

SCHOLASTIC CORP  
Form DEF 14A  
August 09, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  
 CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (as permitted by Rule 14a-6(e)(2))  
 Definitive Proxy Statement  
 Definitive Additional Materials  
 Soliciting Material Pursuant to Section 240.14a -12

SCHOLASTIC CORPORATION  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)  
Payment of Filing Fee (Check the appropriate box):

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- 1) Amount previously paid:
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  - 3) Filing Party:
  - 4) Date Filed:
-

**SCHOLASTIC CORPORATION  
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

*To Holders of Class A Stock and Common Stock:*

The Annual Meeting of Stockholders of Scholastic Corporation (the Company) will be held at the Company's corporate headquarters located at 557 Broadway, New York, New York on Wednesday, September 21, 2011, at 9:00 a.m., local time, for the following purposes:

*Matters to be voted upon by holders of the Class A Stock*

1. Electing eight directors to the Board of Directors
2. Approval of the Scholastic Corporation 2011 Stock Incentive Plan
3. Approval of an Amendment to the Scholastic Corporation Management Stock Purchase Plan
4. An advisory vote for the approval of fiscal 2011 compensation awarded to Named Executive Officers
5. An advisory vote on the frequency of a stockholder advisory vote regarding the compensation awarded to Named Executive Officers

*Matters to be voted upon by holders of the Common Stock*

1. Electing three directors to the Board of Directors  
and such other business as may properly come before the meeting and any adjournments thereof.

A proxy statement describing the matters to be considered at the Annual Meeting of Stockholders is attached to this notice. Only stockholders of record of the Class A Stock and the Common Stock at the close of business on July 29, 2011 are entitled to notice of, and to vote at, the meeting and any adjournments thereof.

**We hope that you will be able to attend the meeting. Whether or not you plan to be present at the meeting, we urge you to vote your shares promptly. You can vote your shares in three ways:**

**via the Internet at the website indicated on your proxy card;**

**via telephone by calling the toll free number on your proxy card; or**

**by returning the enclosed proxy card.**

By order of the Board of Directors

Andrew S. Hedden  
Secretary  
August 9, 2011

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**Important Notice Regarding Availability of Proxy Materials  
for the 2011 Annual Meeting of Stockholders to Be Held on September 21, 2011**

**This Proxy Statement and the Annual Report to Stockholders are available at  
[www.proxyvote.com](http://www.proxyvote.com)**

**SCHOLASTIC CORPORATION  
557 Broadway  
New York, New York 10012-3999**

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**PROXY STATEMENT**

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**ANNUAL MEETING OF STOCKHOLDERS  
September 21, 2011**

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**SOLICITATION OF PROXIES**

**General Information**

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the **Board**) of Scholastic Corporation, a Delaware corporation (the **Company**), to be voted at its Annual Meeting of Stockholders (the **Annual Meeting**), which will be held at 557 Broadway, New York, New York at 9:00 a.m., local time, on Wednesday, September 21, 2011, and at any adjournments thereof.

The Company has made available to you over the Internet or delivered paper copies of this proxy statement, a proxy card and the Annual Report to Stockholders (of which the Company's 2011 Annual Report on Form 10-K is a part) in connection with the Annual Meeting. The Company is pleased to be using the rules of the Securities and Exchange Commission (**SEC**) that allow companies to furnish their proxy materials over the Internet. As a result, the Company is mailing to many of its stockholders a notice about the Internet availability of the proxy materials instead of a paper copy of the proxy materials. All stockholders receiving the notice will have the ability to access the proxy materials over the Internet and to request a paper copy by mail by following the instructions in the notice. In addition, the notice contains instructions for electing to receive proxy materials over the Internet or by mail in future years.

This proxy statement and the accompanying form of proxy, together with the Company's Annual Report to Stockholders, which includes the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 2011 (the **Annual Report**), are being mailed to those stockholders who are not receiving the notice concerning Internet availability on or about August 10, 2011.

