

Return of Organization Exempt From Income Tax

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

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

2010

Open to Public Inspection

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

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.		D Employer identification number 13-5596825
	Doing Business As THIRD STREET MUSIC SCHOOL		E Telephone number (212) 777-3240
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 235 EAST 11TH STREET		
	City or town, state or country, and ZIP + 4 NEW YORK, NY 10003-7305		G Gross receipts \$ 6,645,421.
F Name and address of principal officer: LEE KOONCE SAME AS C ABOVE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ WWW.THIRDSTREETMUSICSSCHOOL.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1903
M State of legal domicile: NY			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE QUALITY MUSIC & ARTS INSTRUCTION REGARDLESS OF ARTISTIC ABILITY OR ECONOMIC CIRCUMSTANCES		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	21
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	21
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	199
	6 Total number of volunteers (estimate if necessary)	6	90
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,582,746.	Current Year 1,557,943.
	9 Program service revenue (Part VIII, line 2g)	3,568,212.	3,763,287.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	238,302.	472,765.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	32,018.	15,934.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,421,278.	5,809,929.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	563,603.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		3,890,315.	4,116,770.
16a Professional fundraising fees (Part IX, column (A), line 11e)		42,500.	42,500.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 547,009.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		955,649.	1,104,389.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	5,452,067.	5,794,290.	
19 Revenue less expenses. Subtract line 18 from line 12	-30,789.	15,639.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 11,462,318.	End of Year 12,799,300.
	21 Total liabilities (Part X, line 26)	2,297,238.	2,190,674.
	22 Net assets or fund balances. Subtract line 21 from line 20	9,165,080.	10,608,626.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	▶ Signature of officer _____ Date _____				
	▶ Type or print name and title _____				
Paid Preparer Use Only	Print/Type preparer's name LAUREN CRESCI	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	PTIN _____
	Firm's name ▶ LUTZ AND CARR, CPAS LLP	Firm's EIN ▶ _____		Phone no. 212-697-2299	
Firm's address ▶ 300 EAST 42ND STREET		NEW YORK, NY 10017			

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
TO PROVIDE QUALITY MUSIC AND ARTS INSTRUCTION IN AN ENVIRONMENT THAT
NURTURES ACHIEVEMENT AND CREATIVITY AND OFFERS TO ALL, REGARDLESS OF
ARTISTIC ABILITY OR ECONOMIC CIRCUMSTANCES, THE OPPORTUNITY TO ENRICH
THE QUALITY OF THEIR LIVES. (SEE SCHEDULE O FOR FULL MISSION STATEMENT)

2 Did the organization undertake any significant program services during the year which were not listed on
the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.
Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and
allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 3,629,206. including grants of \$ 530,631.) (Revenue \$ 3,248,072.)
INSTRUCTION: AS THE NATION'S OLDEST COMMUNITY SCHOOL OF MUSIC, THIRD
STREET PROVIDES HIGH QUALITY MUSIC, DANCE AND VISUAL ARTS INSTRUCTION
TO STUDENTS OF ALL AGES, LEVELS AND BACKGROUNDS. THE SCHOOL'S MOST
ROBUST PROGRAMS SERVE CHILDREN IN GRADES K-12 WITH WEEKLY AFTER-SCHOOL
/SATURDAY INSTRUCTION IN MOST INSTRUMENTS AND VOICE; MUSIC THEORY AND
COMPOSITION; PERFORMANCE TRAINING AND ENSEMBLE ACTIVITIES; DANCE; AND
THE VISUAL ARTS. EARLY CHILDHOOD PROGRAMS INCLUDE A LICENSED PRESCHOOL
AND CLASSES IN MUSIC AND MOVEMENT. ADULT PROGRAMS OFFER FLEXIBLE MUSIC
LESSONS, FREE DAYTIME ACCESS TO PRACTICE STUDIOS, TAP AND MOVEMENT
CLASSES AND ENSEMBLE/PERFORMANCE ACTIVITIES INCLUDING NEW HORIZONS
BANDS AND CHORUS FOR OLDER ADULTS. (SEE SCHEDULE O FOR FULL
DESCRIPTION.)

