

**THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.**

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[www.statueofliberty.org](http://www.statueofliberty.org)

or

[www.ellisland.org](http://www.ellisland.org)

or

[www.wallofhonor.org](http://www.wallofhonor.org)

**ANNUAL REPORT**

Year ended March 31, 2007

**The Statue of Liberty-Ellis Island Foundation, Inc.**

Year in Review

The 2006/2007 fiscal year has been one that saw the initiation of fundraising for the Peopling of America ® Center. Initial plans for the Center have been developed by a museum designer and approved by the National Park Service and the Foundation's History Advisory Committee. A fundraising plan and materials were prepared and meetings with perspective donors begun. Several major pledges and gifts have been received as the campaign is in its "quite phase."

Meantime, we continue to manage our American Family Immigration History Center ® at Ellis Island and our website where over 11 billion hits have been received and nearly 2.5 million people have given us their e-mail addresses to continue to receive information from us. Two new web partnerships were established with WorldVitalRecords.com and FindMyPast.com to link users from their sites to ours. Also a program that introduced us to AARP members was initiated.

Three new members have joined the Foundation's board and each has already participated in a meaningful way: Paul Verkuil, former Dean of Cardozo Law School; Peter Lehrer, former Chairman of Lehrer-McGovern Construction Co; and Tommy Lasorda, former Manager of the Los Angeles Dodgers.

The Foundation's annual Ellis Island Family Heritage Awards were presented in the Great Hall of Ellis Island on April 17, 2007, the 100<sup>th</sup> anniversary of the busiest arrival date in Ellis Island's history. Awards were given to William D. Novelli, CEO of AARP, Josie Natori, a fashion entrepreneur, John J. Mack, Chairman and CEO of Morgan Stanley and Mike Krzyzewski, Duke University's Basketball Coach. We were pleased to have Secretary of the Interior Dirk Kempthorne give the keynote address at the event.

At the April, 2007 board meeting, Paul Weaver, retired Vice-Chairman PricewaterhouseCoopers, was elected chairman of the Foundation's board replacing John Turbidity. We all applaud the work that John did over the last three years and look forward to his continued involvement.

Sincerely,

John B. Turbidity  
Chairman of the Board

Stephen A. Briganti  
President and Chief Executive Officer

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**Board of Directors**

Eugene A. Bay  
President  
Gene Bay Associates  
Former Publisher of Field & Stream  
CBS, Inc.

Albert C. Bellas  
CEO & Founding Partner  
Solaris Group, LLC

Stephen A. Briganti  
President & CEO  
The Statue of Liberty-Ellis Island  
Foundation, Inc.

Joseph E. Doddridge  
Assistant to the Assistant Secretary for  
Fish and Wildlife and Parks (Retired)  
U.S. Department of the Interior

Michael Donovan  
Chairman  
Donovan Data Systems, Inc

Keith E. Eastin (Ex-Officio)  
Assistant Secretary of the Army

Tina Santi Flaherty  
President & CEO  
Image Marketing International

Gedale B. Horowitz  
Senior Managing Director  
Salomon Smith Barney

Lee Iacocca  
Retired Chairman  
Chrysler Corporation

Karen Jurgensen  
Former Editor  
USA Today

Tommy Lasorda  
Former Manager  
Los Angeles Dodgers

Peter Lehrer  
Former Chairman  
Lehrer-McGovern Construction Co

William B. Matteson  
Retired Managing Partner  
Debevoise & Plimpton

William F. May  
Retired Chairman  
American Can Company

Michael J. O'Bannon  
President  
EOP Group

John B. Turbidy  
Retired President and CEO  
Pitcairn Incorporated

David Verhey  
Assistant Secretary  
Fish and Wildlife and Parks  
U.S. Department of the Interior

Paul Verkuil  
Of Counsel  
Boies, Schiller & Flexner, LLP

Paul E. Weaver  
Chairman, Global TICE Practice  
PricewaterhouseCoopers LLP (Retired)

Warren Winiarski  
Founder/Winemaker/Owner  
Stag's Leap Wine Cellars

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**Officers**

John B. Turbidy, Chairman	Stephen A. Briganti, President and CEO
Gary E. Kelley, Secretary, Vice President and Controller	
Karl Anderson, Vice President of Administration	Sam Daniel, Vice President of Technology
Daniel Keefe, Vice President of Advancement	Connie Saienga, Vice President of Finance
Peg Zitko, Vice President of Public Relations	

**Governance**

Members of the Board of Directors except for Mr. Briganti serve without compensation for their services.

The Board of Directors established “Charters” for committees of the Board. These Committees and Charters consist of: Audit Committee; Compensation Committee; Executive Committee; Finance and Endowment Committee; Nominations and Governance Committee and Ellis Island Family Heritage Awards Committee.

Policy Statements of the Board of Directors consists of: Conflict of Interest Policy; Designation of Persons to Exercise Authority for Financial Transactions; Accounting Records and Internal Control; Non-monetary Gifts; Equal Employment Opportunity; Investment Policy; Records Retention Policy and Whistle Blower Policy.

