City Media Arts Program	26,920	23,440
Travel and Study Grant Program	<u>34,880</u>	<u>32,920</u>
Total Administrative Expenses	<u>\$ 664,816</u>	<u>\$ 614,963</u>

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS**  
**YEAR ENDED APRIL 30, 2005**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

Par Value	Description	Cost	Market Value
<u>U.S. Government and Federal Agency:</u>			
410	Fed Natl Mtg Assn Pool #625641 6.5%, due 1/1/2032	\$ 430	\$ 427
783,114	Fed Natl Mtg Assn Pool #670551 6.5%, due 8/1/2032	822,562	815,183
293,004	Govt Natl Mtg Assn Pool #486843 6.0%, due 1/15/2029	276,889	302,934
116,855	Govt Natl Mtg Assn Pool #487198 6.0%, due 5/15/2029	108,602	120,815
409,635	Govt Natl Mtg Assn Pool #781014 6.0%, due 4/15/2029	383,314	423,648
469,012	Govt Natl Mtg Assn Pool #781257 6.0%, due 3/15/2031	461,391	484,921
460,000	United States Inflation Index 3.625%, due 1/15/08	585,641	587,279
220,000	United States Treasury Bonds 6.25%, due 5/15/30	266,359	273,909
355,000	United States Treasury Bonds 7.25%, due 5/15/16	372,632	445,859
1,000,000	United States Treasury Note 1.875%, due 1/31/06	990,352	989,690
675,000	United States Treasury Notes 1.5%, due 7/31/05	<u>671,116</u>	<u>672,705</u>
	Total U.S. Government and Federal Agency	4,939,288	5,117,370

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

Par Value	Description	Cost	Market Value
	<u>Corporate and Other:</u>		
115,000	Amgen Inc 4.0%, 11/18/2009	114,773	113,124
175,000	Asif Global Financing XIX 4.9%, 1/17/2013	178,171	174,886
125,000	BellSouth Corp 4.2%, 9/15/2009	124,783	123,494
200,000	Coca Cola Enterprises, Inc. 7%, 10/01/2026	201,054	240,744
200,000	Ford Motor Credit Company 7.375%, 2/01/2011	216,894	187,320
300,000	General Electric Co 5%, 2/01/2013	306,144	305,316
2,530	Gladstone Cap Corp	46,807	55,660
200,000	Goldman Sachs 3.875%, 1/15/2009	205,492	196,290
175,000	Household Finance 6.375%, 10/15/2011	194,544	190,566
280,000	Ingersoll Rand Co. 6.391%, 11/15/2027	278,687	329,087
200,000	Int'l Lease Finance Corp 5.0%, 4/15/2010	199,473	201,000
200,000	Kraft Foods Inc 6.25%, 6/01/2012	216,402	217,248
175,000	SBC Communications 4.125%, 9/15/2006	174,962	172,106
400,000	Suntrust Bks Inc 6%, 1/15/2028	387,952	444,648

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

No. of Shares	Description	Cost	Market Value
	<u>Corporate and Other (Continued):</u>		
150,000	Textron Fin Corp 6%, 11/20/2009	163,395	160,617
35,000	United Health Group, Inc. 4.875%, 3/15/2015	34,568	35,120
200,000	Verizon Wireless 5.375%, 12/15/2006	213,660	205,217
50,000	Wellpoint Inc. 5.0%, 12/18/2014	49,654	50,377
200,000	Weyerhaeuser Co 6.75%, 3/15/2012	220,223	213,508
(493)	Accumulated Depreciation on Moose Mountain Rd Bridge Linn County OR	(493)	(493)
	Total Corporate and Other	3,527,145	3,615,835
	Total Bonds	<u>\$ 8,466,433</u>	<u>\$ 8,733,205</u>
	<u>Mutual Funds:</u>		
251,672	Wells Fargo Advantage Small Company Growth Fund	\$ 7,224,472	\$ 6,639,117
	<u>Other:</u>		
2,363,252	Wells Fargo Advantage Investment MM Service	2,363,252	2,363,252
	Timberlands	76,882	1,004,308
	Total Mutual Funds and Other	<u>\$ 9,664,606</u>	<u>\$ 10,006,677</u>
	<u>Common Stocks:</u>		
4,400	Ace Limited Ord	\$ 201,814	\$ 189,024
3,330	Agrium Inc Com	44,727	59,274
10,500	Alcon Inc	628,249	1,018,500
5,100	BP PLC - ADR	248,111	310,590
11,500	Carnival Corp	523,185	562,120
1,400	Cooper Inds Ltd	79,603	89,124
2,400	Magna Intl Inc	200,157	146,712
24,500	Marvell Technology Group	634,991	818,790
10,800	Nabors Industries LTD	484,742	581,796
3,220	Platinum Underwriters Holdings	83,873	95,312