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Shares represented by each proxy properly submitted, either by mail, the Internet or telephone as indicated on the enclosed form of proxy, will be voted in accordance with the instructions indicated on such proxy unless revoked. A stockholder may revoke a proxy at any time before it is exercised by:

delivering to the Secretary of the Company a written revocation thereof or a duly executed proxy bearing a later date;

providing subsequent telephone or Internet voting instructions; or

voting in person at the Annual Meeting.

Any written notice revoking a proxy should be sent to the attention of Andrew S. Hedden, Corporate Secretary, Scholastic Corporation, 557 Broadway, New York, New York 10012-3999.

If you are a Common Stockholder of record submitting a proxy, and no instructions are specified, your shares will be voted FOR the election of the directors.

If you are a Common Stockholder and you hold your shares beneficially through a broker, bank or other holder of record submitting a proxy, and no instructions are specified, your shares will NOT be voted FOR the election of the directors.

If you are a Class A Stockholder submitting a proxy, and no instructions are specified, your shares will be voted FOR the election of the directors and as recommended by the Board on Proposals 2, 3, 4 and 5.

By submitting a proxy, you authorize the persons named as proxies to use their discretion in voting upon any other matter brought before the Annual Meeting. The Company does not know of any other business to be considered at the Annual Meeting.

SEC rules permit the Company to deliver only one copy of the proxy statement or the notice of Internet availability of the proxy statement to multiple stockholders of record who share the same address and have the same last name, unless the Company has received contrary instructions from one or more of such stockholders. This delivery method, called householding, reduces the Company's printing and mailing costs. Stockholders who participate in householding will continue to receive or have Internet access to separate proxy cards.

If you are a stockholder of record and wish to receive a separate copy of the proxy statement, now or in the future, at the same address, or you are currently receiving multiple copies of the proxy statement at the same address and wish to receive a single copy, please write to or call the Corporate Secretary, Scholastic Corporation, 557 Broadway, New York, NY 10012, telephone: (212) 343-6100.

Beneficial owners sharing an address who are currently receiving multiple copies of the proxy materials or notice of Internet availability of the proxy materials and wish to receive a single copy in the future, or who currently receive a single copy and wish to receive

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separate copies in the future, should contact their bank, broker or other holder of record to request that only a single copy or separate copies, as the case may be, be delivered to all stockholders at the shared address in the future.

The cost of soliciting proxies will be borne by the Company. Solicitation other than by mail may be made personally or by telephone, facsimile or e-mail by regularly employed officers and employees who will not be additionally compensated for such solicitation. The Company may also reimburse brokers, custodians, nominees and other fiduciaries for their reasonable expenses in forwarding proxy materials to principals.

### **Voting Securities of the Company**

Only holders of record of the Company's Class A Stock, \$0.01 par value ( Class A Stock ), and Common Stock, \$0.01 par value ( Common Stock ), at the close of business on July 29, 2011 (the Record Date ) are entitled to vote at the Annual Meeting. As of the Record Date, there were 1,656,200 shares of Class A Stock and 29,441,314 shares of Common Stock outstanding.

The Amended and Restated Certificate of Incorporation of the Company (the Certificate ) provides that, except as otherwise provided by law, the holders of shares of Class A Stock (the Class A Stockholders ), voting as a class, have the right to: (i) fix the size of the Board so long as it does not consist of less than three nor more than 15 directors; (ii) elect all the directors, subject to the right of the holders of shares of Common Stock, voting as a class, to elect such minimum number of the members of the Board as shall equal at least one-fifth of the members of the Board; and (iii) exercise, exclusive of the holders of the shares of Common Stock, all other voting rights of stockholders of the Company. The Certificate also provides that, except as otherwise provided by law, the voting rights of the holders of shares of Common Stock are limited to the right, voting as a class, to elect such minimum number of the members of the Board as shall equal at least one-fifth of the members of the Board.