**Financial and Compliance Reporting**

>The Foundation engages an independent auditor to examine and issue an opinion of the financial statements of the Foundation.

>The Foundation files “Form 990 Return of Organization Exempt from Income Tax” and related schedules with the Internal Revenue Service and such individual states or commonwealths that either require a “charitable organization” filing or a “foreign corporation” filing to do fund raising activities in such state or commonwealth.

>The Foundation is exempt from paying New York and New Jersey sales and use tax on goods or services used for the organization’s own use. The Foundation does collect and remit to New York State such sales and use tax collected on sales from the Foundation’s web and store activity that are subject to such taxation.

>A quarterly report is filed with the Director of the National Park Service regarding the Foundation’s activities for the quarter. Courtesy copies are also provided to the Attorney General of New York State and the BBB Wise Giving Alliance.

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**Mission, Background and Programs**

The Statue of Liberty-Ellis Island Foundation, Inc. (the “Foundation”) is a not-for-profit organization incorporated under the laws of the State of Delaware. The Internal Revenue Service has determined that the Foundation is exempt from income taxes under Section 501C(3) of the Internal Revenue Code. Our Federal identification number is 13-3118415.

**Mission:** To restore and preserve the Statue of Liberty National Monument, which includes, in addition to the Statue itself, Ellis Island and its Museum of Immigration; Custody and control of records, relics and other things of historic interest related to the Statue of Liberty and the millions of immigrants who entered the United States via Ellis Island; To foster, promote and stimulate public knowledge of and interest in the history of the Statue of Liberty and Ellis Island.

The National Park Service (NPS), a unit of the United States Department of the Interior, operates both the Statue of Liberty and Ellis Island (the “Monument”) and has accepted grants pursuant to an agreement dated October 14, 1983 and subsequent agreements with the Foundation for the restoration and preservation of the Monument.

**Background:** The first projects of the Foundation from 1982 until 1992 included the restoration of the Statue of Liberty, upgrade of Liberty Island, the preservation of the main building on Ellis Island, upgrading Castle Clinton, and establishment of the Statue of Liberty Museum and the 220,000 square foot Ellis Island Immigration Museum (which has had 25 million visitors since opening). The Foundation also produced the Statue’s 100<sup>th</sup> anniversary Liberty Weekend, in July 1986, viewed on television by 1.5 billion people in 51 countries around the world. In addition, contributors were promised the establishment of an endowment to provide the NPS with help with maintenance and to provide for the enhancement of visitors’ experience.

In 1992 the Foundation launched a project campaign for the restoration and adaptation of the “kitchen and laundry” building, the “bakery and carpentry” building and the “shop” building on Ellis Island. This allowed the museum to expand and establish the Oral History Studio, the Library, Living Theater, Children’s Orientation Center and the changing Exhibition Center. It also established new offices for the employees of the NPS.

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During 1995 to 2001 the Foundation stepped forward to create the American Family Immigration History Center ® on Ellis Island and the Internet. The Center contains computerized immigration records (manifests) of 25 million people who arrived in America through the Port of New York between 1892 and 1924. Also pictures of the ships they arrived on – 500 million pieces of information. The Center at Ellis Island has served over 533,000 people from April 2001 to the present and the web site has received over 11 billion hits in the same time period.

In 2004 the Foundation spearheaded a campaign to make critical safety upgrades to the Statue of Liberty, which was closed to the public after 9/11/01. The Foundation successfully raised the necessary funds and managed the construction work so that the National Park Service/U.S. Department of the Interior could reopen Lady Liberty's doors to the public on August 3, 2004.

In 2007, the Foundation initiated a campaign for The Peopling of America ® Center (the "Center"). The Center will expand upon the story currently told of the Ellis Island Years (1892-1954) by including the story of those who arrived before Ellis Island and after, right up to the present, becoming citizens, and altering the demographic landscape of America. The Center will follow the arc of the American experience: from immigration, to assimilation, to citizenship, played out in every generation, past, present and future. It will thematically and programmatically expand the Ellis Island Immigration Museum by educating visitors (physically at Ellis Island, and through the Internet) on immigration and citizenship that make up the American experience.

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**Specific Programs of the Foundation include:**

The American Family Immigration History Center ® at Ellis Island and [www.ellisland.org](http://www.ellisland.org) features an electronic database containing valuable information on 25 million immigrants, passengers and crewmembers that entered the United States through the Port of New York between 1892-1924, the peak years of Ellis Island's processing.

The American Immigrant Wall of Honor ® is a permanent exhibit of individual and family names featured at Ellis Island in New York Harbor. It is the only place in the country where an individual can honor his or her family's heritage at a national monument. Names also can be viewed at [www.wallofhonor.org](http://www.wallofhonor.org).

Endowment Grants for NPS projects: Projects requested by the National Park Service and agreed to by the Foundation for items related to improving or maintaining the visitors' experience including such items as curatorial activities, conservation of artifacts related to an exhibit, visitor aids and visitor enhancements.