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
4,000	Schlumberger Ltd	294,839	273,640
21,700	Teva Pharmaceutical Industries	611,778	677,908
1,500	Unilever N.V.	102,028	96,645
3,370	Caraustar Inds Inc Com	28,056	30,128
9,250	Graftech Intl Ltd	67,626	35,243
3,200	Great Lakes Chem Corp	76,573	99,328
6,410	Hercules, Inc	68,588	84,804
1,850	Lubrizol Corp	60,878	71,724
1,000	Martin Marietta Materials Inc Com	53,038	54,990
4,500	Smurfit - Stone Container Corp	80,537	58,995
4,350	Spartech Corp Com	86,287	84,695
4,660	Adesa Inc	73,367	112,725
5,160	Agco Corp Com	99,232	88,752
9,440	Airtran Holdings Inc Com	86,581	78,352
7,100	Boeing Co	403,134	422,592
1,600	Burlington Northern Santa Fe Corp	53,201	77,200
5,600	CSX Corp	198,045	224,728
3,192	Dollar Thrifty Automotive Group Inc	51,826	108,049
2,400	Eaton Corp	142,794	140,760
1,500	G & K Services	40,444	57,570
6,790	General Cable Corp	54,375	82,499
57,500	General Electric Co	1,950,294	2,081,500
7,540	GSI Lumonics Inc	68,315	58,963
2,400	Hubbell Inc	98,430	104,280
4,500	Interline Brands Inc	70,936	74,700
3,450	Laidlaw Intl Inc	46,318	77,246
2,440	NCO Group Inc Com	37,645	45,457
9,770	Orbital Sciences Corp	112,289	91,056
2,700	Textron Inc	150,912	203,445
12,700	Tyco Intl Ltd	414,598	397,637
5,400	United Parcel Service	402,955	385,074
3,830	URS Corp	85,963	117,773
2,830	York Intl Corp	102,381	110,738
4,590	Action Performance Co	62,386	48,608
5,800	Aftermarket Technology Corp	78,704	89,668
3,390	Ann Taylor Stores Corp	82,995	83,021
6,010	Arvinmeritor Inc	100,634	71,399
4,170	Aztar Corp	107,507	113,883
3,880	Borg Warner Inc	149,576	177,394
5,020	Cache Inc	69,217	56,274
8,230	CKE Restaurants Inc	53,830	122,133
5,700	Comcast Corp - Special	194,709	181,203
2,400	Cooper Tire & Rubber	49,345	41,880