4b (Code:) (Expenses \$ 1,024,821. including grants of \$) (Revenue \$ 515,215.)
SCHOOL & COMMUNITY PARTNERSHIPS: THIRD STREET FIRST PROVIDED MUSIC
INSTRUCTION IN LOCAL PUBLIC SCHOOLS IN THE LATE 1950S. IN 1980, IN
RESPONSE TO NEW YORK CITY'S FISCAL CRISIS, THE CURRENT PROGRAM, KNOWN
AS MILES (MUSIC INSTRUCTION ON THE LOWER EAST SIDE), WAS CREATED. IN
ITS 31ST YEAR, SCHOOL PARTNERSHIPS PROVIDED QUALITY MUSIC & MOVEMENT
INSTRUCTION TO 3,629 STUDENTS (PRE-K-12) AT 26 SCHOOLS & COMMUNITY
CENTERS IN LOW- TO MODERATE-INCOME NEIGHBORHOODS, INCLUDING FEDERALLY
DESIGNATED POVERTY AREAS. STUDENTS RECEIVED ONE OR MORE SESSIONS OF
WEEKLY INSTRUCTION IN SCHOOL OR AT THIRD STREET. IN ADDITION, 462
STUDENTS FROM PARTNERING SCHOOLS, THROUGH MILES@3RD, ENROLLED FOR
WEEKLY AFTER-SCHOOL/SATURDAY GROUP CLASSES IN MUSIC, DANCE AND VISUAL
ARTS AT LITTLE OR NO COST. (SEE SCHEDULE O FOR FULL DESCRIPTION.)

4c (Code:) (Expenses \$ 112,084. including grants of \$) (Revenue \$)
PERFORMANCE: PERFORMANCE IS AT THE HEART OF THIRD STREET'S APPROACH TO
MUSIC EDUCATION WITH MORE THAN 250 FREE-TO-THE-PUBLIC PERFORMANCES BY
STUDENTS, FACULTY & GUEST ARTISTS HELD EACH YEAR IN THE SCHOOL'S
300-PERSON AUDITORIUM AND OTHER VENUES AROUND THE CITY. THIRD STREET'S
BEST-KNOWN COMMUNITY CONCERTS INCLUDE: THE ARTIST PERFORMANCE SERIES OF
FRIDAY EVENING CONCERTS GIVEN BY THIRD STREET FACULTY AND THEIR GUESTS;
AND MUSIC IN ABE LEBEWOHL PARK, AN OUTDOOR SUMMER SERIES PRESENTING AN
ECLECTIC MIX OF RENOWNED ARTISTS AND ENSEMBLES THAT REFLECT THE
CULTURAL DIVERSITY OF THIRD STREET'S EAST VILLAGE NEIGHBORHOOD. OTHER
RECITAL VENUES INCLUDE HISTORIC ST. MARK'S CHURCH-IN-THE-BOWERY AND
STEINWAY HALL. (SEE SCHEDULE O FOR FULL DESCRIPTION.)

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

4e Total program service expenses ▶ 4,766,111.

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Part IV Checklist of Required Schedules

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

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Form **990** (2010)

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Form 990 (2010)

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Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
	1a 21		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
	1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a 199		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
	4a		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	6b		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
	7g		
	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
	8		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
	9a		
	9b		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Form 990 (2010)

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

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

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	21	
b Enter the number of voting members included in line 1a, above, who are independent	1b	21	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Does the organization have members or stockholders?	6		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		X

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

		Yes	No
10a Does the organization have local chapters, branches, or affiliates?	10a		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X	
13 Does the organization have a written whistleblower policy?	13	X	
14 Does the organization have a written document retention and destruction policy?	14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a The organization's CEO, Executive Director, or top management official	15a	X	
b Other officers or key employees of the organization	15b		X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **▶ NY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶
STEVE ARONSON - 212-777-3240
235 EAST 11TH STREET, NEW YORK, NY 10003

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Form 990 (2010)

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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
BYRON BELL BOARD MEMBER	1.00	X					0.	0.	0.	
TERESA LONGYEAR BULL BOARD MEMBER	1.00	X					0.	0.	0.	
ROBERT M. CARR BOARD MEMBER	1.00	X					0.	0.	0.	
LAURA CHANG TREASURER	1.00	X					0.	0.	0.	
GERALD D. COHEN BOARD MEMBER	1.00	X					0.	0.	0.	
FRED M. FILOON BOARD MEMBER	1.00	X					0.	0.	0.	
NICHOLAS L.D. FIRTH VICE CHAIR	1.00	X					0.	0.	0.	
PETER FLINT, JR. BOARD MEMBER	1.00	X					0.	0.	0.	
TERRY A. HUENEKE BOARD MEMBER	1.00	X					0.	0.	0.	
DAVID M. HUGGIN CHAIR	1.00	X					0.	0.	0.	
RONI KOHEN-LEMLE BOARD MEMBER	1.00	X					0.	0.	0.	
YUKIKO KUBO-GATHERAL BOARD MEMBER	1.00	X					0.	0.	0.	
ERIK D. LINDAUER SECRETARY	1.00	X					0.	0.	0.	
W. CURTIS LIVINGSTON BOARD MEMBER	1.00	X					0.	0.	0.	
JOAN C. LONG BOARD MEMBER	1.00	X					0.	0.	0.	
JEANNIE PARK BOARD MEMBER	1.00	X					0.	0.	0.	
VINCENT C. PERRO BOARD MEMBER	1.00	X					0.	0.	0.	

