

THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

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www.LibertyEllisFoundation.org

ANNUAL REPORT

Year ended March 31, 2015

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

Year in Review

The 2014-2015 fiscal year brought continued progress on the Peopling of America® Center, a major expansion of the Ellis Island Immigration Museum which will tell the entire story of the populating of America. The first phase of the Center opened in October 2011, with galleries that follow immigration from the Native Americans, through the Colonial period and arrival of the European settlers in the 1800s, before Ellis Island. And while the fundraising goal for the Center's creation was met, the actual on site construction for the Post-Ellis galleries came to a halt on October 29, 2012 due to damage sustained on the island by Hurricane Sandy. Construction was able to recommence in November 2013 and exhibit installation began in February 2015 with completion of the Center planned for May 2015.

In September 2014 the Foundation launched an exciting new website in beta, which combined the content from ellisland.org, statueofliberty.org, wallofhonor.org and flagoffaces.org into one streamlined web experience at www.LibertyEllisFoundation.org. The new website offers a modern design, more user-friendly interface and expanded Ellis Island immigration records, now covering 1892-1957.

The Foundation continued promoting The American Flag of Faces™ -- a website feature which invites all Americans to submit photos of their families, their ancestors, even themselves to become a part of a digital tapestry of thousands of photographs comprising an interactive American flag. Available online at www.LibertyEllisFoundation.org, since October 28, 2011, the exhibit at the Ellis Island Museum has remained out of service until May 2015, due to the hurricane damage.

The Foundation has continued to manage the self-guided audio tours for the Statue of Liberty and Ellis Island, which are produced by award-winning Antenna International and included with every ferry ticket. They are available in nine languages, with a special tour designed especially for children. A portion of the proceeds helps support the creation of the Peopling Center and future Foundation projects.

The Foundation's annual Ellis Island Family Heritage Awards event was not held in 2014. They will again be presented in conjunction with the opening of The Peopling of America® Center in May 2015.

Sincerely,

Paul E. Weaver
Chairman of the Board

Stephen A. Briganti
President and Chief Executive Officer

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

Board of Directors

Paul E. Weaver	Emilio Estefan	Karen Jurgensen
Michael L. Barrera	Tina Santi Flaherty	Tommy Lasorda
Albert C. Bellas	Christopher Forbes	Peter Lehrer
Stephen A. Briganti	Jeffrey Gural	Michael J. O'Bannon
Joseph E. Doddridge	Gedale B. Horowitz	Luis Ubinas
Michael Donovan	Lee A. Iacocca	

Officers

Stephen A. Briganti, President and CEO	Karl Anderson, VP of Administration
Peg Zitko, Executive Vice President	Elad Rosin, Controller and Secretary
Thomas Tolentino, CIO and Vice President	

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 Committee; Nominations and Governance Committee and Ellis Island Family Heritage Awards Committee.

Policy Statements of the Board of Directors consist 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.

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

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 a Form 990 - Return of Organization Exempt from Income Tax and related schedules with the Internal Revenue Service and when necessary a Form 990T Exempt Organization Business Income Tax Return. Additional filing included such individual states or commonwealths that either require a "charitable organization" filing or a "foreign corporation" filing to conduct 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.

The Statue of Liberty-Ellis Island Foundation, Inc.

Annual Report for Fiscal Year Ended March 31, 2015

Mission, Background and Prior Projects

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 and other things of historic interest related to the Statue of Liberty and the millions of immigrants who entered the United States through the Port of New York and 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") 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 over 40 million visitors since opening). The Foundation also produced the Statue's 100th 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 assistance for maintenance and enhancement of the 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.

During 1996 to 2001 the Foundation developed and created the American Family Immigration History Center @ on Ellis Island and the Internet now available at www.LibertyEllisFoundation.org. The Center contains computerized arrival records (manifests) of 51 million immigrants, passengers and ships' crewmembers who arrived in America through the Port of New York starting in 1892 and recently expanded through 1957. The Center also contains pictures of the ships they arrived on. This fiscal year the Center at Ellis Island served over 35,000 people and the website had over 2.9 million users, with additional global outreach via Facebook and Twitter.

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.

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

Specific Programs of the Foundation include:

The American Family Immigration History Center ® at Ellis Island and www.LibertyEllisFoundation.org features an electronic database containing valuable information on over 51 million immigrants, passengers and crewmembers that entered the United States through the Port of New York between 1892-1957.

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.LibertyEllisFoundation.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. At each awards ceremony 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 B.C. Forbes 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.

The Foundation's newest program, currently under development, is The Peopling of America® Center which will be an expansion of the Ellis Island Immigration Museum to tell the story of those who arrived to America from its earliest days before the Ellis Island era as well as those who came after World War II and right up to the present. Fundraising for this project was brought to completion last year. Exhibitory fabrication and on site construction has continued. On October 28, 2011 the first phase of the Center opened to the public with galleries that follow immigration from the Native Americans, through the Colonial period and arrival of the European settlers in the 1800s, before Ellis Island. The completion of the Center with the opening of the Post-Ellis galleries has been postponed until May 2015 due to construction delays caused by Hurricane Sandy damage.