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
3,810	Cost Plus Inc	114,413	88,354
49,300	Ebay Inc.	1,675,578	1,563,303
7,780	Fleetwood Enterprises	71,874	59,439
2,340	Gaylord Entertainment Co	65,285	93,600
9,000	Interpublic Group Cos	150,074	115,740
5,900	J Jill Group	86,908	73,986
8,980	Jacuzzi Brands Inc	65,842	81,269
2,800	Jones Apparel Group	99,329	85,260
3,045	Jos A Bank Clothiers	76,782	99,876
3,640	Journal Communications Inc Cl A	60,376	56,056
2,280	Landry's Restaurants Inc	55,786	59,280
3,000	Lennar Corporation Class A	161,735	154,410
3,690	Linens N Things Inc	82,038	86,088
12,000	Lowe's Co Inc	576,717	625,320
10,810	Mediacom Communications Corp	73,816	59,779
4,600	Office Depot	75,439	90,068
4,700	Pulte Homes	306,814	335,815
5,820	Rent-Way	41,159	45,396
3,810	Russell Corp	62,789	66,713
15,000	Scripps Howard	678,316	763,950
13,500	Starbucks Corp	627,415	668,520
4,610	Strategic Hotel	80,064	79,157
19,900	Target Corp	923,207	923,559
5,510	Tenneco Automotive	76,014	70,693
37,300	TimeWarner Inc	622,066	627,013
2,820	WCI	50,219	79,045
3,200	Altria Group	176,157	207,968
22,100	Avon Products	690,554	885,768
3,000	Colgate Palmolive Co	165,496	149,370
3,960	Gold Kist	43,608	63,083
10,700	Kroger Co	202,583	168,739
3,570	Lance Inc	53,782	58,834
3,700	Pepsico Inc	173,234	205,868
4,480	Performance Food Group	112,542	120,467
12,600	Proctor & Gamble	631,138	682,290
6,500	Safeway Inc	148,188	138,385
4,000	Whole Food Market	336,139	398,600
2,420	Alpha Natural Resources	52,641	56,023
7,320	Brigham Exploration Co	48,397	61,122
3,630	Carrizo Oil & Gas	34,057	60,004
3,800	CheronTexaco Corp	167,014	197,600
2,100	Conoco Phillips	142,722	220,185
26,700	Halliburton Co	1,041,998	1,110,453

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
5,830	Key Energy Services	57,193	65,588
3,300	Occidental Pete Corp	147,523	227,700
1,900	Oceaneering Intl	66,845	62,339
2,100	Whiting Pete Corp	55,818	63,567
7,800	Aflac Inc	293,587	317,070
1,100	Allstate Corp	49,919	61,776
3,790	American Campus	82,308	79,514
5,730	American Equity Inv Life	57,777	68,416
25,400	American Intl Group	1,613,282	1,291,590
3,510	Argonaut Group Inc	56,291	69,042
3,300	Asset Accep Cap Corp	62,594	67,485
6,420	Bank of America Corp	262,404	289,157
4,870	Biomed Realty Tr	75,145	98,374
4,469	Brookline Bancorp Inc	54,567	66,901
2,300	Chubb Corp	164,435	188,094
8,000	Citigroup Inc.	396,312	375,680
1,980	Cullen Frost Bankers Inc	62,354	85,774
5,110	Dime Community Bancorp	87,055	75,832
2,060	Eastgroup Propertys Inc	52,635	77,250
3,760	Equity One	69,284	78,734
1,440	Fed Agriculture	43,248	24,998
1,900	Fed Hom Loan Mtg Corp	118,186	116,888
5,100	Fed Natl Mtg Assn	354,821	275,145
6,040	Felcor Lodging Trust Inc	67,720	73,930
3,530	First Financial Bancorp	62,886	61,034
2,275	FirstRepublic Bank San Francisco	33,555	71,185
4,040	Franklin Bk Corp	69,076	67,912
4,700	Franklin Resources Inc	248,234	322,796
3,710	Gatx Corp	83,651	121,391
4,900	Goldman Sachs Group	530,629	523,271
2,300	Hartford Financial Services Group	147,502	166,451
2,090	Infinity Property and CAS Corp	61,074	67,821
4,400	JP Morgan Chase & Co.	173,771	156,156
6,200	Legg Mason Inc	439,323	439,332
1,500	Lehman Brothers Holdings	128,385	137,580
25,000	MBNA Corp	143,440	493,750
7,000	Merrill Lynch & Co Inc	419,255	377,510
4,200	Metlife Inc	141,889	163,380
6,000	National City Corp	210,857	203,760
3,900	Nationwide Health Propertys	70,835	83,577
2,280	Pennsylvania Real Estate Inv't Tr	68,313	96,102