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
PONCHITTA PIERCE BOARD MEMBER	1.00	X					0.	0.	0.	
HAROLD PRINCE BOARD MEMBER	1.00	X					0.	0.	0.	
STELLA SICHEL BOARD MEMBER	1.00	X					0.	0.	0.	
ELLSWORTH G. STANTON III BOARD MEMBER	1.00	X					0.	0.	0.	
LEE KOONCE EXECUTIVE DIRECTOR	40.00			X			170,187.	0.	9,492.	
STEVE ARONSON DIR FINANCE & ADMIN	40.00			X			101,361.	0.	18,897.	
KERRY GREENE DIR DEV & COMMUNIC	40.00				X		130,429.	0.	26,732.	
NANCY MORGAN DIR SCH & COMM PTNSHP	40.00				X		120,090.	0.	5,642.	
MARY LOU FRANCIS- SEE NOTE ON SCH. O ASSOC DIRECTOR	40.00				X		485,375.	0.	10,220.	
1b Sub-total							1,007,442.	0.	70,983.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							1,007,442.	0.	70,983.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization 4

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. **NONE**

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization 0

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	319,165.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	146,001.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,092,777.				
	g Noncash contributions included in lines 1a-1f: \$		83,457.				
	h Total. Add lines 1a-1f		1,557,943.				
	Program Service Revenue	2 a TUITION & REGISTRATION	Business Code 611600	3,248,072.	3,248,072.		
b SCHOOL PARTNERSHIPS		611600	515,215.	515,215.			
c							
d							
e							
f All other program service revenue							
g Total. Add lines 2a-2f			3,763,287.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		248,745.			248,745.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real					
		(ii) Personal					
		b Less: rental expenses					
		c Rental income or (loss)					
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	1024114.				
		(ii) Other					
		b Less: cost or other basis and sales expenses	800,094.				
		c Gain or (loss)	224,020.				
	d Net gain or (loss)		224,020.			224,020.	
	8 a Gross income from fundraising events (not including \$ 319,165. of contributions reported on line 1c). See Part IV, line 18	a	35,398.				
		b Less: direct expenses	35,398.				
c Net income or (loss) from fundraising events			0.				
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses						
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold						
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a MISCELLANEOUS	900099	15,934.			15,934.		
b							
c							
d All other revenue							
e Total. Add lines 11a-11d		15,934.					
12 Total revenue. See instructions.		5,809,929.	3,763,287.	0.	488,699.		

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Form **990** (2010)

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part IX Statement of Functional Expenses

*Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).*

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	530,631.	530,631.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	317,857.	62,469.	170,449.	84,939.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,277,814.	2,884,179.	130,082.	263,553.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	40,804.	35,288.	1,011.	4,505.
9 Other employee benefits	172,606.	154,373.	4,032.	14,201.
10 Payroll taxes	307,689.	257,783.	23,294.	26,612.
11 Fees for services (non-employees):				
a Management				
b Legal	3,965.		3,965.	
c Accounting	31,850.		31,850.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	42,500.			42,500.
f Investment management fees	35,209.		35,209.	
g Other	200,049.	171,204.	19,930.	8,915.
12 Advertising and promotion				
13 Office expenses	141,516.	111,105.	10,073.	20,338.
14 Information technology				
15 Royalties				
16 Occupancy	133,701.	110,408.	12,241.	11,052.
17 Travel	5,087.	4,523.	273.	291.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	25,782.	22,400.	1,539.	1,843.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	152,829.	126,204.	13,993.	12,632.
23 Insurance	67,991.	56,147.	6,224.	5,620.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a OTHER NON-PERSONNEL EXP	81,764.	65,285.	6,734.	9,745.
b SECURITY AND CUSTODIAL	71,729.	59,233.	6,567.	5,929.
c INSTRUMENTS, TUNING & R	49,081.	49,081.		
d REPAIRS AND MAINTENANCE	40,455.	33,407.	3,704.	3,344.
e BAD DEBTS	32,391.	32,391.		
f All other expenses	30,990.			30,990.
25 Total functional expenses. Add lines 1 through 24f	5,794,290.	4,766,111.	481,170.	547,009.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing	156,005.	1	84,252.	
	2 Savings and temporary cash investments	360,963.	2	422,886.	
	3 Pledges and grants receivable, net	54,700.	3	65,321.	
	4 Accounts receivable, net	1,038,060.	4	1,408,814.	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7 Notes and loans receivable, net			7	
	8 Inventories for sale or use			8	
	9 Prepaid expenses and deferred charges	63,411.	9		50,637.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	3,434,341.			
	b Less: accumulated depreciation	2,766,514.			
	11 Investments - publicly traded securities	9,134,388.	10c		667,827.
	12 Investments - other securities. See Part IV, line 11		11		10,099,563.
	13 Investments - program-related. See Part IV, line 11		12		
	14 Intangible assets		13		
	15 Other assets. See Part IV, line 11		14		
16 Total assets. Add lines 1 through 15 (must equal line 34)	11,462,318.	15		12,799,300.	
Liabilities	17 Accounts payable and accrued expenses	225,667.	17	220,621.	
	18 Grants payable		18		
	19 Deferred revenue	1,665,571.	19	1,970,053.	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities. Complete Part X of Schedule D	406,000.	25		0.
	26 Total liabilities. Add lines 17 through 25	2,297,238.	26		2,190,674.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	4,505,510.	27	5,277,301.	
	28 Temporarily restricted net assets	333,532.	28	996,688.	
	29 Permanently restricted net assets	4,326,038.	29	4,334,637.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
	33 Total net assets or fund balances	9,165,080.	33		10,608,626.
34 Total liabilities and net assets/fund balances	11,462,318.	34		12,799,300.	