Public Awareness and Education: Includes projects such as Teacher Guides for the Statue of Liberty; Teacher Guides for Ellis Island, history advisory committee publications on immigration and genealogy, publications of research books/stories on immigration and migration in the United States or how to research immigrants to the United States.

Ellis Island Family Heritage Awards: The Ellis Island Family Heritage Awards were instituted in celebration of the launch of the American Family Immigration History Center® on April 17, 2001. Each year a select number of Ellis Island immigrants or their descendants are chosen to be honored. By presenting a copy of the original ship's passenger manifest documenting their, or their ancestors', arrival at Ellis Island, we reflect on their journey, their courage and determination, and honor the unique contribution they have made to this "Nation of Immigrants". In addition, the Peopling of America ® Award was instituted in 2004 to celebrate the life and work of an individual who immigrated to America at another time and/or through a different entry point than the Port of New York and Ellis Island. Honorees are selected through a process that is guided by an Awards Committee of the Foundation's Board of Directors.

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**Information Counts of Activity**

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Visitors to Ellis Island	1,518,069	1,710,933	1,714,754
Visitors to Liberty Island	2,400,415	2,566,085	2,484,563
Visitors to AFIHC at Ellis Island	93,853	124,228	109,800
Visitors to web site <a href="http://www.ellisland.org">www.ellisland.org</a>			
"hits"	804 million	873 million	change
"unique visitors"	6.0 million	5.6 million	4.8 million
Visitors to web site <a href="http://www.statueofliberty.org">www.statueofliberty.org</a>			
"hits"	8.6 million	4.9 million	change
"unique visitors"	158,187	51,751	383,263
Education Kits/NPS publications	135,000	2,330,000	450,000
Enrollees on the American Immigrant Wall of Honor®	5,425	4,225	6,015
Visit <a href="http://www.wallofhonor.org">www.wallofhonor.org</a>			
Number of employees employed pay period March 12	38	32	33
High number of employees employed pay period July 4	47	48	45

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**Summarized Financial Information**

(A complete financial report may be obtained by contacting the Foundation)

Year Ended March 31

<b>\$'s in thousands</b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>
Contributions	\$ 2,739	\$ 1,737	\$ 3,409
Program and other revenue	\$ 1,237	\$ 1,450	\$ 1,456
Interest/Dividend income	\$ 778	\$ 967	\$ 1,006
Net realized/unrealized (loss) gain on investments	\$ 223	\$ 2,166	\$ 2,095
Total Support, Revenue and Gains (Losses)	<u>\$ 4,977</u>	<u>\$ 6,320</u>	<u>\$ 7,966</u>
Program: Restoration & Preservation Expenses	\$ 6,566	\$ 1,285	\$ 1,805
Program: American Family Immigration History Center	\$ 3,176	\$ 2,483	\$ 2,336
Program: Public Awareness, Education, Family History	\$ 651	\$ 442	\$ 586
Fund Raising Expenses	\$ 916	\$ 713	\$ 694
Management & General Expenses	\$ 1,318	\$ 1,073	\$ 1,053
Total Expenses	<u>\$ 12,627</u>	<u>\$ 5,996</u>	<u>\$ 6,474</u>
<b>Statement of Cash Flows</b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>
Cash flows from operating activities:			
Change in net assets	\$ (7,650)	\$ 324	\$ 1,492
Adjustments to reconcile change in net assets			
Realized and unrealized (gains) losses securities	\$ (223)	\$ (2,166)	\$ (2,095)
Depreciation and amortization	\$ 598	\$ 379	\$ 330
Changes in operating assets and liabilities:			
Increases in receivables	\$ 45	\$ -	\$ (1,085)
Decrease (increase) in other assets	\$ 110	\$ 93	\$ (35)
Increases (decrease) in accounts payable/expenses	\$ 267	\$ (456)	\$ 233
Net Cash provided by operating activities	<u>\$ (6,853)</u>	<u>\$ (1,826)</u>	<u>\$ (1,160)</u>
Cash flows from investing activities:			
Purchase of property and equipment	\$ (22)	\$ (35)	\$ (86)
Sales of Investments	\$ 20,523	\$ 20,314	\$ 33,985
Purchases of investments	\$ (13,661)	\$ (18,645)	\$ (32,794)
Net cash used in investing activities	<u>\$ 6,840</u>	<u>\$ 1,634</u>	<u>\$ 1,105</u>
Net increase (decrease) in cash	\$ (13)	\$ (192)	\$ (54)
Cash at beginning of year	\$ 495	\$ 481	\$ 289
Cash at end of year	<u>\$ 482</u>	<u>\$ 289</u>	<u>\$ 235</u>
<b>Net Assets</b>			
Unrestricted general fund	\$ 347	\$ 8	\$ 578
Unrestricted board-designated endowment fund	\$ 34,241	\$ 34,916	\$ 34,759
Temporarily restricted	\$ 780	\$ 768	\$ 1,847
Total ending all assets	<u>\$ 35,368</u>	<u>\$ 35,692</u>	<u>\$ 37,184</u>