**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
2,818	PFF Bancorp Inc	35,615	78,679
5,130	Provident Financial Services	86,789	87,159
47,200	Schwab Charles Corp	455,395	488,520
3,000	South Financial Group	88,398	79,050
4,280	Southwest Bancorporation Tex	83,731	71,048
2,140	Souvrn Self Storage Inc	78,432	91,485
4,070	Sunstone Hotel Invs	85,442	89,377
2,000	Suntrust Banks Inc	145,761	145,660
3,460	Susquehanna Bancshares	87,114	72,764
2,470	The St. Paul Travelers Companies	100,330	88,426
3,020	Umpqua Holdings Corp	58,816	67,104
6,470	Universal Amer Financial Corp	51,302	108,373
3,900	Wachovia Corp	183,615	199,602
32,500	Apple Computer Inc	1,038,025	1,171,950
3,060	Applied Films Corp	57,303	73,165
3,520	Avocent Corp	85,077	88,493
5,360	Bisys Group	75,981	75,683
31,300	Broadcom Corporation	1,072,673	935,870
3,030	Cabot Microelectronic Corp	96,545	87,234
94,600	Corning Inc	1,120,533	1,300,750
51,200	Dell Inc	1,525,255	1,783,296
9,070	Dot Hill Sys	53,312	42,810
22,700	Electronic Arts	1,041,101	1,211,953
4,000	Electronic Data Sys	79,961	77,400
6,470	Emulex Corp	85,924	100,479
6,140	Fairchild SemiConductor	87,684	82,583
6,300	Google Inc	1,158,889	1,386,000
15,300	Hewlett Packard Co	397,418	313,191
5,600	Ingram Micro	94,339	93,296
46,600	Juniper Networks	1,146,559	1,052,228
22,600	Microsoft Corp	572,592	571,780
5,550	Netgear Inc	67,502	89,522
21,500	Network Appliance Inc	448,010	573,405
5,160	Imnivation Technologies	80,029	72,137
15,900	Oracle Corporation	210,524	183,804
5,660	Plexus Corp	61,656	68,543
46,800	Qualcomm	1,695,267	1,632,852
3,700	Research InMotion	284,615	238,317
27,700	Solelectron Corp	200,061	91,410
5,880	Tech Data Corp	208,675	214,796
10,700	Tellabs Operations, Inc	99,620	83,032

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF INVESTMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
11,510	Tibco Software Inc	87,756	82,181
6,250	Western Digital Corp	64,356	79,313
55,260	Yahoo Inc Com	1,196,007	1,906,470
3,400	American Electric Power	108,484	119,748
4,570	Cleco Corp	85,311	93,319
2,200	Entergy Corp	156,711	161,260
1,400	FirstEnergy Corp	51,616	60,928
4,170	Westar Energy	85,531	95,493
4,620	Iowa Telecommunication	90,785	88,242
18,800	Amgen	1,004,937	1,094,348
2,100	Apria Healthcare Group	67,871	63,210
2,050	Arrow Intl Inc	40,030	67,937
3,200	Caremark	125,736	128,160
14,300	Eli Lilly & Co	839,891	836,121
14,900	Genetech Inc	761,067	1,057,006
9,800	Gilead Sciences Inc	368,199	363,678
1,600	HCA Inc	64,837	89,344
2,000	Medco Health Solutions Inc	62,542	101,940
6,160	NDC Health Corp	95,215	94,063
28,240	St Jude Med	1,021,675	1,102,207
9,500	United Health Group	387,672	897,845
5,700	Wellpoint Inc	678,470	728,175
8,000	Zimmer Holdings Inc	556,523	651,360
265	Imperial Credit Industries	-	-
21,090	Cincinnati Bell	81,688	84,360
3,960	CT Communications	46,498	45,461
5,500	Sprint Corporation Fon	101,691	122,430
7,370	Valor Communications Group Inc	110,445	99,494
Total Common Stocks		<u>\$ 51,944,315</u>	<u>\$ 56,833,520</u>
Total Common Stocks		\$ 51,944,315	\$ 56,833,520
Total Bonds		8,466,433	8,733,205
Mutual Funds		7,224,472	6,639,117
Cash Equivalents		2,363,252	2,363,252
Timberlands		76,882	1,004,308
Total Investments		<u>\$ 70,075,354</u>	<u>\$ 75,573,402</u>