Form 990 (2010)

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,809,929.
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,794,290.
3	Revenue less expenses. Subtract line 2 from line 1	3	15,639.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	9,165,080.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,427,907.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	10,608,626.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.**

Employer identification number
13-5596825

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Employer identification number
13-5596825

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other _____
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b** If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	4,250,801.	3,927,190.	3,803,568.		
b Contributions	11,099.	78,258.	639,399.		
c Net investment earnings, gains, and losses	854,796.	545,279.	-515,777.		
d Grants or scholarships					
e Other expenditures for facilities and programs	195,806.	299,926.			
f Administrative expenses					
g End of year balance	4,920,890.	4,250,801.	3,927,190.		

2 Provide the estimated percentage of the year end balance held as:

- a** Board designated or quasi-endowment _____ %
- b** Permanent endowment 81.01 %
- c** Term endowment 18.99 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations		X
(ii) related organizations		X
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		169,495.		169,495.
b Buildings		747,179.	747,179.	0.
c Leasehold improvements		1,961,877.	1,771,776.	190,101.
d Equipment		84,275.	57,072.	27,203.
e Other		471,515.	190,487.	281,028.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				667,827.

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Schedule D (Form 990) 2010

13-5596825 Page **3**

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

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

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

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

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

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

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

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

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

032053
12-20-10

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	5,809,929.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	5,794,290.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	15,639.
4	Net unrealized gains (losses) on investments	4	1,427,907.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	1,427,907.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	1,443,546.

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

1	Total revenue, gains, and other support per audited financial statements	1	6,671,996.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	1,427,907.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	1,427,907.
3	Subtract line 2e from line 1	3	5,244,089.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	565,840.
c	Add lines 4a and 4b	4c	565,840.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	5,809,929.

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

1	Total expenses and losses per audited financial statements	1	5,228,450.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	5,228,450.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	565,840.
c	Add lines 4a and 4b	4c	565,840.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	5,794,290.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4: THE EARNINGS ON THE ENDOWMENT FUNDS ARE RESTRICTED

FOR: 1- SCHOLARSHIP/ FINANCIAL AID; 2- FACULTY DEVELOPMENT; 3- GENERAL PURPOSES INCLUDING PROGRAM SUPPORT; AND 4- BARBARA FIELD CHAMBER MUSIC FUND.

PART X, LINE 2: MANAGEMENT BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AND DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS.

SCHEDULE E
(Form 990 or 990-EZ)

Schools

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.**

▶ **Attach to Form 990 or Form 990-EZ.**

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.**

Employer identification number
13-5596825

Part I

1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?

	YES	NO
1	X	

2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?

2	X	
----------	---	--

3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain.

3	X	
----------	---	--

If you need more space, use Part II
PUBLISHED IN NEWSPAPERS, WEBSITE AND COURSE CATALOG.

4 Does the organization maintain the following?

a Records indicating the racial composition of the student body, faculty, and administrative staff?

4a	X	
-----------	---	--

b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?

4b	X	
-----------	---	--

c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?

