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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, 2006, 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 26, 2006



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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, 2006, and have issued our report thereon dated June 26, 2006. 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 May 5, 2006, 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 2006. 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 for the Foundation's interest in the charitable remainder trust 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, 2006

Account	Description	W/P Ref	Debit	Credit
Passed Journal Entries JE # 8				
To record vacation accrual, net of the impact of prior years				
passed AJE				
3000	Retained Earnings (Net Assets)		\$ 46,789.00	
5110	Salaries		8,061.00	
2055	Accrued Vacation			\$ 54,850.00
Total			\$ 54,850.00	\$ 54,850.00
 Cumulative Impact				
	Assets (Overstated) Understated		\$ -	
	Liabilities Overstated (Understated)		(54,850)	
	Net Assets Overstated (Understated)		54,850	
 Support and Revenue Overstated (Understated)				
	Expenses (Overstated) Understated		8,061	
	Changes in Net Assets Overstated (Understated)		\$ 8,061	

JEROME FOUNDATION, INC.

FINANCIAL STATEMENTS

YEARS ENDED APRIL 30, 2006 AND 2005

**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, 2006 and 2005, 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, 2006 and 2005, 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.

As discussed in Note 12 to the financial statements, Jerome Foundation recorded the beneficial interest in a Charitable Remainder Trust (Trust) in which they are named as the remaining beneficiary. The value of this Trust had not been recognized in previous years.

Larson, Allen, Weishair & Co., LLP
LARSON, ALLEN, WEISHAIR & CO., LLP

Minneapolis, Minnesota
June 26, 2006

JEROME FOUNDATION, INC.
BALANCE SHEETS
APRIL 30, 2006 AND 2005

	<u>2006</u>	<u>Restated 2005</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 260,436	\$ 273,578
Receivables from Investment Sales	1,135,933	1,090,956
Accrued Investment Income	151,106	120,288
Prepaid Expenses	14,530	14,432
Total Current Assets	<u>1,562,005</u>	<u>1,499,254</u>
INVESTMENTS		
Cash Equivalents	4,884,761	2,363,252
Collateral - Securities Lending Agreement	20,512,999	26,957,092
Payable - Securities Lending Agreement	(20,512,999)	(26,957,092)
Bonds	6,724,331	5,799,711
Common Stocks	47,628,173	34,058,985
Securities on Loan	20,211,471*	25,708,737
Mutual Funds	9,769,495	6,639,117
Timber and Timberlands	1,049,400	1,003,600
Total Investments	<u>90,267,631</u>	<u>75,573,402</u>
BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUST	2,858,253	2,906,899
PROPERTY AND EQUIPMENT - NET	<u>25,042</u>	<u>19,519</u>
Total Assets	<u><u>\$ 94,712,931</u></u>	<u><u>\$ 79,999,074</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Grant Commitments Payable	\$ 1,229,039	\$ 1,375,590
Investment Purchases Payable	1,059,149	236,321
Excise Taxes Payable	75,522	6,963
Accounts Payable	78,032	90,892
Total Current Liabilities	<u>2,441,742</u>	<u>1,709,766</u>
OTHER LIABILITIES		
Deferred Excise Tax	<u>333,326</u>	<u>109,961</u>
Total Liabilities	2,775,068	1,819,727
NET ASSETS		
Unrestricted		
Undesignated	88,637,295	75,272,448
Board Designated	442,315	-
Total Unrestricted Net Assets	<u>89,079,610</u>	<u>75,272,448</u>
Temporarily Restricted Net Assets	2,858,253	2,906,899
Total Net Assets	<u>91,937,863</u>	<u>78,179,347</u>
Total Liabilities and Net Assets	<u><u>\$ 94,712,931</u></u>	<u><u>\$ 79,999,074</u></u>

See accompanying Notes to Financial Statements.

**JEROME FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED APRIL 30, 2006 AND 2005**

	2006			Restated 2005		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Interest	\$ 576,312	\$ -	\$ 576,312	\$ 502,721	\$ -	\$ 502,721
Dividends	588,680	-	588,680	800,037	-	800,037
Contributions Received	57,500	-	57,500	19,575	-	19,575
Securities Lending	31,491	-	31,491	32,053	-	32,053
Commission Recapture	8,803	-	8,803	28,121	-	28,121
Other Income	25,168	-	25,168	-	-	-
Release from Restriction	285,520	(285,520)	-	-	-	-
Total Support and Revenue	1,573,474	(285,520)	1,287,954	1,382,507	-	1,382,507
EXPENSE						
Grants Awarded, Net of Cancellations and Refunds of \$4,200 and \$-0- in 2006 and 2005, Respectively	2,970,590	-	2,970,590	2,948,818	-	2,948,818
Salaries and Benefits	609,324	-	609,324	578,034	-	578,034
Office and Other Expenses	152,233	-	152,233	171,622	-	171,622
Total Expense	3,732,147	-	3,732,147	3,698,474	-	3,698,474
CHANGE IN NET ASSETS - OPERATING	(2,158,673)	(285,520)	(2,444,193)	(2,315,967)	-	(2,315,967)
OTHER CHANGES IN NET ASSETS						
Net Gains on Investments	16,829,143	-	16,829,143	1,774,519	-	1,774,519
Federal Excise Tax	(406,837)	-	(406,837)	4,805	-	4,805
Investment and Agent Fees	(456,471)	-	(456,471)	(423,886)	-	(423,886)
Change in Value of Charitable Remainder Trust	-	236,874	236,874	-	192,443	192,443
Total Other Changes in Net Assets	15,965,835	236,874	16,202,709	1,355,438	192,443	1,547,881
Net Assets - Beginning - As Previously Reported	75,272,448	2,906,899	78,179,347	76,232,977	-	76,232,977
Correction of an Error for Charitable Remainder Trust	-	-	-	-	2,714,456	2,714,456
Net Assets - Beginning - As Restated	75,272,448	2,906,899	78,179,347	76,232,977	2,714,456	78,947,433
NET ASSETS - ENDING	<u>\$ 89,079,610</u>	<u>\$ 2,858,253</u>	<u>\$ 91,937,863</u>	<u>\$ 75,272,448</u>	<u>\$ 2,906,899</u>	<u>\$ 78,179,347</u>

See accompanying Notes to Financial Statements.