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS**  
**YEAR ENDED APRIL 30, 2005**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Aaron Davis Hall New York, New York Commissions to emerging artists within the <i>Fund for New Work</i>	\$ -	\$ 20,000	\$ 20,000	\$ -
American Composers Forum Saint Paul, Minnesota Composers Commissioning Program and pilot program Subito	-	234,000	117,000	117,000
BMagic Jazz Orchestra composers' commissions and performance	-	10,000	-	10,000
American Composers Orchestra New York, New York Emerging Composers Project	15,000	-	15,000	-
Anderson Center for Interdisciplinary Studies Red Wing, Minnesota Residencies for emerging artists	15,000	-	15,000	-
Art in General New York, New York Minnesota Artist Residency Program	19,000	-	19,000	-
Participation of emerging artists in the Exhibition Program	18,000	-	10,000	8,000
Artists Space New York, New York Participation of emerging artists in the Exhibition Program	-	36,000	18,000	18,000
Asian American Writers' Workshop (The) New York, New York Participation of emerging writers in workshops, publications, and Poetry Mentoring Project	-	42,000	21,000	21,000
Blacklock Nature Sanctuary Moose Lake, Minnesota Emerging Artist Residency Program	-	43,000	21,000	22,000

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Cave Canem New York, New York Summer Retreat, New York City workshops and Minnesota Master Class	-	18,000	18,000	-
Cherry Lane Theatre New York, New York Mentor Project	26,000	-	26,000	-
Children's Theatre Company (The) Minneapolis, Minnesota Playground Expansion	-	17,800	17,800	-
Clubbed Thumb New York, New York Programs serving emerging playwrights	-	20,000	10,000	10,000
Coffee House Press Minneapolis, Minnesota Publication of books by emerging writers	-	25,000	25,000	-
Collapsible Giraffe Brooklyn, New York Creation and production of new works	-	10,000	10,000	-
Dance Theater Workshop New York, New York <i>First Light</i> Commissioning Program	35,000	-	35,000	-
Dansology, Inc., a.k.a. Dance KUMIKOKIMOTO New York, New York New work by choreographer Koosil-ja Hwang	10,000	-	10,000	-
Danspace Project New York, New York Commissions for emerging choreographers	-	55,000	27,500	27,500
Dixon Place/Open Channels New York, New York Mondo Cane! Commissions and artists' fees for works in development	-	27,000	27,000	-

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Duluth Art Institute Duluth, Minnesota Participation of emerging artists in the Exhibition Program	11,250	-	11,250	-
Ensemble Studio Theatre New York, New York Play Development Program	18,000	-	18,000	-
Ethos Percussion Group New York, New York Emerging Composer Commissioning Program	22,500	-	22,500	-
Exit Art New York, New York Emerging artists' fees and exhibitions	19,000	-	19,000	-
Eyebeam Brooklyn, New York Artist in Residence Program	-	15,000	15,000	-
FENCE Magazine New York, New York Publication of works by emerging writers and fees	5,000	-	5,000	-
FORECAST Public Artworks Saint Paul, Minnesota Public Art Affairs Program	-	65,000	32,500	32,500
Foundation Center (The) New York, New York General support	-	3,000	1,500	1,500
Foundation for Independent Artists New York, New York New work by Ben Munisteri	-	24,000	12,000	12,000
Foundry Theatre (The) New York, New York New works by emerging playwrights	-	23,000	23,000	-

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Franconia Sculpture Park Shafer, Minnesota Emerging artists' residencies/fellowships	-	34,000	34,000	-
Franklin Art Works Minneapolis, Minnesota Participation of emerging artists in the Exhibition Program	-	20,000	20,000	-
Franklin Furnace Archive New York, New York Fund for Performance Art and The Future of the Present	-	77,000	38,000	39,000
Gathering of the Tribes (A) New York, New York Emerging Writers Reading Series	7,500	-	7,500	-
Graywolf Press Saint Paul, Minnesota Publication of books by emerging authors	25,000	-	25,000	-
H. T. Dance Company/Mulberry Street Theater New York, New York <i>Ear to the Ground</i> Series	10,000	-	10,000	-
Harvestworks New York, New York New works by the League of Electronic Musical Urban Robots (LEMUR)	-	10,000	10,000	-
Headwaters Music Minneapolis, Minnesota Festival Dancing in Your Head	-	17,000	17,000	-
Heart of the Beast Puppet and Mask Theatre (In the) Minneapolis, Minnesota New works by emerging artists	-	17,000	17,000	-