4c	X	
-----------	---	--

d Copies of all material used by the organization or on its behalf to solicit contributions?

4d	X	
-----------	---	--

If you answered "No" to any of the above, please explain. If you need more space, use Part II.

5 Does the organization discriminate by race in any way with respect to:

a Students' rights or privileges?

5a		X
-----------	--	---

b Admissions policies?

5b		X
-----------	--	---

c Employment of faculty or administrative staff?

5c		X
-----------	--	---

d Scholarships or other financial assistance?

5d		X
-----------	--	---

e Educational policies?

5e		X
-----------	--	---

f Use of facilities?

5f		X
-----------	--	---

g Athletic programs?

5g		X
-----------	--	---

h Other extracurricular activities?

5h		X
-----------	--	---

If you answered "Yes" to any of the above, please explain. If you need more space, use Part II.

6a Does the organization receive any financial aid or assistance from a governmental agency?

6a	X	
-----------	---	--

b Has the organization's right to such aid ever been revoked or suspended?

6b		X
-----------	--	---

If you answered "Yes" to either line 6a or line 6b, explain on Part II.

7 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II

7	X	
----------	---	--

Part II **Supplemental Information.** Complete this part to provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information.

SCHEDULE E, LINE 6 - EXPLANATION OF GOVERNMENT FINANCIAL AID:

NYC DEPARTMENT OF CULTURAL AFFAIRS 93,265

NYC DEPT. OF YOUTH AND COMMUNITY DEVELOPMENT 4,000

NATIONAL ENDOWMENT FOR THE ARTS 25,000

NYS COUNCIL ON THE ARTS 23,736

\$146,001

=====

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

**Open To Public
Inspection**

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Employer identification number
13-5596825

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
SUSAN BELL SPECIAL EVENTS - 11 RIVERSIDE DRIVE, SUITE	EVENT PLANNING SERVICES	X		335,602.	42,500.	293,102.
Total				335,602.	42,500.	293,102.

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

NY

SOCIETY OF THE THIRD STREET MUSIC SCHOOL

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		ANNIVERSARY LUNCHEON	SPRING DANCE PARTY	NONE	
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts	337,002.	17,561.		354,563.
	2 Less: Charitable contributions	303,885.	15,280.		319,165.
	3 Gross income (line 1 minus line 2)	33,117.	2,281.		35,398.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages	29,117.			29,117.
	8 Entertainment				
	9 Other direct expenses	4,000.	2,281.		6,281.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(35,398)
	11 Net income summary. Combine line 3, column (d), and line 10				0.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				(_____)	
8 Net gaming income summary. Combine line 1, column d, and line 7					

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain: _____

SOCIETY OF THE THIRD STREET MUSIC SCHOOL

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

13a		%
13b		%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____.
- c If "Yes," enter name and address of the third party:

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

- Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: SUSAN BELL SPECIAL EVENTS

(I) ADDRESS OF FUNDRAISER:

11 RIVERSIDE DRIVE, SUITE 3AW, NEW YORK, NY 10023

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

**Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.**

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

**Employer identification number
13-5596825**

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed ▶

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

- 2** Enter total number of section 501(c)(3) and government organizations
- 3** Enter total number of other organizations

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIPS, TUITION ASSISTANCE	673	530,631.	0.	FMV	TUITION REDUCTIONS

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: GRANT FUNDS ARE ENTIRELY NON CASH REDUCTIONS IN
 TUITION VIA SCHOLARSHIPS, TUITION ASSISTANCE AND INCENTIVE AWARDS. THEIR
 USE IS ENTIRELY CONTROLLED BY THE SCHOOL AND RECORDED VIA THE ACCOUNTS
 RECEIVABLE SYSTEM.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

2010

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.** Employer identification number **13-5596825**

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. <input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment from the organization or a related organization? b Participate in, or receive payment from, a supplemental nonqualified retirement plan? c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.	4a 4b 4c	 X X
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization? b Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	5a 5b	 X X
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization? b Any related organization? If "Yes" to line 6a or 6b, describe in Part III.	6a 6b	 X X
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

**SOCIETY OF THE THIRD STREET MUSIC SCHOOL
SETTLEMENT, INC.**

Schedule J (Form 990) 2010

13-5596825

Page 2

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LEE KOONCE	(i)	170,187.	0.	0.	914.	8,578.	179,679.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 KERRY GREENE	(i)	130,429.	0.	0.	5,062.	21,670.	157,161.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 MARY LOU FRANCIS- SEE NOTE ON SCH. O	(i)	79,375.	0.	406,000.	4,238.	5,982.	495,595.	406,000.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization **SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.**