JEROME FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED APRIL 30, 2006 AND 2005

	<u>2006</u>	<u>Restated 2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 13,758,516	\$ (768,086)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Used by Operating Activities:		
Depreciation	6,056	4,566
Net Gains on Investments	(16,829,143)	(1,774,519)
Deferred Excise Taxes	223,365	(63,193)
Change in Value of Charitable Remainder Trust	(236,874)	(192,443)
Changes in:		
Receivables from Investment Sales	(44,977)	416,824
Accrued Investment Income	(30,818)	42,494
Notes Receivable	-	17,318
Prepaid Expenses	(98)	(257)
Grant Commitments Payable	(146,551)	(198,560)
Investment Purchases Payable	822,828	(886,690)
Excise Taxes Payable	68,559	(29,832)
Accounts Payable	(12,860)	6,900
Net Cash Used by Operating Activities	<u>(2,421,997)</u>	<u>(3,425,478)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(106,407,555)	(70,705,228)
Proceeds from Sale of Investments	108,542,469	73,815,460
Purchases of Fixed Assets	(11,579)	(18,649)
Net Cash Provided by Investing Activities	<u>2,123,335</u>	<u>3,091,583</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution from Charitable Remainder Trust	<u>285,520</u>	<u>-</u>
DECREASE IN CASH	(13,142)	(333,895)
Cash - Beginning of Year	<u>273,578</u>	<u>607,473</u>
CASH - END OF YEAR	<u>\$ 260,436</u>	<u>\$ 273,578</u>
SUPPLEMENTAL INFORMATION		
Excise Tax Payments	<u>\$ 115,000</u>	<u>\$ 88,220</u>

See accompanying Notes to Financial Statements.

**JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005**

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

Net assets and revenues, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted - Resources over which the Board of Directors has discretionary control. Designated amounts represent those revenues which the Board has set aside for a particular purpose.

Temporarily Restricted - Those resources subject to donor imposed restrictions which will be satisfied by actions of the Foundation or passage of time.

Permanently Restricted - Resources subject to donor imposed restrictions that they be maintained permanently by the Foundation. The Foundation has no permanently 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 timber and timberlands, which is valued once each fiscal year by a forestry consultant.

**JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Charitable Remainder Trust

The Foundation is named as a beneficiary of a charitable remainder trust (the Trust), which allows for a distribution to the Foundation after the death of the named beneficiaries. The Foundation is not the trustee and therefore does not control or have access to the assets of the Trust. The Trust will pay the noncharitable beneficiaries as named by the Trust, the lesser of trust income for such taxable year as defined in section 643(b) of the Code and Regulations thereunder. The Foundation's interest in the Trust is reported at the fair value of the assets of the Trust less the present value of estimated future payments to beneficiaries based on their life expectancy with a discount rate of 4.6%.

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.

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.

Reclassifications

Certain 2005 amounts in the accompanying financial statement have been reclassified to conform to the 2006 presentation. Such reclassification had no impact on net assets or the change in net assets.

JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005

NOTE 2 INVESTMENTS

The fair value of investments is estimated based upon quoted market prices with the exception of timber and timberlands. The fair value of timber and timberlands is based on an independent appraisal. The fair values at April 30, 2006 and 2005 were as follows:

	2006		2005	
	Cost	Fair Value	Cost	Fair Value
Cash Equivalents	\$ 4,884,761	\$ 4,884,761	\$ 2,363,252	\$ 2,363,252
Common Stock	39,455,688	47,628,173	32,188,761	34,058,985
Common Stock on Loan	15,130,900	18,748,986	19,756,296	22,775,243
Bonds	6,883,834	6,724,331	5,686,048	5,799,711
Bonds on Loan	1,482,790	1,462,485	2,780,385	2,933,494
Mutual Funds	8,333,947	9,769,495	7,224,472	6,639,117
Timber and Timberlands	76,140	1,049,400	76,140	1,003,600
	<u>\$ 76,248,060</u>	<u>\$ 90,267,631</u>	<u>\$ 70,075,354</u>	<u>\$ 75,573,402</u>

During the years ended April 2006 and 2005 the Foundation's investments (including those bought, sold and held during the year appreciated (depreciated) in value as follows:

	2006		
	Realized Net Gains	Unrealized Appreciation (Depreciation)	Total
Marketable Securities	\$ 8,307,620	\$ 8,476,431	\$ 16,784,051
Timber and Timberlands	-	45,092	45,092
Total	<u>\$ 8,307,620</u>	<u>\$ 8,521,523</u>	<u>\$ 16,829,143</u>

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

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.

JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005

NOTE 3 SECURITIES LENDING (CONTINUED)

The following is a summary of securities loaned balances at:

	April 30,	
	2006	2005
Fair Value of Collateral Held	\$ 20,512,999	\$ 26,957,092
Fair Value of Securities on Loan	20,211,471	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 and securities lending collateral are based primarily on quoted market prices for those or similar instruments. The fair value of timber and timberlands is determined by an independent forestry appraisal. The fair value of the Foundation's interest in the charitable remainder trust approximates its carrying value and is based on the fair value of the assets of the Trust less the present value of estimated future distributions to beneficiaries.

NOTE 5 PROPERTY AND EQUIPMENT

The detail of property and equipment is as follows:

	2006	2005
Equipment	\$ 52,225	\$ 87,474
Vehicle	20,971	20,971
Leasehold Improvements	66,524	66,524
	139,720	174,969
Less: Accumulated Depreciation	114,678	155,450
	<u>\$ 25,042</u>	<u>\$ 19,519</u>

NOTE 6 GRANTS

Grant activity for the fiscal years ended April 30, 2006 and 2005 is summarized as follows:

	April 30,	
	2006	2005
Grant Commitments Payable, Beginning of Year	\$ 1,375,590	\$ 1,574,150
Appropriations	2,974,790	2,931,500
Payments	(3,121,341)	(3,130,060)
Grant Commitments Payable, End of Year	<u>\$ 1,229,039</u>	<u>\$ 1,375,590</u>
Grant Appropriations	\$ 2,974,790	\$ 2,931,500
Grant Payments Returned and Reallocated	(4,200)	-
Forgiveness of Loan	-	17,318
Grants Awarded, Net	<u>\$ 2,970,590</u>	<u>\$ 2,948,818</u>

JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005

NOTE 6 GRANTS (CONTINUED)

Essentially all grant commitments outstanding at April 30, 2006 are expected to be paid within one year.

NOTE 7 FEDERAL EXCISE TAX

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

	April 30,	
	2006	2005
Provision:		
Current	\$ 183,054	\$ 58,388
Deferred	223,783	(63,193)
Total	<u>\$ 406,837</u>	<u>\$ (4,805)</u>
Liability:		
Current	\$ 75,522	\$ 6,963
Deferred	333,326	109,961
Total	<u>\$ 408,848</u>	<u>\$ 116,924</u>

Federal law requires that minimum distributions of funds be made each year.

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, 2006 and 2005. Pension expense was \$62,608 and \$61,055 for the years ended April 30, 2006 and 2005, respectively.

NOTE 9 FUNCTIONAL EXPENSES

The functional allocation of expenses for the years ended April 30, 2006 and 2005 is as follows:

	2006	2005
Program	\$ 3,055,014	\$ 3,033,658
Management and General	677,133	664,816
Total	<u>\$ 3,732,147</u>	<u>\$ 3,698,474</u>

JEROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2006 AND 2005

NOTE 10 FINANCIAL MANAGEMENT

Wells Fargo Bank Minnesota, N.A., Peregrine Capital Management, Alliance/Bernstein Capital Management Corporation, and U.S. Bank Institutional Financial Services 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 \$53,310 and \$52,653 for the years ended April 30, 2006 and 2005, respectively.