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
HERE Arts Center New York, New York New works by emerging artists	19,000	-	19,000	-
Highpoint Center for Printmaking Minneapolis, Minnesota Emerging printmakers' residencies	7,500	-	7,500	-
IFP Minneapolis/Saint Paul Minneapolis, Minnesota Services for independent media artists	-	40,000	20,000	20,000
<b>MNTV Series</b>	32,000	-	32,000	-
Illusion Theater Minneapolis, Minnesota Fresh Ink, the Artistic Associates Program, and related developmental activities	-	20,000	20,000	-
Intermedia Arts of Minnesota Minneapolis, Minnesota Naked Stages and a pilot Graffiti Arts Program	35,000	45,000	80,000	-
New work by Margo Abdo O'Dell	-	8,000	8,000	-
The BodyCartography Project	-	6,000	6,000	-
New work by Gerry Girouard	-	9,500	9,500	-
International Friendship Through the Performing Arts Burnsville, Minnesota New works by composer/performer Gao Hong	-	8,000	8,000	-
Jamaica Center for Arts & Learning Jamaica, New York Participation of emerging artists in the Visual Arts Program	-	30,000	15,000	15,000
Jazz is NOW! Minneapolis, Minnesota Emerging Composers' Commissioning Program	-	16,000	16,000	-

**JEROME FOUNDATION, INC.**  
**SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)**  
**YEAR ENDED APRIL 30, 2005**  
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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Jerome Foundation Saint Paul, Minnesota (Foundation-Administered Programs)				
Building Administrative Capacity Grant Program	5,408	-	-	5,408
Jerome Hill Centennial Program	76,525	18,000	36,341	58,184
Minnesota Media Arts Program	68,201	107,000	68,655	106,546
New York City Media Arts Program	231,616	302,000	288,055	245,561
Initiative to broaden access to Jerome regrant programs	13,899	-	150	13,749
Program Evaluation and Assessment	13,322	-	13,322	-
Travel and Study Grant Program	184,219	-	155,252	28,967
Jungle Theater (The) Minneapolis, Minnesota Play Reading Series, literary management, and development and production of new works by emerging playwrights	23,500	23,500	23,500	23,500
Loft Literary Center (The) Minneapolis, Minnesota Mentor Series	-	48,000	48,000	-
Minnesota Writers Career Initiative	45,000	-	45,000	-
Lower East Side Printshop New York, New York Keyholder and Special Editions Programs	14,500	-	14,500	-
Lower Manhattan Cultural Council New York, New York Artist Workspace Program	-	20,000	20,000	-



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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Ma-Yi Theater New York, New York New works by emerging playwrights	-	10,000	10,000	-
Mabou Mines New York, New York <i>Suite</i> Resident Artist Program	29,000	-	29,000	-
Meet The Composer New York, New York Meet The Composer Fund for emerging composers	-	40,000	20,000	20,000
Minneapolis College of Art and Design Minneapolis, Minnesota Jerome Fellowship Program	68,000	-	68,000	-
Minneapolis Foundation (The) Minneapolis, Minnesota Fifth National Conference of National Center for Black Philanthropy	-	3,000	3,000	-
Minneapolis Institute of Arts (The) Minneapolis, Minnesota Minnesota Artists Exhibition Program	-	39,000	19,500	19,500
Minnesota Center for Photography Minneapolis, Minnesota Participation of emerging artists in the Exhibition Program	12,500	25,000	37,500	-
Minnesota Dance Theatre Minneapolis, Minnesota Emerging choreographers' commissions and residencies	-	24,000	12,000	12,000
Minnesota Historical Society Saint Paul, Minnesota Exhibition, catalog, concert and lectures for Centennial Program	40,800	-	15,400	25,400