Each share of Class A Stock and Common Stock is entitled to one vote. No holders of either class of stock have cumulative voting rights. At the Annual Meeting, the Class A Stockholders will vote on the election of eight members of the Board and the holders of the Common Stock will vote on the election of three members of the Board. The other proposals set forth in the notice attached to this proxy statement for consideration at the Annual Meeting will be voted on by the Class A Stockholders only. If any other matters were to properly come before the Annual Meeting, they would be voted on by the Class A Stockholders.

The vote required for the election of directors and in respect of the action to be taken under each of the other proposals is specified in the description of such proposal. In the election of directors, withheld votes and abstentions have no effect on the vote. Under the Company's Bylaws, for the purpose of determining whether a proposal has received the required vote, abstentions will not be considered as votes cast and will have no effect. Because

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none of the shares of Class A Stock are held by brokers, the effect of broker non-votes is not applicable in the case of the Class A Stock. Because the only proposal before the holders of Common Stock is the election of three directors, the effect of broker non-votes is not applicable in the case of the Common Stock.

### Principal Holders of Class A Stock and Common Stock

The following table sets forth information regarding persons who, to the best of the Company's knowledge, beneficially owned five percent or more of the Class A Stock or the Common Stock outstanding on the Record Date. Under the applicable rules and regulations of the SEC, a person who directly or indirectly has, or shares, voting power or investment power with respect to a security is considered a beneficial owner of such security. Voting power is the power to vote or direct the voting of shares, and investment power is the power to dispose of or direct the disposition of shares. In computing the number of shares and percentage beneficially owned by any stockholder, shares of Class A Stock or Common Stock subject to options or restricted stock units ( RSUs ) held by that person that are currently exercisable or become exercisable within 60 days of the Record Date are included. Such shares, however, are not deemed outstanding for purposes of computing the percentage owned by any other person.

Name and Address of Beneficial Owner	Class A Stock		Common Stock	
	Amount and Nature of Beneficial Ownership (1)	Percent of Class	Amount and Nature of Beneficial Ownership (2)	Percent of Class
Richard Robinson c/o Scholastic Corporation 557 Broadway New York, NY 10012	3,092,700	100%	6,021,043 <sup>(3)</sup>	18.4%
Barbara Robinson Buckland c/o Scholastic Corporation 557 Broadway New York, NY 10012	648,620	39.2%	2,500,362	8.3%
Mary Sue Robinson Morrill c/o Scholastic Corporation 557 Broadway New York, NY 10012	765,296	46.2%	3,236,698 <sup>(4)</sup>	10.7%
William W. Robinson c/o Scholastic Corporation 557 Broadway New York, NY 10012	648,620	39.2%	2,597,765 <sup>(5)</sup>	8.6%
Florence Robinson Ford c/o Scholastic Corporation 557 Broadway New York, NY 10012	648,620	39.2%	2,492,457	8.3%



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Name and Address of Beneficial Owner	Class A Stock		Common Stock	
	Amount and Nature of Beneficial Ownership (1)	Percent of Class	Amount and Nature of Beneficial Ownership (2)	Percent of Class
Andrew S. Hedden c/o Scholastic Corporation 557 Broadway New York, NY 10012	648,620	39.2%	2,391,511 <sup>(6)</sup>	8.0%
Trust under the Will of Maurice R. Robinson c/o Scholastic Corporation 557 Broadway New York, NY 10012	648,620	39.2%	2,331,712	7.8%
Trust under the Will of Florence L. Robinson c/o Scholastic Corporation 557 Broadway New York, NY 10012	116,676	7.0%	466,676	1.6%
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202			3,917,946 <sup>(7)</sup>	13.6%
Blackrock, Inc. 40 East 52nd Street New York, NY 10022			2,245,392 <sup>(8)</sup>	8.8%
LSV Asset Management 155 N. Wacker Drive, Suite 4600 Chicago, IL 60606			1,868,609 <sup>(9)</sup>	6.3%
Dimensional Fund Advisors LP Palisades West, Building One 6300 Bee Cave Road Austin, TX 78746			2,914,611 <sup>(10)</sup>	10.1%
Fairpointe Capital LLC 1 N. Franklin, Ste 3300 Chicago, IL 60606			1,566,633 <sup>(11)</sup>	5.3%