Employer identification number
13-5596825

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	7	83,457.	QUOTED MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** **2**

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2010)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization	SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.	Employer identification number	13-5596825
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FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

WE, THE SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, BELIEVE THAT A KNOWLEDGE AND APPRECIATION OF MUSIC AND THE ARTS IS FUNDAMENTAL TO THE DEVELOPMENT OF EACH INDIVIDUAL AND THAT THE ARTS PROVIDE UNIQUE OPPORTUNITIES FOR CULTURAL EXCHANGE AND COMMUNITY UNDERSTANDING. THUS WE AFFIRM THAT:

IT IS THE MISSION OF THE SCHOOL TO PROVIDE QUALITY EDUCATION IN MUSIC AND THE ARTS, PRIMARILY TO CHILDREN OF THE LOWER EAST SIDE, IN AN ENVIRONMENT THAT NURTURES ACHIEVEMENT AND CREATIVITY AND OFFERS ALL WHO ATTEND, REGARDLESS OF ARTISTIC ABILITY OR ECONOMIC CIRCUMSTANCES, THE OPPORTUNITY TO PURSUE THEIR OWN PERSONAL DEVELOPMENT AND ENRICH THE QUALITY OF THEIR LIVES.

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

INSTRUCTION: AS THE NATION'S OLDEST COMMUNITY SCHOOL OF MUSIC, THIRD STREET PROVIDES HIGH QUALITY MUSIC, DANCE AND VISUAL ARTS INSTRUCTION TO STUDENTS OF ALL AGES, LEVELS AND BACKGROUNDS. THE SCHOOL'S MOST ROBUST PROGRAMS SERVE CHILDREN IN GRADES K-12 WITH WEEKLY AFTER-SCHOOL /SATURDAY INSTRUCTION IN MOST INSTRUMENTS AND VOICE; MUSIC THEORY AND COMPOSITION; PERFORMANCE TRAINING AND ENSEMBLE ACTIVITIES; DANCE; AND THE VISUAL ARTS. EARLY CHILDHOOD PROGRAMS INCLUDE A LICENSED PRESCHOOL AND CLASSES IN MUSIC AND MOVEMENT. ADULT PROGRAMS OFFER FLEXIBLE MUSIC LESSONS, FREE DAYTIME ACCESS TO PRACTICE STUDIOS, TAP AND MOVEMENT CLASSES AND ENSEMBLE/PERFORMANCE ACTIVITIES INCLUDING NEW HORIZONS BANDS AND CHORUS FOR OLDER ADULTS.

Name of the organization	SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.	Employer identification number	13-5596825
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MAIN SCHOOL ENROLLMENT TOTALED 1,693, INCLUDING 462 STUDENTS FROM PARTNERING PUBLIC SCHOOLS WHO ENROLL IN FREE OR HEAVILY SUBSIDIZED AFTER-SCHOOL INSTRUCTION. THIRD STREET'S TOTAL STUDENT POPULATION, INCLUDING THOSE SERVED THROUGH SCHOOL & COMMUNITY PARTNERSHIPS, REFLECTS THE ETHNIC AND ECONOMIC DIVERSITY OF ITS COMMUNITY: 17% AFRICAN DESCENT; 16% ASIAN DESCENT; 33% EUROPEAN DESCENT; 29% LATINO DESCENT; 5% OTHER. MORE THAN 75% OF ALL STUDENTS SERVED RECEIVE SOME FORM OF NEED-BASED FINANCIAL AID OR DISCOUNTED OR TUITION-FREE INSTRUCTION AND ENRICHMENT PROGRAMS.

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

SCHOOL & COMMUNITY PARTNERSHIPS: THIRD STREET FIRST PROVIDED MUSIC INSTRUCTION IN LOCAL PUBLIC SCHOOLS IN THE LATE 1950S. THEN, IN 1980, IN RESPONSE TO NEW YORK CITY'S FISCAL CRISIS, THE CURRENT PROGRAM, KNOWN AS MILES (MUSIC INSTRUCTION ON THE LOWER EAST SIDE), WAS CREATED. IN ITS 31ST YEAR, SCHOOL PARTNERSHIPS PROVIDED QUALITY MUSIC AND MOVEMENT INSTRUCTION TO 3,629 STUDENTS (GRADES PRE-K-12) AT 26 SCHOOLS AND COMMUNITY CENTERS IN LOW- TO MODERATE-INCOME NEIGHBORHOODS, INCLUDING FEDERALLY DESIGNATED POVERTY AREAS. STUDENTS RECEIVED ONE OR MORE SESSIONS OF WEEKLY INSTRUCTION IN SCHOOL OR AT THIRD STREET. IN ADDITION, 462 STUDENTS FROM PARTNERING SCHOOLS, THROUGH MILES@3RD, ENROLLED AT THIRD STREET FOR WEEKLY AFTER-SCHOOL/SATURDAY GROUP CLASSES IN MUSIC, DANCE AND VISUAL ARTS AT LITTLE OR NO COST.