<u>Fiscal Year Ending April 30,</u>	<u>Minimum Rentals</u>
2007	\$ 48,745
2008	49,542
2009	20,780
Total	<u>\$ 119,067</u>

NOTE 12 CORRECTION OF AN ERROR FOR CHARITABLE REMAINDER TRUST

The Foundation is named as a beneficiary in a charitable remainder trust (the Trust). The value of the Foundation's interest in the Trust had not been reflected as an asset of the Foundation in prior years. An adjustment was made to correct this error and to show the asset value for the Foundation as well as any income or loss from their interest in the Trust. The impact of this adjustment was an increase in temporarily restricted net assets as of May 1, 2004 of approximately \$2.7 million and an increase in change in net assets of approximately \$192,000 during 2005.

LarsonAllenSM

CPAs, Consultants & Advisors
www.larsonallen.com

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, 2006 and 2005 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, 2006 and 2005, schedule of investments for the year ended April 30, 2006, and the schedule of grant commitments and payments for the year ended April 30, 2006 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 respected in relation to the basic financial statements taken as a whole.



LARSON, ALLEN, WEISHAIR & CO., LLP

Minneapolis, Minnesota
June 26, 2006

JEROME FOUNDATION, INC.
SCHEDULES OF ADMINISTRATIVE EXPENSES
YEARS ENDED APRIL 30, 2006 AND 2005
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	<u>2006</u>	<u>2005</u>
SALARIES AND BENEFITS EXPENSES		
Salaries and Temporary Services	\$ 437,558	\$ 418,327
Health, Dental and Other Insurance	79,431	70,587
Pension Plan Expense	62,608	61,055
Payroll Taxes	<u>29,727</u>	<u>28,065</u>
Total Salaries and Benefits Expenses	609,324	578,034
OFFICE AND OTHER EXPENSES		
Rent	53,310	52,653
Meetings and Events	33,173	37,175
Education Program	3,959	5,377
Office Operations	9,902	14,484
Travel	13,933	16,113
Telephone and Internet	4,556	15,526
Audit Services	16,000	14,741
Insurance	6,456	6,808
Postage	3,461	3,153
Publications	1,072	624
Legal Services	355	69
Bank Fees	-	333
Depreciation	<u>6,056</u>	<u>4,566</u>
Total Office and Other Expenses	<u>152,233</u>	<u>171,622</u>
Total Expenses	761,557	749,656
Less Expenses Allocated to Program Activities:		
Minnesota Media Arts Program	22,880	23,040
New York City Media Arts Program	26,920	26,920
Travel and Study Grant Program	<u>34,624</u>	<u>34,880</u>
Total Administrative Expenses	<u>\$ 677,133</u>	<u>\$ 664,816</u>

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>U.S. Government and Federal Agency:</u>			
380,000	US Treasury Bonds dtd 11/15/99, 6.25%, Due 5/15/2030	\$ 466,580	\$ 429,461
165,000	US Treasury Bonds dtd 5/15/86, 7.25%, Due 5/15/2016	200,722	192,303
75,000	US Treasury Note dtd 8/2/04, 2.75%, Due 7/31/2006	74,227	74,608
250,000	US Treasury Note dtd 11/15/01, 3.50%, Due 11/15/2006	247,930	248,048
375,000	US Treasury Note dtd 11/15/02, 3.00%, Due 11/15/2007	365,455	364,541
250,000	Fed Natl Mtg Assn dtd 11/17/03, 3.875%, Due 11/17/2008	247,568	242,110
65,000	Fed Natl Mtg Assn dtd 9/12/05, 4.375%, Due 10/15/2015	61,505	60,613
30,000	Fed Natl Mtg Assn dtd 12/23/05, 4.625%, Due 1/15/2008	29,797	29,747
118,412	Fed Home Ln Mtg Corp Pool #A36822 dtd 8/1/05, 4.50%, Due 8/1/2035	112,204	108,375
167,220	FHLMC Pool #A47055 dtd 9/1/05, 4.50%, Due 9/1/2035	158,127	153,046
88,744	Fed Natl Mtg Assn Pool #254693 dtd 3/1/03, 5.50%, Due 4/1/2033	89,486	86,426
262,478	Fed Natl Mtg Assn Pool #555677 dtd 7/1/03, 5.50%, Due 7/1/2033	264,673	255,620
112,617	Fed Natl Mtg Assn Pool #735230 dtd 1/1/05, 5.50%, Due 2/1/2035	113,514	109,547
247,960	Fed Natl Mtg Assn Pool #745179 dtd 12/1/05, 5.00%, Due 4/1/2019	244,241	241,969

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>U.S. Government and Federal Agency (Continued):</u>			
53,425	Fed Natl Mtg Assn Pool #745708 dtd 2/1/06, 6.50%, Due 1/1/2036	54,694	54,428
203,757	Govt Natl Mtg Assn Pool #486843 dtd 1/1/99, 6.00%, Due 1/15/2029	192,550	204,851
78,977	Govt Natl Mtg Assn Pool #486843 dtd 5/1/99, 6.00%, Due 5/15/2029	73,399	79,401
300,330	Govt Natl Mtg Assn Pool #486843 dtd 4/1/99, 6.00%, Due 4/15/2029	281,032	302,075
331,180	Govt Natl Mtg Assn Pool #781257 dtd 3/1/01, 6.00%, Due 3/15/2031	326,782	333,977
Total U.S. Government and Federal Agency		3,604,486	3,571,146
<u>Corporate and Other:</u>			
115,000	Amgen Inc dtd 5/4/05, 4.00%, Due 1/18/2009	114,773	109,782
125,000	BellSouth Corp dtd 9/13/04, 4.20%, Due 9/15/2009	124,782	120,016
115,000	British Sky Broadcasting dtd 7/9/99, 8.20%, Due 7/15/2009	125,686	123,428
65,000	Centex Corp dtd 6/6/05, 5.25%, Due 6/15/2015	64,899	59,935
60,000	Cisco Systems Inc dtd 2/22/06, 5.25%, Due 2/22/2011	59,885	59,394
90,000	Conagra Foods Inc dtd 9/10/01, 6.75%, Due 9/15/2011	98,160	93,519
155,000	Countrywide Finl Corp dtd 6/13/05, 4.50%, Due 6/15/2010	154,698	148,310