(1) Each of Richard Robinson, Barbara Robinson Buckland, Mary Sue Robinson Morrill, William W. Robinson, Florence Robinson Ford, Andrew S. Hedden and the Trust under the Will of Maurice R. Robinson (the Maurice R. Robinson Trust ) have filed Statements on Schedule 13G with the SEC (the 13G Filings ) regarding beneficial ownership of Common Stock. Richard Robinson, Chairman of the Board, President and Chief Executive Officer of the Company, Barbara Robinson Buckland, Florence Robinson Ford, Mary Sue Robinson Morrill and William W. Robinson, all of whom are siblings of Richard Robinson, and Andrew S. Hedden, a director and executive officer of the Company, are trustees of the Maurice R. Robinson Trust, with shared voting and investment power with respect to the shares owned by the Maurice R. Robinson Trust. Under the terms of the Maurice R. Robinson Trust, the vote of a majority of the trustees is required to vote or direct the disposition of the shares held by the Maurice R. Robinson Trust. In addition, Richard Robinson and Mary Sue Robinson Morrill are the co-trustees of the Trust under the Will of Florence L. Robinson (the Florence L. Robinson Trust ), with shared voting and investment power with respect to the shares owned by the Florence L. Robinson Trust. Any acts by the Florence L. Robinson Trust require the approval of each trustee. Each such trust directly owns the shares attributed to it in the table and each person listed herein as a trustee of such trust is deemed to be the beneficial owner of the shares directly owned by such trust. Based on their 13G Filings and subsequent information made available to the Company, the aggregate beneficial ownership of the Class A Stock on the Record Date by the following persons was: Richard Robinson 2,327,404 shares (sole voting and investment power), which includes 1,436,500 shares issuable under options to purchase Class A Stock ( Class A Options ) exercisable by Mr. Robinson within 60 days of the Record Date, and 765,296 shares (shared voting and

investment power); Barbara Robinson Buckland 648,620 shares (shared voting and investment power); Mary Sue Robinson Morrill 765,296 shares (shared voting and investment power); William W. Robinson 648,620 shares (shared voting and investment power); Florence Robinson Ford 648,620 shares (shared voting and investment power); Andrew S. Hedden 648,620 shares (shared voting and investment power); Maurice R. Robinson Trust 648,620 shares (sole voting and investment power); and Florence L. Robinson Trust 116,676 shares (sole voting and investment power).

