THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

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212-561-4500
www.statueofliberty.org
or
www.ellisisland.org
or
www.wallofhonor.org
or
www.flagoffaces.org

ANNUAL REPORT

Year ended March 31, 2011

Year in Review

The 2010-2011 fiscal year brought continued fundraising for 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. Major pledges and gifts have continued to be received, bringing us to approximately 95% of our goal. Using the approved Final Exhibit Design, which was created by Edwin Schlossberg Inc. (ESI), and approved by the Foundation, History Advisory Committee and National Park Service, bids were secured for the Center's contractors. Exhibitry fabrication began in Summer 2010 and on site construction commenced in February 2011.

The Foundation continued promoting The American Flag of Faces™ -- an interactive website which invites all Americans to submit photos of their families, their ancestors, even themselves to become a part of a living, ever-changing American mosaic. The Flag of Faces, which is a fundraising device for the Peopling Center, will also become a central exhibit in the Center.

The Foundation entered its third year of managing the self-guided audio tours for the Statue of Liberty and Ellis Island, which are produced by award-winning Antenna International. 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.

We continue to manage our American Family Immigration History Center® at Ellis Island and our website where over 12 billion hits have been received, generating nearly 500,000 new email addresses annually for our outreach database.

The Foundation's annual Ellis Island Family Heritage Awards were presented in the Great Hall of Ellis Island on April 13, 2011. Awards were given to baseball legend Joe Torre, international statesman Senator George Mitchell, tennis superstar Martina Navratilova and business icon and Foundation Founding Chairman Lee Iacocca. The event was hosted by Deborah Norville, Emmy-award winning journalist and host of *Inside Edition*.

Sincerely,

Paul E. Weaver
Chairman of the Board

Stephen A. Briganti
President and Chief Executive Officer

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

Paul Weaver, Chairman
Stephen A. Briganti, President and CEO
Gary E. Kelley, Secretary and Senior Vice President
Karl Anderson, Vice President of Administration
Daniel Keefe, Vice President of Advancement
Elad Rosin, Controller and Assistant Secretary
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 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.

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 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.

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 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 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.

During 1996 to 2001 the Foundation stepped forward to create the American Family Immigration History Center ® on Ellis Island and the Internet. The Center contains computerized arrival records (manifests) of 25 million immigrants, passengers and ships' crewmembers who arrived in America through the Port of New York between 1892 and 1924. The Center also contains includes pictures of the ships they arrived on – altogether, 500 million pieces of information. The Center at Ellis Island has served over 700,000 people from April 2001 to the present and the web site has received over 12 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.

The fundraising effort for The Peopling of America® Center continued during the 2010-2011 fiscal year, bringing the project to approximately 95% of its goal. In the meantime, using the approved Final Exhibit Design, which was created by Edwin Schlossberg Inc. (ESI), and approved by the Foundation, History Advisory Committee and National Park Service, bids were secured for the Center's contractors. Exhibitry fabrication began in Summer 2010 and actual construction commenced in February 2011.

Specific Programs of the Foundation include:

The American Family Immigration History Center ® at Ellis Island and www.ellisisland.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 between1892-1924, 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.

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. A special project is the Ellis Island Living Theatre which presents 30 minute original plays that dramatize the immigrant experience, based on recollections from the Oral History Archive and performed by professional actors seven times daily from March-October.

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 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 continues, bringing us to 95% of our goal. The final construction and exhibit designs were approved and exhibitry fabrication began in Summer 2010 and actual on site construction commenced in February 2011.