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Corporate and Other (Continued):</u>			
50,000	Deere John Cap Corp Med Term Note dtd 7/15/05, 4.40%, Due 7/15/2009	49,924	48,486
125,000	FirstEnergy Corp dtd 11/15/01, 6.45%, Due 11/15/2011	133,204	128,903
200,000	Goldman Sachs Group Inc dtd 1/13/04, 3.875%, Due 1/15/2009	205,492	192,796
90,000	Household Finance Co dtd 10/23/01, 6.375%, Due 10/15/2011	100,051	93,074
115,000	Inco Ltd dtd 5/13/02, 7.75%, Due 5/15/2012	130,251	124,386
230,000	Ingersoll Rand Co dtd 11/24/97, 6.391%, Due 11/15/2027	228,921	248,089
200,000	Intl Lease Finance Corp dtd 4/14/05, 5.00%, Due 4/15/2010	199,473	195,596
120,000	Kraft Foods Inc dtd 5/20/02, 6.25%, Due 6/1/2012	129,841	123,079
70,000	Lowe's Companies Inc dtd 10/6/05, 5.00%, Due 10/15/2015	69,928	66,433
70,000	Progress Energy Inc dtd 2/22/01, 7.10%, Due 3/1/2011	78,062	73,951
45,000	Safeway Stores dtd 1/31/01, 7.25%, Due 2/1/2031	48,750	46,741
175,000	SBC Communications dtd 11/3/04, 4.125%, Due 9/15/2009	174,961	167,365
150,000	SLM Corp dtd 7/19/05, 4.50%, Due 7/26/2010	149,579	143,744
240,000	Suntrust Bks Inc dtd 1/21/98, 6.00%, Due 1/15/2028	232,771	243,142

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Corporate and Other (Continued):</u>			
150,000	Textron Financial Corp dtd 11/22/02, 6.00%, Due 12/20/2009	163,395	152,349
20,000	Tyco Intl Group S A Ser Wi dtd 11/15/03, 6.00%, Due 11/15/2013	20,623	19,935
35,000	Unitedhealth Group Inc dtd 3/7/05, 4.875%, Due 3/15/2015	34,568	32,686
200,000	Verizon Wireless Cap LLC dtd 6/15/02, 5.375%, Due 12/15/2006	213,660	200,102
50,000	Wellpoint Inc dtd 12/9/04, 5.00%, Due 12/15/2014	49,654	46,991
125,000	Weyerhaeuser Co dtd 9/15/02, 6.75%, Due 3/15/2012	137,639	129,380
40,000	WM Wrigley Jr Co dtd 7/14/05, 4.30%, Due 7/15/2010	39,929	38,320
85,000	Wyeth dtd 12/16/03, 5.50%, Due 2/1/2014	85,591	83,051
55,000	GE Capital Commercial Mortg Corp Ser 2005-C3 dtd 8/1/05, 4.913%, Due 7/10/2045	55,275	53,823
45,000	JP Morgan Chase Coml Mtg Secs Corp Ser 2005-LDP3 dtd 7/1/05, 4.916%, Due 8/15/2042	45,223	43,937
45,000	JP Morgan Chase Coml Mtg Secs Corp Ser 2005-LDP5 dtd 12/1/05, 5.198%, Due 12/15/2044	45,225	44,524
25,000	JP Morgan Chase Coml Mtg Secs Corp Ser 2006-CB14 dtd 3/1/06, 5.481%, Due 12/12/2044	25,124	24,530
160,000	LB-UBS Coml Mtg TR Ser 2005-C1 dtd 1/11/05, 4.742%, Due 2/15/2030	160,531	149,755
125,000	LB-UBS Coml Mtg TR Ser 2004-C8 dtd 11/11/04, 4.201%, Due 12/15/2029	123,789	120,450

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Corporate and Other (Continued):</u>			
30,000	MBNA Cr Card Master Nt Tr Ser 2003-6 dtd 6/4/03, 2.75%, Due 10/15/2010	28,596	28,589
30,000	Merrill Lynch/Countrywide Commercial Ser 2006-1 dtd 3/1/06, 5.439%, Due 2/12/2039	30,165	29,914
50,000	Morgan Stanley Cap I Inc Ser 2004-T13 dtd 2/1/04, 3.94%, Due 9/13/2045	48,361	47,504
150,000	Bank Of America Commercial Mtg Ser 2004-3 dtd 7/1/04, 5.4836%, Due 6/10/2039	157,687	147,580
35,000	GS Mortgage Securities Corp II Ser 2004-GG2 dtd 8/1/04, Due 8/1/2038	34,244	34,265
28,223	HIS Asset Securitization Corporation Ser 2006-OPT2 dtd 2/28/06, Due 1/25/2036	28,223	28,224
46,454	Mastr Asset Backed Secs Tr Ser 2004-HE1 dtd 9/29/04, Due 9/25/2034	46,584	46,535
28,204	Specialty Underwriting & Residential Ser 2006-BC1 dtd 2/21/06, Due 12/25/2036	28,204	28,207
27,629	Structured Asset Investment Ln Tr Ser 2006-1 dtd 1/25/06, Due 1/25/2036	27,629	27,632
145,000	Banc of America Commercial Mtg Inc Ser 2005-1 dtd 4/1/05, 4.877%, Due 11/10/2042	147,702	142,235
80,000	Banc of America Commercial Mtg Inc Ser 2005-6 dtd 12/1/05, 5.182%, Due 9/10/2047	80,254	77,251
75,000	Capital One Prime Auto Receivables Ser 2005-1 dtd 8/30/05, 4.32%, Due 8/17/2009	74,998	74,238
155,000	Citibank Credit Card Issuance Trust Ser 2006-A2 dtd 2/6/06, 4.85%, Due 2/10/2011	154,958	153,278
216	Accumulated Depreciation on Moose Mountain Rd Bridge Linn County OR	216	216
	Total Corporate and Other	4,762,138	4,615,670
	Total Bonds	\$ 8,366,624	\$ 8,186,816

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
	<u>Mutual Funds:</u>		
287,423	Wells Fargo Advantage Small Company Growth Fund	\$ 8,333,947	\$ 9,769,495
	<u>Other:</u>		
4,884,761	Wells Fargo Advantage Investment MM Service	4,884,761	4,884,761
	Timber and Timberlands	76,140	1,049,400
	Total Mutual Funds and Other	<u>\$ 13,294,848</u>	<u>\$ 15,703,656</u>
	<u>Common Stocks:</u>		
2,000	BP PLC - ADR	\$ 97,298	\$ 147,440
800	Cooper Inds Ltd	45,488	73,160
700	Magna Intl Inc	58,379	54,915
600	Noble Corporation	31,046	47,364
3,900	Nokia Corporation - ADR	74,256	88,374
1,100	Renaissancere Holdings Com	49,971	46,255
800	Toyota Motor Corp - ADR	70,610	93,704
700	XL Capital LTD - CL A	49,596	46,123
2,300	Owens Ill Inc Com New	47,961	42,044
4,500	Smurfit-Stone Container Corp	80,537	58,275
2,600	Boeing Co	151,572	216,970
2,600	CSX Corp	91,949	178,074
1,400	Eaton Corp	83,297	107,310
11,700	General Electric Co	406,999	404,703
1,700	Northrop Grumman Corp	104,938	113,730
1,200	Textron Inc	67,072	107,940
900	Borg Warner Inc	41,008	54,657
4,000	CBS Corp New	96,496	101,880
5,700	Comcast Corp - Special	194,709	175,731
2,400	Cooper Tire & Rubber Co	49,345	30,480
9,000	Interpublic Group Cos Inc	150,074	86,220
1,500	Jones Apparel Group Inc	53,212	51,525
1,400	McDonalds Corp	49,007	48,398
4,600	Office Depot Inc	75,439	186,668
2,600	Target Corp	131,850	138,060
7,500	Time Warner Inc New	128,437	130,500
3,200	Altria Group Inc	176,157	234,112
1,600	Clorox Co	86,843	102,688
10,700	Kroger Co	202,583	216,782
2,500	Pepsico Inc	117,050	145,600
1,600	Procter & Gamble Co	83,162	93,136
4,400	Safeway Inc New	100,312	110,572
3,800	Chevron Corp	167,014	231,876