- (2) The shares of Class A Stock are convertible at the option of the holder into shares of Common Stock at any time on a share-for-share basis. The number of shares of Common Stock and percentage of the outstanding shares of Common Stock for each beneficial owner of Class A Stock assumes the conversion of such holder's shares of Class A Stock (including the 1,436,500 shares issuable under Class A Options exercisable within 60 days of the Record Date, in the case of Mr. Robinson) into shares of Common Stock. Based on their 13G Filings and subsequent information made available to the Company, the aggregate beneficial ownership of Common Stock on the Record Date by the following holders was: Richard Robinson 3,217,568 shares (sole voting and investment power), which includes the 1,436,500 shares under Class A Options exercisable within 60 days of the Record Date held by Mr. Robinson, and 2,803,475 shares (shared voting and investment power); Barbara Robinson Buckland 168,650 shares (sole voting and investment power) and 2,331,712 shares (shared voting and investment power); Mary Sue Robinson Morrill 3,236,698 shares (shared voting and investment power); William W. Robinson 205,045 shares (sole voting and investment power) and 2,392,720 shares (shared voting and investment power); Florence Robinson Ford 160,745 shares (sole voting and investment power) and 2,331,712 shares (shared voting and investment power); Andrew S. Hedden 59,799 shares (sole voting and investment power) and 2,331,712 shares (shared voting and investment power); Maurice R. Robinson Trust 2,331,712 shares (sole voting and investment power); and Florence L. Robinson Trust 466,676 shares (sole voting and investment power).
- (3) Includes 3,092,700 shares of Common Stock issuable on conversion of the Class A Stock (including the 1,436,500 shares issuable under the Class A Options) described in Notes 1 and 2 above; 619,837 shares of Common Stock held directly by Mr. Robinson; 193,350 shares of Common Stock under options exercisable by Mr. Robinson within 60 days of the Record Date; 7,844 shares of Common Stock with respect to which Mr. Robinson had voting rights on the Record Date under the Scholastic Corporation 401(k) Savings and Retirement Plan (the 401(k) Plan); 1,683,092 shares of Common Stock owned by the Maurice R. Robinson Trust; 350,000 shares of Common Stock owned by the Florence L. Robinson Trust; 8,469 shares of Common Stock for which Mr. Robinson is custodian under a separate custodial account for one of his sons; 5,087 shares of Common Stock owned directly by his sons; 28,161 shares of Common Stock owned by the Richard Robinson Charitable Fund and 32,503 unvested RSUs scheduled to vest within 60 days of the Record Date held under the Management Stock Purchase Plan (the MSPP). Does not include 85,736 unvested RSUs held under the MSPP. Of the shares held directly by Mr. Robinson, 618,551 shares are pledged to a bank as collateral for a personal loan.
- (4) Does not include an aggregate of 212,596 shares of Common Stock held under Trusts for which Ms. Morrill's spouse is the trustee, as to which Ms. Morrill disclaims beneficial ownership.
- (5) Does not include 16,550 shares of Common Stock held under trusts for which Mr. Robinson's spouse is a trustee and 64,728 shares held directly by his spouse, as to which Mr. Robinson disclaims beneficial ownership.
- (6) Includes 6,049 shares of Common Stock held directly by Mr. Hedden; 52,500 shares under options exercisable by Mr. Hedden within 60 days of the Record Date held under the Scholastic Corporation 2001 Stock Incentive Plan (the 2001 Plan); 1,250 RSUs scheduled to vest within 60 days of the Record Date held under the 2001 Plan; 648,620 shares of Common Stock issuable on conversion of the Class A Stock owned by the Maurice Robinson Trust; and 1,683,092 shares of Common Stock owned by the Maurice R. Robinson Trust. Does not include 7,250 unvested RSUs held under the 2001 Plan or 20,474 unvested RSUs held under the MSPP.
- (7) The information for T. Rowe Price Associates, Inc. (Price Associates) is derived from a Schedule 13G, dated February 12, 2011, filed with the SEC reporting beneficial ownership as of December 31, 2010. These shares are owned by various individual and institutional investors, as to which Price Associates serves as investment adviser with the sole power to direct investments with regard to all such shares and the sole power to vote 571,691 of such shares. For purposes of the reporting requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), Price Associates is deemed to be a beneficial

owner of these shares; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such shares.

- (8) The information for Blackrock, Inc. ( Blackrock ) is derived from a Schedule 13G, dated January 21, 2011, filed with the SEC reporting beneficial ownership as of December 31, 2010. These shares are owned by various individual and institutional investors, as to which Blackrock has the sole power to vote or direct investments with regard to all such shares. For purposes of the reporting requirements of the Exchange Act, Blackrock is deemed to be a beneficial owner of these shares.
- (9) The information for LSV Asset Management ( LSV ), an investment advisor, is derived from a Schedule 13G, dated February 8, 2011, filed with the SEC reporting beneficial ownership as of December 31, 2010. For purposes of the reporting requirements of the Exchange Act, LSV is deemed to be a beneficial owner of these shares.
- (10) The information for Dimensional Fund Advisors LP ( Dimensional Fund ) is derived from a Schedule 13G, dated February 11, 2011, filed with the SEC reporting beneficial ownership as of December 31, 2010. Dimensional Fund serves as investment adviser to four investment companies and as investment manager to certain other commingled group trusts and separate accounts (collectively, the Funds ). In certain cases, subsidiaries of Dimensional Fund may act as an advisor or subadvisor to certain funds. The Funds own these shares, and in its role as investment advisor, subadvisor and/or manager, Dimensional Fund has the sole power to vote and direct investments with regard to all such shares. For purposes of the reporting requirements of the Exchange Act, Dimensional Fund is deemed to be a beneficial owner of these shares; however, Dimensional Fund expressly disclaims that it is, in fact, the beneficial owner of such shares.
- (11) The information for Fairpointe Capital LLC ( Fairpointe ), an investment advisor, is derived from a Schedule 13G, dated July 28, 2011, filed with the SEC reporting beneficial ownership as of July 25, 2011. For purposes of the reporting requirements of the Exchange Act, Fairpointe is deemed to be a beneficial owner of these shares.