**JEROME FOUNDATION, INC.**  
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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Mixed Blood Theatre Company Minneapolis, Minnesota Participation of emerging playwrights in the New Plays Initiative	-	30,000	15,000	15,000
Momenta Art Brooklyn, New York Emerging Artist Exhibition Program	14,000	-	14,000	-
Movement Research New York, New York New work by Sarah Michelson	-	9,000	9,000	-
Movin' Spirits Dance Theater New York, New York New work by Marlies Yearby	-	15,000	15,000	-
Museum of Modern Art New York, New York Jerome Hill Centennial Film Festival	23,500	-	-	23,500
New Dramatists New York, New York Composer-Librettist Studio and new works development	-	80,000	40,000	40,000
New Georges New York, New York New works by emerging playwrights	-	30,000	15,000	15,000
New Museum of Contemporary Art New York, New York Participation of emerging artists in the <i>Media Lounge</i> and related Digital Cultural Programs	-	20,000	20,000	-
New Radio and Performing Arts Staten Island, New York Emerging artists' commissions	14,000	-	14,000	-

**JEROME FOUNDATION, INC.**  
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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
New Rivers Press MSUM Moorhead, Minnesota Minnesota Voices Project	12,535	-	12,535	-
New York City Players New York, New York New work by Richard Maxwell	-	10,000	10,000	-
New York Foundation for the Arts New York, New York New work by Kyle deCamp	-	10,000	10,000	-
New work by Larry Goldhuber/BIGMANARTS	-	8,000	8,000	-
New work by Yasuko Yokoshi	-	20,000	10,000	10,000
New York Mills Arts Retreat and Regional Cultural Center New York Mills, Minnesota Artist in Residence Program	-	32,000	16,000	16,000
New York Theatre Workshop New York, New York Play Development Program	18,000	-	18,000	-
No Name Exhibitions @ The Soap Factory Minneapolis, Minnesota Participation of emerging artists in the Exhibition Program	-	22,000	22,000	-
Northern Clay Center Minneapolis, Minnesota Artists Project Grants Program	-	52,000	26,000	26,000
Eugene O'Neill Theater Center (The) New York, New York National Playwrights Conference	22,000	-	22,000	-
Open Eye Figure Theatre Minneapolis, Minnesota New work by Michael Sommers	-	12,000	12,000	-

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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Orchestra of Saint Luke's/Saint Luke's Chamber Ensemble New York, New York Participation of emerging composers in the <i>Second Helpings</i> Series	-	24,000	12,000	12,000
Pangea World Theater Minneapolis, Minnesota <i>Alternate Visions</i> Program	-	10,000	10,000	-
Patrick's Cabaret Minneapolis, Minnesota Core Program and artist-led workshops	-	20,000	20,000	-
Performance Space 122 New York, New York New work by Claude Wampler	-	12,000	12,000	-
Emerging artists' commissions	-	42,500	42,500	-
Pillsbury United Communities/Pillsbury House Theatre Minneapolis, Minnesota New works by emerging playwrights	-	24,000	12,000	12,000
<i>Non-English Speaking Spoken Here:</i> <i>The Late Nite Series</i>	-	34,500	12,000	22,500
Playwrights' Center (The) Minneapolis, Minnesota New work by Lisa D'Amour	8,000	8,000	8,000	8,000
Many Voices Program	21,000	-	21,000	-
Jerome Playwrights Fellowship Program	49,000	-	49,000	-
Playwrights Horizons New York, New York New works by emerging playwrights	-	46,000	23,000	23,000

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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Queens Museum of Art Queens, New York Participation of emerging artists in the Exhibition Program	-	5,000	5,000	-
Queens Theatre in the Park Flushing, New York Immigrant Voices Project	-	10,000	10,000	-
Red Eye Collaboration Minneapolis, Minnesota Isolated Acts and Works-in-Progress Series	-	57,000	28,500	28,500
Rhizome.org New York, New York Commissions for new media artists	-	30,000	15,000	15,000
Roulette Intermedium New York, New York New works by emerging composers	-	48,000	24,000	24,000
Emerging Composers Commissioning Program	20,000	-	20,000	-
S.A.S.E.: The Write Place Minneapolis, Minnesota S.A.S.E./Jerome Fellowships, Writer-to-Writer Mentorships and Verve Fellowships	24,750	-	24,750	-
MIZNA Journal	-	32,000	16,000	16,000
Saint John's University Collegeville, Minnesota Saint John's Pottery Emerging Artists Program	27,000	-	27,000	-
St. Paul Academy and Summit School Saint Paul, Minnesota Jerome Hill Centennial photography exhibition, panels, catalogue and promotion	5,425	-	-	5,425