Audio Tours: Under an agreement with the National Park Service the Foundation is authorized to operate a self-guided audio tour program for the Statue of Liberty and Ellis

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

Island produced by award-winning Antenna International and available in nine languages, with a special tour designed especially for children. Revenues generated by the sale of tours are dedicated to The Peopling of America® Center and other related projects. In fiscal year 2015 approximately 4,150,000 visitors were provided the opportunity to enjoy the audio tours.

The Foundation and the National Park Service have begun planning and development of a free standing museum on Liberty Island, which would afford a museum experience for all Statue of Liberty visitors. Currently only 14% of visitors are allowed access inside the monument and museum due to post-9/11 security and visitor quotas.

The Statue of Liberty-Ellis Island Foundation, Inc.

Annual Report for Fiscal Year Ended March 31, 2015

Summarized Financial Information

Year Ended March 31,
\$'s in thousands

Statement of Activities	<u>2014</u>	<u>2015</u>
Contributions	\$ 1,194	\$ 2,678
Program and other revenue	8,235	14,818
Interest/Dividend income	961	1,040
Net realized/unrealized (loss) gain on investments	4,022	270
Total Support, Revenue and Gains (Losses)	14,412	18,806
Program: Restoration & Preservation Expenses	69	15
Program: American Family Immigration History Center ®	1,377	2,863
Program: Audio Tour	4,842	8,766
Program: Public Awareness, Education, Family History	368	226
Program: Peopling of America ®	1,159	2,729
Program: Liberty Museum	156	1,006
Fund Raising Expenses	431	622
Management & General Expenses	1,018	972
Total Expenses	\$ 9,420	\$ 17,199

Statement of Cash Flows	<u>2014</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 4,992	\$ 1,607
Adjustments to reconcile change in net assets		
Realized and unrealized (gains) losses securities	(4,022)	(270)
Depreciation and amortization	44	181
Other changes	(1)	-
Loss on disposal of equipment	13	-
Changes in operating assets and liabilities:		
Decrease (increase) in receivables	50	(7)
Decrease (increase) in other assets	(209)	5
Increases (decrease) in accounts payable/expenses	491	507
Net Cash provided by operating activities	1,358	2,023
Cash flows from investing activities:		
Purchase of property and equipment	(476)	(264)
Sales of Investments	5,111	15,302
Purchases of investments	(6,071)	(16,349)
Net cash used in investing activities	(1,436)	(1,311)
Net increase (decrease) in cash	(78)	712
Cash at beginning of year	800	722
Cash at end of year	\$ 722	\$ 1,434
Net Assets		
Unrestricted general fund	\$ 1,795	\$ 3,865
Unrestricted board-designated endowment fund	42,196	41,964
Temporarily restricted	966	734
Total ending net assets	\$ 44,957	\$ 46,563

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2015

The Statue of Liberty-Ellis Island Foundation, Inc.
FYE March 31, 2015

	2014	2014	2014	2015	FY 2015
	Q2	Q3	Q4	Q1	Total
<u>AMERICAN FAMILY IMMIGRATION HISTORY CENTER ® at ELLIS ISLAND</u>					
Sessions	Not Available	Not Available	2,747	2,546	5,293
Searches	Not Available	Not Available	8,241	7,638	15,879
Total number of visitors	Not Available	Not Available	12,019	22,914	34,933
Brochures distributed	Not Available	Not Available	-	-	-
New York Sales Tax collected	No Sales	No Sales	42	10	52
Volunteer Hours	465	502	410	334	1,711
<u>ELLISISLAND.ORG . LibertyEllisFoundation.org</u>					
Page Views	13,674,241	12,166,834	5,102,619	6,117,089	37,060,783
Visits	992,991	1,169,646	936,392	875,492	3,974,521
Unique Visitors	732,907	885,024	675,248	633,336	2,926,515
<u>STATUEOFLIBERTY.ORG</u>					
Page Views	138,615	80,067			218,682
Visits	89,983	54,930	Note 1		144,913
Unique Visitors	78,691	49,875			128,566
<u>WALLOFHONOR.ORG</u>					
Page Views	66,832	78,683			145,515
Visits	11,680	13,997	Note 1		25,677
Unique Visitors	9,342	11,481			20,823
<u>American Immigrant Wall of Honor ®</u>					
Registration packets	13,900	Not Available	Not Available	Not Available	13,900
<u>Flagoffaces.org</u>					
Page Views	6,044	12,621			18,665
Visits	3,439	7,952	Note 1		11,391
Unique Visitors	3,024	6,998			10,022
<u>E-MAIL Received:</u>					
	3,144	3,809	Not Available	1,244	8,197
<u>Direct Mail Received:</u>					
	3,656	2,050	4,808	5,402	15,916
<u>Visitors:</u>					
Liberty Island	1,138,836	1,073,108	735,729	441,968	3,389,641
Ellis Island	645,481	554,713	421,898	50,646	1,672,738
<u>Audio Tours:</u>					
	1,324,597	1,488,466	852,537	481,981	4,147,581
<u>Employees during calendar year 2014</u>					33

Note 1 - In the beginning of September all Foundation websites were consolidated into www.libertyellisfoundation.org