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
2,100	ConocoPhillips	71,361	140,490
900	EnSCO International Inc	33,212	48,141
3,300	Exxon Mobil Corporation	198,570	208,164
800	GlobalsantaFe Corp	27,339	48,968
800	Occidental Pete Corp	35,763	82,192
1,100	Allstate Corp	49,919	62,139
2,600	American Intl Group Inc	171,930	169,650
6,420	Bank of America Corp	262,403	320,486
4,600	Chubb Corp	164,435	237,084
8,000	Citigroup Inc	396,312	399,600
3,400	Fed Home Ln Mtg Corp	219,294	207,604
3,800	Fed Natl Mtg Assn	264,376	192,280
2,300	Genworth Finl Inc	72,827	76,360
600	Goldman Sachs Group Inc	60,719	96,174
2,300	Hartford Financial Services Group	147,502	211,439
4,400	JPMorgan Chase & Co	173,771	199,672
400	Lehman Brothers Holdings Inc	34,236	60,460
1,800	Merrill Lynch & Co Inc	105,288	137,268
4,200	MetLife Inc	141,889	218,820
3,200	National City Corp	112,457	118,080
1,300	Suntrust Banks Inc	94,745	100,529
2,470	The St Paul Companies Inc	100,330	108,754
3,900	Wachovia Corp	183,615	233,415
2,500	Cisco Systems Inc	53,535	52,375
2,000	E M C Corp Mass	28,091	27,020
4,000	Electronic Data Sys Corp New Com	79,961	108,320
6,600	Hewlett Packard Co	171,435	214,302
3,900	Intel Corp	95,959	77,922
7,500	Microsoft Corp	204,949	181,125
8,900	Sanmina-Sci Corp	48,560	46,191
27,700	Soletron Corp	200,061	110,800
2,200	Tech Data Corp	93,653	80,784
3,300	Tellabs Operations Inc	30,724	52,305
3,400	American Electric Power Inc	108,484	113,764
2,200	Entergy Corp New Com	156,711	153,868
3,200	Eli Lilly & Co Com	175,659	169,344
4,900	Merck & Co Inc	141,187	168,658
2,900	AT & T Inc	78,376	76,009
3,600	Bellsouth Corp	97,213	121,608
2,500	Crown Castle Intl Corp	73,418	84,126
5,500	Sprint Nextel Corp	101,691	136,400
2,660	Assured Guaranty Ltd	62,022	66,101
5,680	Compton Pete Corp	88,829	77,305

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
1,860	Corel Corp New	29,760	29,760
2,790	Platinum Underwriters Hldgs	72,673	76,920
6,840	CF Inds Hldgs Inc	96,561	118,332
1,930	Cytec Inds Inc Com	81,530	116,707
10,870	Grafftech Intl Ltd	72,079	73,481
8,640	Hercules Inc	93,570	122,774
4,610	Spartech Corp Com New	90,384	108,934
3,930	Xerium Technologies Inc	47,160	36,588
3,980	Adesa Inc	62,661	101,530
5,040	Agco Corp Clom	95,432	119,297
2,420	Armor Holdings Inc	90,274	147,789
2,580	Builders Firstsource Inc	40,807	55,599
2,272	Dollar Thrifty Automotive Group	36,889	110,601
3,980	General Cable Corp Com	31,872	125,649
3,580	Goodman Global Inc	69,885	70,884
8,520	GSI Group Inc	79,155	85,285
3,070	Lecg Corp	55,021	56,764
5,300	Mercury Computer Sys Inc	96,944	101,018
4,300	NCO Group Inc Com	74,668	92,235
2,930	Perini Corp	55,859	87,988
2,860	Tal Intl Group Inc	51,508	73,502
2,120	Timken Co	56,642	73,988
3,820	Aeropostale	79,307	117,312
4,980	Aftermarket Technology Corp Com	67,577	126,990
4,120	American Axle & Mfg Hldgs Inc	74,248	72,553
5,740	Arvinmeritor Inc	94,013	95,456
3,880	Cache Inc	53,498	77,096
10,710	CKE Restaurants Inc Com	94,557	169,539
4,730	Cost Plus Inc Calif Com	123,463	83,248
3,610	DSW Inc	70,160	112,993
6,690	Fleetwood Enterprises	61,805	62,886
3,990	Freds Inc CL A	54,202	56,618
4,030	Furniture Brands Intl Inc Com	87,628	92,690
2,050	Gaylord Entmt Co Com	57,194	90,712
6,250	Hot Topic Inc Com	84,591	92,687
8,620	Jacuzzi Brands Inc	64,070	84,217
5,460	Journal Communications Inc	80,253	64,046
3,170	Landry's Restaurants Inc	82,119	112,440
2,590	Marinemax Inc	59,945	84,848
4,490	Rent-A-Center Inc	85,476	124,014
5,410	Tenneco Inc	74,294	130,110
3,100	WCI Cmnty Inc	60,795	79,453
4,330	West Marine Inc Com	65,137	63,997