THIRD STREET SUPPLEMENTS ARTS CURRICULA WITH SERVICES THAT THAT MEET THE INDIVIDUAL NEEDS OF EACH SCHOOL PARTNER, TAILORING PROGRAMS TO

Name of the organization	SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.	Employer identification number	13-5596825
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VARIED CURRICULUM OBJECTIVES. SOME SCHOOLS AIM TO MAKE MUSIC AND ARTS INSTRUCTION AVAILABLE TO ALL STUDENTS AS PART OF THE SCHOOL DAY. OTHERS SELECT PROGRAMS SPECIFIC TO CERTAIN GRADE LEVELS, SUCH AS MUSIC AND MOVEMENT, THIRD STREET'S MOST POPULAR COURSE GEARED TOWARD PRE-K THROUGH EARLY ELEMENTARY GRADES, WHICH OFFERS STUDENTS A FOUNDATION IN MUSIC, LEARNING RHYTHM, PITCH AND BASIC THEORY THROUGH ACTIVITIES THAT INCLUDE THE USE OF ORFF INSTRUMENTS. SOME PARTNERSHIPS FOCUS ON INSTRUMENT STUDY SUCH AS GUITAR, VIOLIN, KEYBOARD OR CHORUS. AND A NUMBER OF PARTNERING SCHOOLS CONTRACT FOR ON-SITE AFTER-SCHOOL INSTRUCTION, DEPENDING ON AVAILABLE FUNDING AND EDUCATIONAL PRIORITIES.

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

PERFORMANCE: PERFORMANCE IS AT THE HEART OF THIRD STREET'S APPROACH TO MUSIC EDUCATION WITH MORE THAN 250 FREE-TO-THE-PUBLIC PERFORMANCES BY STUDENTS, FACULTY AND GUEST ARTISTS HELD EACH YEAR IN THE SCHOOL'S 300-PERSON-CAPACITY AUDITORIUM AND OTHER VENUES AROUND THE CITY. THIRD STREET'S BEST-KNOWN COMMUNITY CONCERTS INCLUDE: THE "ARTIST PERFORMANCE SERIES" OF FRIDAY EVENING CONCERTS GIVEN BY THIRD STREET FACULTY AND THEIR GUESTS; AND "MUSIC IN ABE LEBEWOHL PARK," AN OUTDOOR SUMMER SERIES PRESENTING AN ECLECTIC MIX OF RENOWNED ARTISTS AND ENSEMBLES THAT REFLECT THE CULTURAL DIVERSITY OF THIRD STREET'S EAST VILLAGE NEIGHBORHOOD. OTHER RECITAL VENUES INCLUDE HISTORIC ST. MARK'S CHURCH-IN-THE-BOWERY AND STEINWAY HALL.

MORE THAN 90% OF THIRD STREET'S MUSIC STUDENTS PUBLICLY PERFORM AS PART OF THEIR TRAINING. THERE ARE VARIETY OF SPECIAL CONCERTS AND RECITALS, SOME ARE DEPARTMENT-WIDE, LIKE "STRING STRAVAGANZA" AND OTHERS ARE OPEN

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BY AUDITION LIKE THE "HOLIDAY MUSIC HOUR" AND THE "STOWE C. PHELPS ANNUAL STUDENT CONCERT." THERE ARE ALSO WEEKLY "MUSIC HOURS" ORGANIZED BY INSTRUMENT AS WELL AS A VARIETY OF REPERTOIRE ADVANCEMENT RECITALS, AND ANNUAL "STUDIO RECITALS" FOR STUDENTS OF EACH FACULTY MEMBER. STUDENT PERFORMANCES, RECITALS AND CONCERTS HELD IN THE SCHOOL'S ANNA-MARIA KELLEN AUDITORIUM AND OTHER SPECIAL VENUES ARE ALWAYS FREE AND OPEN TO THE PUBLIC.

THIRD STREET ANNOUNCES VARIOUS CONCERT SERIES AND SPECIAL GUEST ARTIST APPEARANCES AS WELL AS STUDENT PERFORMANCES IN WEEKLY E-NEWS AND BI-ANNUAL NEWSLETTERS AS WELL AS ON MONTHLY OUTDOOR POSTERS AND ON THE SCHOOL'S WEB SITE, WWW.THIRDSTREETMUSICSSCHOOL.ORG, ALONG WITH SELECTED ADVERTISING AND PRINTED FLYERS.