The Statue of Liberty-Ellis Island Foundation, Inc.
Annual Report for Fiscal Year Ended March 31, 2011

Summarized Financial Information
(A complete financial report may be obtained by contacting the Foundation)
Year Ended March 31,
$'s in thousands

Statement of Activities	**2009**	**2010**	**2011**
Contributions	$ 3,466	$ 2,637	$ 2,800
Program and other revenue	1,655	2,490	2,100
Interest/Dividend income	1,019	551	598
Net realized/unrealized (loss) gain on investments	(9,199)	9,675	4,201
Total Support, Revenue and Gains (Losses)	(3,059)	15,353	9,699
Program: Restoration & Preservation Expenses	1,235	703	170
Program: American Family Immigration History Center ®	2,438	2,361	2,854
Program: Public Awareness, Education, Family History	404	517	685
Program: Peopling of America ®	2,007	747	2,836
Fund Raising Expenses	486	633	762
Management & General Expenses	1,009	807	913
Total Expenses	$ 7,579	$ 5,768	$ 8,220

Statement of Cash Flows	**2009**	**2010**	**2011**
Cash flows from operating activities:			
Change in net assets	$(10,638)	$ 9,585	$ 1,479
Adjustments to reconcile change in net assets			
Realized and unrealized (gains) losses securities	9,197	(9,675)	(4,201)
Depreciation and amortization	355	302	297
Other changes	-	3	25
Changes in operating assets and liabilities:			
Increases in receivables	372	(194)	(56)
Decrease (increase) in other assets	9	(53)	24
Increases (decrease) in accounts payable/expenses	(83)	22	316
Net Cash provided by operating activities	(788)	(10)	(2,116)
Cash flows from investing activities:			
Purchase of property and equipment	10	(17)	(23)
Sales of Investments	31,491	3,205	6,662
Purchases of investments	(29,697)	(3,713)	(4,691)
Net cash used in investing activities	1,804	(525)	1,948
Net increase (decrease) in cash	1,016	(535)	(168)
Cash at beginning of year	287	1,303	768
Cash at end of year	$ 1,303	$ 768	$ 600
Net Assets			
Unrestricted general fund	$ (228)	$ 36	$ (481)
Unrestricted board-designated endowment fund	23,219	32,629	36,365
Temporarily restricted	3,360	3,272	1,532
Total ending net assets	$ 26,351	$35,937	$37,416

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	2010 Q2	2010 Q3	2010 Q4	2011 Q1	FY 2011 Total
AMERICAN FAMILY IMMIGRATION HISTORY CENTER ® at ELLIS ISLAND					
Sessions	8399	9,228	5,669	3,852	18,749
Searchs	25197	27,684	17,007	11,556	56,247
Total number of visitors	33596	36,912	22,676	15,408	74,996
Brochures distributed	39000	178,000	38,300	12,700	229,000
New York Sales Tax collected	8133	$ 8,262	$5,137	$2,661	$ 16,060
Volunteer Hours	737	644	300	177	1,121
Number of Volunteers					38
LIVE THEATRE AT ELLIS ISLAND					
Admission Tickets	not open	not open	not open	not open	
ELLISISLAND.ORG					
Page Views	22,487,247	21,754,905	23,185,918	26,734,508	94,162,578
Visits	1,301,230	1,216,364	1,399,684	1,504,519	5,421,797
Unique Visitors	889,928	795,136	946,647	995,860	3,627,571
STATUEOFLIBERTY.ORG					
Page Views	246,155	251,050	273,324	240,402	1,010,931
Visits	148,446	150,972	168,978	147,066	615,462
Unique Visitors	138,212	141,263	157,563	137,023	574,061
WALLOFHONOR.ORG					
Page Views	145,444	111,794	493,049	168,174	918,461
Visits	25,115	18,244	98,148	30,065	171,572
Unique Visitors	22,175	15,775	88,058	26,806	152,814
American Immigrant Wall of Honor ®					
Registration packets	41,500	126,000	34,900	14,900	217,300
PEOPLINGOFAMERICA.ORG					
Page Views	10,726	9,658	11,858	5,296	37,538
Visits	4,849	4,195	5,051	2,154	16,249
Unique Visitors	4,525	3,824	4,652	1,961	14,962
E-MAIL Received:	7,630	10,669	11,374	7,630	37,303
Direct Mail Received:	4,540	5,643	14,165	12,741	37,089
Visitors:					
Liberty Island	952,527	1,159,083	630,796	411,490	3,153,896
Ellis Island	663,335	725,837	416,066	249,717	2,054,955
Audio Tours	110,893	125,940	86,667	56,946	380,446
Employees during calander year 2010					41