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
3,900	Performance Food Group Co Com	97,971	119,730
4,350	Spectrum Brands Inc	95,289	71,993
7,850	Brigham Exploration Company	68,106	74,025
5,950	Key Energy Services Inc	62,022	101,686
790	Oceaneering Intl Inc	27,794	48,214
3,790	American Campus Cmnty Inc	82,666	91,528
6,680	American Equity Invst Life Hldg Co	70,065	90,581
2,440	Argonaut Group Inc	40,062	85,156
2,160	Asset Accep Cap Corp	47,050	45,122
7,550	Bankatlantic Bancorp Inc CL A Non	106,539	112,646
4,190	Biomed Rlty Tr Inc	64,652	115,979
3,970	Columbia Equity Tr Inc	60,845	64,354
6,610	Commercial Cap Bancorp Inc	102,776	103,579
1,940	Cullen Frost Bankers Inc Com	64,890	112,287
4,820	Dime Cmnty Bancorp Inc Com	81,657	68,299
3,220	Equity One Inc	59,334	73,996
5,210	Felcor Lodging Trust Inc	58,414	112,796
1,985	First Rep Bk San Fransisco Calif	29,277	86,387
4,590	Franklin Bk Corp Del	78,734	89,092
2,280	Gatx Corp	51,408	106,704
1,810	Infinity Ppty & Cas Corp	52,891	81,160
2,140	Investors Finl Services Corp Com	74,434	102,420
2,210	Pennsylvania Estate Invst Tr	69,158	89,638
2,408	PFF Bancorp Inc Com	30,433	82,522
5,200	Provident Finl Svcs Inc	88,935	94,900
3,130	South Financial Group Inc	92,453	84,917
5,330	Strategic Hotels & Resorts Inc	75,817	120,884
3,510	Sunstone Hotel Invs Inc New	73,686	100,877
3,510	Susquehanna Bancshares Inc Pa Com	88,708	83,784
5,040	U-Store-It Tr Com	100,198	92,131
2,610	Umpqua Holdings Corp	50,831	68,904
5,790	Universal Amer Financial Corp	63,742	85,345
6,490	Amis Hldgs Inc	56,209	66,912
4,090	Applied Films Corp	81,245	89,653
4,840	Avocent Corp	122,782	130,390
5,470	Bisys Group Inc Com	76,387	87,192
2,620	Cabot Microelectronics Corp	83,481	85,700
1,500	CPI International Inc	28,092	27,000
9,330	Dot Hill Sys	53,622	42,451
8,210	Emulex Corp	119,681	149,011
4,620	Fairchild SemiConductor International	66,452	95,495
3,990	Hutchinson Technology Inc	106,218	94,842

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
4,790	Phototronics Inc Com	81,514	86,076
3,930	Synnex Corp	69,716	74,474
3,030	Cleco Corp New	57,884	68,175
3,610	Westar Energy Inc	74,045	75,593
2,620	Apria Healthcare Group Inc Com	83,297	57,378
1,420	Diagnostics Prods Corp	64,688	82,360
3,490	Frist Horizon Pharmaceutical Corp	60,883	77,722
1,910	Genesis Healthcare Group	85,672	90,286
2,960	Magellan Health Services Inc	100,597	120,324
2,420	Molina Healthcare Inc	65,544	79,134
7,970	Prestige Brands Hldgs Inc	88,692	97,478
22,130	Cincinnati Bell Inc Common	85,178	92,947
4,920	Iowa Telecommunications Svcs Inc	95,676	88,758
8,620	Valor Communications Group Inc	124,966	112,491
13,450	Alcon Inc	1,094,786	1,367,999
19,800	America Movil SA DE CV - Series Sponsored ADR	624,091	730,818
10,400	Marvell Technology Group	269,547	593,736
28,400	Nabors Industries LTD	759,816	1,060,172
3,800	Schlumberger LTD	243,848	262,732
40,100	Teva Pharmaceutical Industries - ADR	1,328,550	1,624,050
7,700	UBS AG ADR	708,944	899,745
6,300	Monsanto Co New	537,944	525,420
16,400	Boeing Co	1,068,411	1,368,580
4,200	CSX Corp	286,569	287,658
5,200	Fastenal Co	164,369	243,412
3,400	Rockwell Collins	194,211	194,480
2,400	United Parcel Service - CL B	192,864	194,568
900	United Technologies Corp	49,407	56,529
45,400	Ebay Inc	1,684,003	1,562,214
10,800	Hilton Hotels Corp	288,656	290,952
6,900	Las Vegas Sands Corp	336,117	447,189
13,800	Lowe's Cos Inc	783,979	870,090
18,000	McDonalds Corp	627,741	622,260
3,900	Starbucks Corp Com	94,132	145,353
17,100	Target Corp	810,992	908,010
33,800	Procter & Gamble Co	1,811,884	1,967,498
9,900	Walgreen Co	451,116	415,107
5,200	Whole Foods Mkt Inc	229,853	319,176
2,600	Baker Hughes Inc Com	192,305	210,158
10,800	Globalsantafe Corp	534,947	661,068
28,400	Halliburton Co	1,279,101	2,219,460
15,600	American Intl Group Inc	989,465	1,017,900
8,500	Franklin Resources Inc	603,999	791,520

JEROME FOUNDATION, INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

No. of Shares	Description	Cost	Market Value
<u>Common Stocks (Continued):</u>			
4,600	Goldman Sachs Group Inc	503,026	737,334
20,200	JPMorgan Chase & Co	818,551	916,676
8,800	Legg Mason Inc Com	770,585	1,042,624
12,200	Merrill Lynch & Co Inc	761,090	930,372
7,400	NASDAQ Stk Mkt Inc	289,667	276,908
13,700	Northern Trust Corp	687,919	806,793
31,900	Advanced Micro Devices Inc	1,134,216	1,031,965
30,400	Apple Computer Inc	1,283,176	2,139,856
38,450	Broadcom Corporation Com	921,225	1,580,680
48,100	Coming Inc	740,825	1,329,003
4,400	Google Inc	1,085,003	1,838,936
45,500	Juniper Networks Inc	1,104,044	840,840
4,800	KLA-Tencor Corp Com	256,041	231,168
36,900	Microsoft Corp	1,024,572	891,135
13,500	Motorola Inc	297,147	288,225
18,800	Network Appliance Inc Com	409,828	696,916
1,000	Nvidia Corp	284,817	292,200
37,400	Qualcomm Inc	1,383,286	1,920,116
22,660	Yahoo Inc Com	517,401	742,795
8,700	Amgen Inc	465,051	588,990
15,400	Caremark Rx Inc	733,887	701,470
21,400	Genentech Inc	1,393,141	1,705,794
15,800	Gilead Sciences Inc	715,019	908,500
4,100	Medco Health Solutions Inc	229,849	218,243
22,900	United Health Group Inc	755,560	1,139,046
28,850	Wellpoint Inc	1,954,513	2,048,350
	Total Common Stocks	<u>\$ 54,586,588</u>	<u>\$ 66,377,159</u>
	Total Common Stocks	\$ 54,586,588	\$ 66,377,159
	Total Bonds	8,366,624	8,186,816
	Mutual Funds	8,333,947	9,769,495
	Cash Equivalents	4,884,761	4,884,761
	Timberlands	76,140	1,049,400
	Total Investments	<u>\$ 76,248,060</u>	<u>\$ 90,267,631</u>