#### **Change of Control Arrangement for Certain Class A Stockholders**

Pursuant to an agreement dated July 23, 1990 between the Maurice R. Robinson Trust and Richard Robinson, the Maurice R. Robinson Trust has agreed that if it receives an offer from any person to purchase any or all of the shares of Class A Stock owned by the Maurice R. Robinson Trust and it desires to accept such offer, Richard Robinson will have the right of first refusal to purchase all, but not less than all, of the shares of Class A Stock that such person has offered to purchase for the same price and on the same terms and conditions offered by such person. In the event Richard Robinson does not elect to exercise such option, the Maurice R. Robinson Trust shall be free to sell such shares of Class A Stock in accordance with the offer it has received. In addition, if Richard Robinson receives an offer from any person to purchase any or all of his shares of Class A Stock and the result of that sale would be to transfer to any person other than Richard Robinson or his heirs voting power sufficient to enable such other person to elect the majority of the Board, either alone or in concert with any person other than Richard Robinson, his heirs or the Maurice R. Robinson Trust (a Control Offer ), and Mr. Robinson desires to accept the Control Offer, the Maurice R. Robinson Trust will have the option to sell any or all of its shares of Class A Stock to the person making the Control Offer at the price and on the terms and conditions set forth in the Control Offer. If the Maurice R. Robinson Trust does not exercise its option, Mr. Robinson will be free to accept the Control Offer and to sell his shares of Class A Stock in accordance with the terms of the Control Offer. If the Maurice R. Robinson Trust exercises its option, Mr. Robinson cannot accept the Control Offer unless the person making the Control Offer purchases the shares of Class A Stock that the Maurice R. Robinson Trust has elected to sell.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires directors, executive officers and persons who are the beneficial owners of more than 10% of the Common Stock to file reports of their ownership and changes in ownership of the Company's equity securities with the SEC. The reporting persons are required by SEC regulation to furnish the Company with copies of all Section 16 reports they file. Based on a review of the copies of such forms furnished to the Company and other written representations that no other reports were required during the fiscal year ended May 31, 2011, the Company believes its directors, executive officers and greater than ten percent beneficial owners timely filed all Section 16(a) reports required during such fiscal year, with the exception of certain Form 4s, which were filed late in connection with a stock option and restricted stock unit grant in August 2010 under the 2001 Stock Incentive Plan for Mr. Robinson, Ms. O'Connell, Ms. Mayer, Ms. Newman, Mr. Hedden and Ms. Augustine. The required Form 4s were filed immediately upon the discovery of the omission.

**Share Ownership of Management**

On the Record Date, each director, each Named Executive Officer reported under the caption "Executive Compensation" and all directors and executive officers as a group beneficially owned shares of the Class A Stock and Common Stock as set forth in the table below. In computing the number of shares and percentage beneficially owned by any stockholder, shares of Class A or Common Stock subject to options or restricted stock units (RSUs) held by that person that are currently exercisable or exercisable within 60 days of the Record Date are included. Such shares, however, are not deemed outstanding for purposes of computing the percentage owned by any other person.