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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
SculptureCenter Long Island City, New York <i>In Practice</i> Exhibition Series	-	5,000	5,000	-
James Sewell Ballet Minneapolis, Minnesota <i>Ballet Works</i> Program	-	23,000	11,000	12,000
Shen Wei Dance Arts New York, New York New work by Shen Wei	-	9,000	9,000	-
SITI Company New York, New York Associates Program	-	12,000	12,000	-
Skewed Visions Minneapolis, Minnesota New work production	-	12,500	12,500	-
Smack Mellon Studios Brooklyn, New York Participation of emerging artists in the Exhibition Program	-	14,000	14,000	-
Socrates Sculpture Park Long Island City, New York Emerging Artist Fellowship Program	-	20,000	20,000	-
Soho Repertory Theatre New York, New York New work development and production	10,000	-	10,000	-
Southern Theater Foundation Minneapolis, Minnesota Performance/installation work by Diane Waller	-	4,200	4,200	-
New work by Hijack	-	21,000	10,500	10,500
New works by SPACE-T.U.-EMBRACE	-	22,000	11,000	11,000
New work by Savage Aural Hotbed	-	8,000	8,000	-

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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Springboard for the Arts Saint Paul, Minnesota				
New work by Catalyst, dances by emily johnson	12,000	-	12,000	-
Artists Services Program	-	54,000	27,000	27,000
Studio Museum in Harlem (The) Harlem, New York				
Artists-in-Residence Program	-	11,000	11,000	-
Textile Center of Minnesota Minneapolis, Minnesota				
Programs and services for emerging fiber artists	-	15,000	15,000	-
Theater Mu Minneapolis, Minnesota				
Development and production of new works	19,000	-	19,000	-
Theatre Communications Group New York, New York				
National Theatre Criticism/Affiliated Writers Program	-	38,000	19,000	19,000
Thirteen/WNET New York/Educational Broadcasting Corporation New York, New York				
<i>Reel New York</i> series	-	25,000	25,000	-
TRIBECA Performing Arts Center New York, New York				
Artist in Residence Program	-	8,000	8,000	-
Troika Ranch Brooklyn, New York				
Creation and production of <i>16(r)evolutions</i>	-	10,000	10,000	-
VocalEssence Minneapolis, Minnesota				
Essentially Choral Program	-	22,000	22,000	-

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	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable End of Year
Voice & Vision New York, New York ENVISION: A Developmental Process for New Works by Emerging Women Theater Artists	13,500	-	13,500	-
Volcano Love Brooklyn, New York New work by Sarah East Johnson for LAVA	-	24,000	12,000	12,000
VSA arts of Minnesota Minneapolis, Minnesota Minnesota Artist Recognition Grant Program and artists' services	-	35,000	17,500	17,500
Walker Art Center Minneapolis, Minnesota <b>Momentum: New Dance Works</b> by emerging choreographers	19,000	-	19,000	-
Jerome Hill Centennial Film Festival	16,700	-	8,350	8,350
White Columns New York, New York Participation of emerging artists in the Exhibition Program	20,000	-	20,000	-
Women's Project & Productions New York, New York Participation of emerging playwrights in the Developmental Theatre Program	-	22,000	22,000	-
Writers Room (The) New York, New York Programs and services for emerging writers	15,000	-	15,000	-



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Zeitgeist Saint Paul, Minnesota Emerging Composer Workshop	13,500	-	13,500	-
New work by Anthony Gatto	-	9,000	-	9,000
Zenon Dance Company and School Minneapolis, Minnesota Commissions of new works by emerging choreographers	-	50,000	25,000	25,000
	<u>\$ 1,574,150</u>	2,931,500	<u>\$ 3,130,060</u>	<u>\$ 1,375,590</u>
<b>Forgiveness of Loan:</b> Artspace Projects Minneapolis, Minnesota		17,318		
		<u>\$ 2,948,818</u>		