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS
YEAR ENDED APRIL 30, 2006
(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
Lois Hall New York missions giving artists in the for New	\$ -	\$ 20,000	\$ 20,000	\$ -
Brass C Music Association New York ing commitments	-	28,000	14,000	14,000
Composum sa, Minnes ers Continuing Program and ogram	117,000	-	117,000	-
ording Millikan	-	8,000	8,000	-
Jazz Composers' ssions performance	10,000	(10,000)		-
Center disciplinary Studies sa, Minnes ncies forging artists	-	31,000	15,500	15,500
Foundation New York books, education program serving ng photographers	-	30,000	15,000	15,000
Arts New York ation of artists' Commi s, exhibits independent artists' se	8,000	38,000	27,000	19,000
Arts New York ation of artists' Exhibiti m	18,000	18,000	36,000	-
American Workshop New York ation of writers workshops tions, Mary Montoya	21,000	-	21,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Bang on a Can Brooklyn, New York Emerging composers' commissions within The People's Commissioning Fund	-	10,000	10,000	-
Blacklock Nature Sanctuary Moose Lake, Minnesota Emerging Artist Residency Program	22,000	-	22,000	-
Cave Canem New York, New York New York City workshops for emerging African-American poets	-	15,000	15,000	-
Cherry Lane Theatre New York, New York Mentor Projects	-	58,000	28,000	30,000
Civilians (The) New York, New York Creation and production of new work	-	10,000	10,000	-
Clubbed Thumb New York, New York Programs serving emerging playwrights	10,000	-	10,000	-
Coffee House Press Minneapolis, Minnesota Publication of books by emerging writers	-	50,000	25,000	25,000
Collapsible Giraffe (The) Brooklyn, New York Creation and production of new works	-	10,000	10,000	-
Concrete Temple Theatre New York, New York Creation and production of new works	-	10,000	10,000	-
Cornucopia Art Center Lanesboro, Minnesota Artist Residency Program	-	30,000	15,000	15,000