Name	Class A Stock		Common Stock	
	Amount and Nature of Beneficial Ownership <sup>(1)</sup>	Percent of Class	Amount and Nature of Beneficial Ownership <sup>(1)</sup>	Percent of Class
<b>Directors</b>				
Richard Robinson	3,092,700 <sup>(2)</sup>	100%	6,021,043 <sup>(3)</sup>	18.4%
James W. Barge			16,800 <sup>(4)</sup>	*
Marianne Caponnetto			4,200 <sup>(5)</sup>	*
John L. Davies			52,800 <sup>(6)</sup>	*
Andrew S. Hedden	648,620 <sup>(2)</sup>	39.2%	2,391,511 <sup>(7)</sup>	7.9%
Mae C. Jemison			53,804 <sup>(8)</sup>	*
Peter M. Mayer			67,050 <sup>(9)</sup>	*
John G. McDonald			53,804 <sup>(8)</sup>	*
Augustus K. Oliver			58,074 <sup>(10)</sup>	*
Richard M. Spaulding			192,783 <sup>(11)</sup>	*
Margaret A. Williams			4,200 <sup>(5)</sup>	*

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Name	Class A Stock		Common Stock	
	Amount and Nature of Beneficial Ownership (1)	Percent of Class	Amount and Nature of Beneficial Ownership (1)	Percent of Class
<b>Named Executive Officers</b>				
Richard Robinson	3,092,700(2)	100%	6,021,043(3)	18.4%
Maureen O Connell			308,492(12)	1.0%
Margery Mayer			304,679(13)	1.0%
Judith Newman			259,980(14)	*
Andrew S. Hedden	648,620(2)	39.2%	2,391,511(7)	7.9%
All directors and executive officers as a group (16 persons)	3,092,700(2)	100%	7,545,234(15)	21.8%

\* Less than 1.0%

(1) Except as indicated in the notes below, each person named has sole voting and investment power with respect to the shares shown opposite his or her name.

(2) See the information with respect to Richard Robinson and Andrew S. Hedden under Principal Holders of Class A Stock and Common Stock above. The shares of Class A Stock are convertible at the option of the holder into shares of Common Stock at any time on a share-for-share basis.

(3) See the information with respect to Richard Robinson under Principal Holders of Class A Stock and Common Stock above.

(4) Includes 3,600 shares of Common Stock held directly by Mr. Barge, 12,000 shares of Common Stock under options exercisable by Mr. Barge within 60 days of the Record Date and 1,200 shares underlying restricted stock units ( RSUs ) scheduled to vest within 60 days of the Record Date under the Scholastic Corporation 2007 Outside Director Stock Incentive Plan (the 2007 Plan ).

(5) Includes 3,000 shares of Common Stock under options exercisable by such director within 60 days and 1,200 shares underlying RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan.

(6) Includes 3,600 shares of Common Stock held directly by Mr. Davies, 48,000 shares of Common Stock under options exercisable by Mr. Davies within 60 days of the Record Date and 1,200 shares underlying RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan.

(7) See the information with respect to Andrew S. Hedden under Principal Holders of Class A Stock and Common Stock above.

(8) Includes 4,604 shares of Common Stock held directly by such director, 48,000 shares of Common Stock under options exercisable by such director within 60 days of the Record Date and 1,200 RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan.

(9) Includes 17,850 shares of Common Stock held directly by Mr. Mayer, 48,000 shares under options exercisable by Mr. Mayer within 60 days of the Record Date and 1,200 RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan.

(10) Includes 8,874 shares of Common Stock held directly by Mr. Oliver, 48,000 shares of Common Stock under options exercisable by Mr. Oliver within 60 days of the Record Date and 1,200 RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan

(11) Includes 179,583 shares of Common Stock held directly by Mr. Spaulding, 12,000 shares under options exercisable by Mr. Spaulding within 60 days of the Record Date and 1,200 RSUs scheduled to vest within 60 days of the Record Date under the 2007 Plan.