FORM 990, PART VI, SECTION B, LINE 11: THE PREPARED FORM 990 IS REVIEWED BY THE ENTIRE BOARD OF DIRECTORS AND REQUIRES BOARD APPROVAL PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: DIRECTORS, OFFICERS AND KEY EMPLOYEES ARE REQUIRED TO DISCLOSE ANNUALLY ANY INTEREST IN ANY CORPORATION OR OTHER ORGANIZATION WHICH PROVIDES GOODS OR PROFESSIONAL OR OTHER SERVICES TO THE SCHOOL FOR A FEE OR OTHER COMPENSATION. CONFLICTS ARE DETERMINED AND ACTUAL CONFLICTS ARE REVIEWED AT THE LEVEL OF THE BOARD OF DIRECTORS. PERSONS WITH A CONFLICT MAY NOT DELIBERATE OR VOTE ON MATTERS IN WHICH THEY HAVE AN INTEREST.

FORM 990, PART VI, SECTION B, LINE 15A: THE PROCESS INCLUDES ALL OF THESE ELEMENTS: 1. REVIEW AND APPROVAL BY THE BOARD OF DIRECTORS; 2. USE OF DATA

Name of the organization SOCIETY OF THE THIRD STREET MUSIC SCHOOL SETTLEMENT, INC.	Employer identification number 13-5596825
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AS TO COMPARABLE COMPENSATION FOR SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS; AND 3. CONTEMPORANEOUS DOCUMENTATION AND RECORDKEEPING. THE PROCESS IS USED TO ESTABLISH COMPENSATION FOR THE EXECUTIVE DIRECTOR WHO HAS BEEN DETERMINED TO BE THE ONLY KEY EMPLOYEE OF THE SCHOOL. NO OFFICERS OR DIRECTORS RECEIVED COMPENSATION. THE PROCESS WAS LAST UNDERTAKEN IN 2009.

FORM 990, PART VI, SECTION C, LINE 19: ORGANIZATION'S WEBSITE, WWW.GUIDESTAR.ORG AND UPON REQUEST.

PART VII AND SCHEDULE J IN FISCAL YEAR 2011, PURSUANT TO A CONTRACTUAL OBLIGATION RELATING TO RETIREMENT BENEFITS, THE ORGANIZATION PAID OUT TO A FORMER ASSOCIATE DIRECTOR \$406,000 WHICH HAD BEEN ACCRUED IN THE FINANCIAL STATEMENTS IN EARLIER YEARS AS DEFERRED COMPENSATION. THE PAYMENT IS REPORTED IN PART VII AND SCHEDULE J AS COMPENSATION TO A FORMER KEY EMPLOYEE.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:
NET UNREALIZED GAINS ON INVESTMENTS: 1,427,907.

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	BUILDINGS											
1	BUILDING	VARIABLE	SSL	25.00	16	747,179.			747,179.	747,179.		0.
	* 990 PAGE 10 TOTAL BUILDINGS					747,179.		0.	747,179.	747,179.	0.	0.
	FURNITURE & FIXTURES											
2	FURNITURE AND EQUIPMENT	VARIABLE	SSL	8.00	16	84,275.			84,275.	39,785.		17,287.
	* 990 PAGE 10 TOTAL FURNITURE & FIXTURES					84,275.		0.	84,275.	39,785.	0.	17,287.
	MACHINERY & EQUIPMENT											
3	INSTRUMENTS	VARIABLE	SSL	15.00	16	364,815.			364,815.	167,631.		22,856.
	* 990 PAGE 10 TOTAL MACHINERY & EQUIPMENT					364,815.		0.	364,815.	167,631.	0.	22,856.
	LAND											
5	LAND	VARIABLE	SL			169,495.			169,495.			0.
	* 990 PAGE 10 TOTAL LAND					169,495.		0.	169,495.	0.	0.	0.
	OTHER BUILDING IMPROVEMENTS/COURTYN	VARIABLE	SSL	10.00	16	196,187.			196,187.	165,909.		112,686.
4	REGISTRATION	VARIABLE	SSL	10.00	16	196,187.			196,187.	165,909.		112,686.
6	SOFTWARE	VARIABLE	NC	.00		106,700.			106,700.			0.
	* 990 PAGE 10 TOTAL OTHER					206,857.		0.	206,857.	165,909.	0.	112,686.
	* GRAND TOTAL 990 PAGE 10 DEPR					3,434,341.		0.	3,434,341.	2,613,685.	0.	152,829.