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Council on Foundations Washington, DC General Support	-	7,740	7,740	-
Dance Council Movement Theater Brooklyn, New York Creation and production of work by Alyce Finwall	-	11,000	11,000	-
Dance New Amsterdam New York, New York <i>In the Company of Men</i> Program	-	40,000	20,000	20,000
Dance Theater Workshop New York, New York Bessie Schönberg/ <i>First Light</i> Commissioning Program	-	35,000	35,000	-
Danspace Project New York, New York Commissions for emerging choreographers	27,500	-	27,500	-
Dixon Place/Open Channels New York, New York Mondo Cane! Commissions and Under Construction Program	-	54,000	27,000	27,000
Duluth Art Institute Duluth, Minnesota Participation of emerging artists in the Exhibition Program	-	15,000	15,000	-
Ethos Percussion Group New York, New York Emerging Composer Commissioning Program	-	45,000	22,500	22,500
FENCE Magazine New York, New York Publication of works by emerging writers	-	10,000	10,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Field (The)/Performance Zone				
New York, New York				
Dorvillier/human future dance corps	-	22,000	14,000	8,000
Sarah Michelson Dance	-	10,000	10,000	-
RoseAnne Spradlin Dance	-	9,000	9,000	-
Ellis Wood Dance	-	10,000	10,000	-
FORECAST Public Artworks				
Saint Paul, Minnesota				
Public Art Affairs Program	32,500	-	32,500	-
Foundation Center (The)				
New York, New York				
General support	1,500	-	1,500	-
Foundation for Independent Artists				
New York, New York				
New work by Ben Munisteri	12,000	-	12,000	-
Foundry Theatre (The)				
New York, New York				
New works by emerging playwrights	-	46,000	23,000	23,000
Franconia Sculpture Park				
Shafer, Minnesota				
Emerging Artist Program	-	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				
for Performance Art and The Future of the t	39,000	-	39,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Grantmakers in the Arts Seattle, Washington General Support	-	20,000	10,000	10,000
Graywolf Press Saint Paul, Minnesota Publication of books by emerging writers	-	50,000	25,000	25,000
H. T. Dance Company/Mulberry Street Theater New York, New York <i>Ear to the Ground</i> Commissioning Series	-	20,000	10,000	10,000
Harvestworks New York, New York Artists' Residencies Program	-	34,000	17,000	17,000
Heart of the Beast Puppet and Mask Theatre (In the) Minneapolis, Minnesota Mentor program for emerging artists	-	17,000	17,000	-
HERE Arts Center New York, New York HERE Artists Residency Program	-	40,000	20,000	20,000
Highpoint Center for Printmaking Minneapolis, Minnesota Jerome Emerging Printmakers' Residency Program	-	15,000	15,000	-
IFP Minneapolis/Saint Paul Saint Paul, Minnesota Services for independent media artists	20,000	-	20,000	-
MNTV Consortium	-	66,000	33,000	33,000
INTAR Theatre New York, New York New Works Lab	-	20,000	20,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Intermedia Arts of Minnesota Minneapolis, Minnesota				
S.A.S.E./Jerome Fellowships, Verve Grants for Spoken Word Artists and Writer-to-Writer Mentorship Program	-	49,500	-	49,500
Creation and production of new work by Margo Abdo O'Dell	-	9,000	9,000	-
Naked Stages Program	-	72,000	36,000	36,000
Jamaica Center for Arts & Learning Jamaica, New York				
Participation of emerging artists in the Visual Arts Program	15,000	-	15,000	-
Jerome Foundation Saint Paul, Minnesota (Foundation-Administered Programs)				
Building Administrative Capacity Grant Program	5,408	-	-	5,408
Jerome Hill Centennial Program	58,184	33,840	88,050	3,974
Minnesota Media Arts Program	106,546	57,783	103,237	61,092
New York City Media Arts Program	245,561	111,304	309,970	46,895
Initiative to broaden access to Jerome regrant programs	13,749	-	4,000	9,749
Strategic Development Program	-	15,000	393	14,607
Travel and Study Grant Program	28,967	41,889	42,542	28,314
Jungle Theater (The) Minneapolis, Minnesota				
Play Reading Series, literary management, and development and production of new works by emerging playwrights	23,500	-	23,500	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
The Kitchen (a.k.a. Haleakala, Inc.) New York, New York Emerging Artists' Commissions	-	12,000	12,000	-
LaDevelopment Center New York Light development	-	10,000	10,000	-
Loory Center (The) Minneapolis, Minnesota Series	-	50,000	50,000	-
Minnesota Writers Career Initiative	-	100,000	50,000	50,000
Lower East Side Printshop New York Older Residency and Special Editions Workshop Programs	-	30,000	15,000	15,000
Manhattan Cultural Council New York, New York Artist Workspace Program	-	20,000	20,000	-
Manhattan Mines New York, New York Mines Resident Artist Program	-	60,000	30,000	30,000
Meet The Composer New York, New York Meet The Composer Fund for emerging composers	20,000	-	20,000	-
Minneapolis College of Art and Design Minneapolis, Minnesota MCAD/Jerome Fellowship Program	-	160,000	80,000	80,000
Minneapolis Institute of Arts (The) Minneapolis, Minnesota Minnesota Artists Exhibition Program	19,500	-	19,500	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Missouri Center for Book Arts Minneapolis, Minnesota Jerome/MCBA Mentorship/Fellowship Program	-	40,000	20,000	20,000
Minnesota Center for Photography Minneapolis, Minnesota Participation of emerging artists in the Exhibition Program	-	26,000	26,000	-
Minnesota Council on Foundations Minneapolis, Minnesota General Support	-	7,250	7,250	-
Minnesota Dance Theatre Minneapolis, Minnesota Choreographer in Residence Program	12,000	-	12,000	-
Minnesota Historical Society St. Paul, Minnesota Concert and lectures: St. Hill Cell Program	25,400	1,115	26,515	-
Midwest Theatre Company Minneapolis, Minnesota Production of plays in the New Initiative	15,000	-	15,000	-
Midwest Art New York Young Artist Program	-	14,000	14,000	-
Midwest Modern New York St. Hill Cell Film Festival	23,500	(3,456)	20,044	-
Initiations of support by Jerome Foundation's Arts Programs	-	14,000	7,000	7,000
Radioactive Reels New York Makers in and Electronic Media	-	2,500	2,500	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
New Dramatists				
New York, New York				
Composer-Librettist Studio and new works development	40,000	-	40,000	-
New Georges				
New York, New York				
New works by emerging playwrights	15,000	-	15,000	-
New Radio and Performing Arts				
Staten Island, New York				
Emerging artists' commissions for TURBULENCE	-	32,000	16,000	16,000
New Rivers Press MSUM				
Moorhead, Minnesota				
Many Voices Project	-	30,000	15,000	15,000
New York Foundation for the Arts				
New York, New York				
New work by Yasuko Yokoshi	10,000	-	10,000	-
New York Mills Arts Retreat and Regional Cultural Center				
New York Mills, Minnesota				
Artist in Residence Program	16,000	-	16,000	-
New York Regional Association of Grantmakers				
New York, New York				
General support	-	750	750	-
New York Theatre Workshop				
New York, New York				
Artist development activities	-	38,000	19,000	19,000
Northern Clay Center				
Minneapolis, Minnesota				
Artists Project Grants Program	26,000	-	26,000	-
1+1+1=One				
Brooklyn, New York				
Creation and production of <i>Low's Journey</i> by Rha Goddess	-	10,000	10,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
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	12,000	-	12,000	-
Pangea World Theater Minneapolis, Minnesota Ananya Dance Theatre	-	9,000	9,000	-
Performance Space 122 New York, New York Emerging artists' commissioning fees	-	42,500	42,500	-
Pillsbury United Communities/Pillsbury House Theatre Minneapolis, Minnesota New works by emerging playwrights.	12,000	-	12,000	-
<i>Non-English Speaking Spoken Here:</i> <i>The Late Nite Series</i>	22,500	34,500	22,500	34,500
Playwrights' Center (The) Minneapolis, Minnesota New work by Lisa D'Amour	8,000	-	8,000	-
Production of <i>Quick</i> in the Prague Fringe Festival	-	19,575	19,575	-
Many Voices Program	-	67,000	21,000	46,000
Jerome Emerging Playwrights Fellowship Program	-	182,000	60,000	122,000
Playwrights Horizons New York, New York New works by emerging playwrights	23,000	-	23,000	-
P.S. 1 Contemporary Art Center Long Island City, New York Special Projects Program	-	10,000	10,000	-
Ragamala Music and Dance Theater Minneapolis, Minnesota Creation and production of work by Aparna Ramaswamy	-	9,000	9,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Red Eye Collaboration Minneapolis, Minnesota Isolated Acts and Works-in-Progress Series	28,500	-	28,500	-
Repertorio Español New York, New York Voces Nuevas Program	-	36,000	18,000	18,000
Rhizome.org New York, New York Commissions for new media artists	15,000	-	15,000	-
Roulette Intermedium New York, New York Emerging Composer Commissioning Program	24,000	40,000	44,000	20,000
S.A.S.E.: The Write Place Minneapolis, Minnesota S.A.S.E./Jerome Fellowships, Writer-to-Writer Mentorships and Verve Fellowships	-	49,500	49,500	-
MIZNA Journal	16,000	-	16,000	-
Saint John's University Collegeville, Minnesota Emerging Artist in Residence Program at the Pottery	-	54,000	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	-
SculptureCenter Long Island City, New York <i>In Practice Program</i>	-	10,000	10,000	-
James Sewell Ballet Minneapolis, Minnesota <i>Ballet Works Program</i>	12,000	-	12,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
SITI Company New York, New York Associates New Work Series	-	10,000	-	10,000
Skewed Visions Minneapolis, Minnesota New work production <i>Days and Nights</i>	-	12,500	12,500	-
Soap Factory (The) Minneapolis, Minnesota Participation of emerging artists in the Exhibition Program	-	22,000	22,000	-
Soho Repertory Theatre New York, New York New work development and production	-	20,000	10,000	10,000
Southern Theater Foundation Minneapolis, Minnesota Hijack	10,500	-	10,500	-
TU Dance	11,000	12,000	17,000	6,000
Savage Aural Hotbed	-	16,000	8,000	8,000
Karen Sherman	-	9,000	9,000	-
Springboard for the Arts Saint Paul, Minnesota Artists Services Program	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	-	16,000	16,000	-
Theatre Communications Group New York, New York National Theatre Criticism/Affiliated Writers Program	19,000	-	19,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Thirteen/WNET New York New York, New York <i>Reel New York</i>	-	25,000	25,000	-
Triple Candie New York, New York Emerging artists' commissions and exhibitions in The Project Space	-	8,000	8,000	-
Troika Ranch Brooklyn, New York Creation and production of <i>Small Things With No Meaning</i>	-	10,000	10,000	-
VocalEssence Minneapolis, Minnesota Essentially Choral Program	-	22,000	22,000	-
Voice & Vision New York, New York ENVISION Retreat and Lab Workshop Productions	-	27,000	13,500	13,500
Volcano Love Brooklyn, New York New work by Sarah East Johnson for LAVA	12,000	-	12,000	-
VSA arts of Minnesota Minneapolis, Minnesota Minnesota Artist Recognition Grant Program and artists' services	17,500	-	17,500	-
Walker Art Center Minneapolis, Minnesota <i>Momentum: New Dance Works Series</i> by emerging choreographers	-	40,000	20,000	20,000
Jerome Hill Centennial Film Festival	8,350	-	8,350	-
White Columns New York, New York Participation of emerging artists in the Exhibition Program	-	20,000	20,000	-

JEROME FOUNDATION, INC.
SCHEDULE OF GRANT COMMITMENTS AND PAYMENTS (CONTINUED)
YEAR ENDED APRIL 30, 2006
(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
Women's Project & Productions New York, New York Participation of emerging playwrights in the Developmental Theatre Program and the Playwrights Lab	-	23,000	23,000	-
Writers Room (The) New York, New York Programs and services for emerging writers	-	30,000	15,000	15,000
Zeitgeist Saint Paul, Minnesota Anthony Gatto	9,000	-	-	9,000
Composer Workshop	-	27,000	13,500	13,500
Zenon Dance Company and School Minneapolis, Minnesota Commissions of new works by emerging choreographers	25,000	-	25,000	-
	<u>\$ 1,375,590</u>	<u>\$ 2,974,790</u>	<u>\$ 3,121,341</u>	<u>\$ 1,229,039</u>