(12) Includes 13,560 shares of Common Stock held directly by Ms. O Connell, 25 shares of Common Stock owned by Ms. O Connell s minor son, 283,750 shares of Common Stock under options exercisable by Ms. O Connell within 60 days of the Record Date, 4,500 RSUs scheduled to vest within 60 days of the Record Date under the 2001 Plan and 6,657 RSUs vested or scheduled to vest within 60 days of the Record Date held under the Scholastic Corporation Management Stock Purchase Plan ( MSPP ). Does not include 14,110 unvested RSUs held under the MSPP or 20,500 unvested RSUs held under the 2001 Plan.

- (13) Includes 29,283 shares of Common Stock held directly by Ms. Mayer, 264,790 shares under options exercisable by Ms. Mayer within 60 days of the Record Date, 3,500 RSUs scheduled to vest within 60 days of the Record Date under the 2001 Plan and 7,106 RSUs vested or scheduled to vest within 60 days of the Record Date held under the MSPP. Does not include 1,782 unvested RSUs held under the MSPP or 13,000 unvested RSUs held under the 2001 Plan.
- (14) Includes 6,740 shares of Common Stock held directly by Ms. Newman, 236,050 shares under options exercisable by Ms. Newman within 60 days of the Record Date, 3,500 shares underlying RSUs scheduled to vest within 60 days of the Record Date under the 2001 Plan and 13,690 RSUs vested or scheduled to vest within 60 days of the Record Date held under the MSPP. Does not include 399 unvested RSUs held under the MSPP or 13,000 unvested RSUs held under the 2001 Plan.
- (15) Includes 3,092,700 shares of Common Stock issuable on conversion of the Class A Stock (including the 1,436,500 shares issuable under the Class A Options) described in Notes 1 and 2 on page 4; 1,683,092 shares of Common Stock owned by the Maurice R. Robinson Trust; 350,000 shares of Common Stock owned by the Florence L. Robinson Trust; 8,469 shares of Common Stock for which Mr. Robinson is custodian under a separate custodial account for one of his sons; 5,087 shares of Common Stock owned directly by Mr. Robinson's sons; and 28,161 shares owned by the Richard Robinson Charitable Fund. Also includes an aggregate of 904,961 shares of Common Stock held directly and 25 shares beneficially owned by all directors and executive officers as a group; an aggregate of 1,370,860 shares of Common Stock under options exercisable by members of the group within 60 days of the Record Date; an aggregate of 64,247 shares underlying RSUs vested or scheduled to vest within 60 days of the Record Date held under the MSPP; an aggregate of 10,832 shares of Common Stock with respect to which members of the group had voting rights as of the Record Date under the 401(k) Plan; and an aggregate of 26,800 shares underlying RSUs scheduled to vest within 60 days of the Record Date held under the 2001 Plan. Does not include an aggregate of 130,729 unvested RSUs held under the MSPP or an aggregate of 75,200 unvested RSUs held under the 2001 Plan.

#### **Compensation Committee Interlocks and Insider Participation**

No member of the Human Resources and Compensation Committee (the HRCC) was at any time during fiscal 2011 an officer or employee of the Company or any of the Company's subsidiaries nor was any such person a former officer of the Company or any of the Company's subsidiaries. In addition, no HRCC member is an executive officer of another entity at which an executive officer of the Company serves on the board of directors.

#### **Human Resources and Compensation Committee Report**

The HRCC has reviewed and discussed with management the Compensation Discussion and Analysis (CD&A) section of this Proxy Statement. Based on this review and discussion, the HRCC recommended to the Board (and the Board has approved) that the CD&A be included in this Proxy Statement and in the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 2011.

The members of the Human Resources and Compensation Committee of the Board of Directors of Scholastic Corporation have provided this report:

John L. Davies, Chairperson  
Marianne Caponnetto  
Peter M. Mayer  
John G. McDonald

**COMPENSATION DISCUSSION AND ANALYSIS**

The Company's compensation programs for its executive officers and other senior management are administered by the HRCC, which is composed solely of independent directors as defined by NASDAQ rules. The Company's overall objective is to maintain a compensation system that fosters the short-term and long-term goals of the Company and its stockholders.