THE OLANA PARTNERSHIP

FINANCIAL STATEMENTS
(and Report of Independent Auditors)

December 31, 2008
(with memorandum totals as of December 31, 2007)

THE OLANA PARTNERSHIP
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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The Olana Partnership

We have audited the accompanying financial statement of financial position of The Olana Partnership (a nonprofit organization) as of December 31, 2008, and the related statement of activities, statement of functional expenses, and statement of cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from The Olana Partnership 2007 financial statements and, in our report dated November 10, 2008, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Olana Partnership as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the Organization adopted Financial Accounting Standards No. 157 "*Fair Value Measurements*" as of January 1, 2008.

Pattison, Koskey, Howe & Bucci CPAs P.C.

Valatie, New York
August 31, 2009

THE OLANA PARTNERSHIP
STATEMENT OF FINANCIAL POSITION
December 31, 2008
(with memorandum totals for December 31, 2007)

| | 2008 | 2007 (memorandum only) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 845,147 | $ 304,351 |
| Accounts receivable | 900 | - |
| Contributions receivable | 355,441 | 299,574 |
| Government grant receivable | 694,746 | 559,172 |
| Inventory | 48,618 | 46,899 |
| Prepaid expenses | - | 20,000 |
| Due from New York State | 15,000 | 90,000 |
| Total current assets | 1,959,852 | 1,319,996 |
| Cash and cash equivalents - restricted to construction of museum | 342,492 | 335,956 |
| Cash and cash equivalents - restricted to investment in endowment | 387,261 | 400,000 |
| Investments | 153,671 | 433,751 |
| Contributions Receivable (long-term), net of discount | 411,975 | - |
| Property and Equipment, net | 27,975 | 23,413 |
| Total assets | $ 3,283,226 | $ 2,513,116 |
| **LIABILITIES AND NET ASSETS** | | |
| Current liabilities: | | |
| Accounts payable | $ 32,637 | $ 10,087 |
| Accrued expenses | 25,010 | 21,183 |
| Total current liabilities | 57,647 | 31,270 |
| Net assets: | | |
| Unrestricted | 865,318 | 581,429 |
| Unrestricted - board designated | 61,000 | 21,000 |
| Temporarily restricted | 989,349 | 1,479,417 |
| Permanently restricted | 1,309,912 | 400,000 |
| Total net assets | 3,225,579 | 2,481,846 |
| Total liabilities and net assets | $ 3,283,226 | $ 2,513,116 |

See accompanying notes and auditors' report.

THE OLANA PARTNERSHIP
STATEMENT OF ACTIVITIES
Year ended December 31, 2008
(with memorandum totals for December 31, 2007)

| | 2008 | 2007 (memorandum only) |
|---|---|---|
| Change in unrestricted net assets: | | |
| Revenues and other sources: | | |
| Membership Dues | $ 137,980 | $ 169,910 |
| Contributions | 82,702 | 253,355 |
| Donated services | 52,758 | 91,712 |
| Grants | 1,333,524 | 919,539 |
| Bookstore and gift shop sales, net of cost of goods sold of $69,864 and $70,414 | 93,551 | 76,874 |
| Program and special events, net of direct expenses of $389,687 and $160,485 | 347,787 | 74,887 |
| Royalty income | 185 | 380 |
| Interest and dividend income | 22,661 | 55,906 |
| Unrealized (loss) gain on marketable securities | (95,471) | 8,362 |
| (Loss) gain on sale of marketable securities | (1,258) | 442 |
| Total unrestricted revenue | 1,974,419 | 1,651,367 |
| Net assets released from restrictions | 860,954 | 199,916 |
| Reclassification | - | (99,978) |
| Total unrestricted revenue and other support | 2,835,373 | 1,751,305 |
| Expenses: | | |
| Program | 2,040,117 | 1,317,975 |
| Management and general | 232,815 | 216,471 |
| Fund-raising | 238,552 | 195,719 |
| Total expenses | 2,511,484 | 1,730,165 |
| Change in unrestricted net assets | 323,889 | 21,140 |
| Change in temporarily restricted net assets: | | |
| Contributions, net of discount $675 | 364,348 | 1,060,805 |
| Investment return | 6,538 | 16,676 |
| Net assets released from restrictions | (860,954) | (199,916) |
| Reclassification | - | (100,022) |
| Change in temporarily restricted net assets | (490,068) | 777,543 |

See accompanying notes and auditors' report.

THE OLANA PARTNERSHIP
STATEMENT OF ACTIVITIES (CONTINUED)
Year ended December 31, 2008
(with memorandum totals for December 31, 2007)

| | 2008 | 2007 (memorandum only) |
|---|---|---|
| Change in permanently restricted net assets: | | |
| Contributions | 907,650 | - |
| Investment Return | 2,262 | - |
| Reclassification | - | 200,000 |
| Change in permanently restricted net assets | 909,912 | 200,000 |
| Change in net assets | 743,733 | 998,683 |
| Net assets, beginning of year | 2,481,846 | 1,483,163 |
| Net assets, end of year | $ 3,225,579 | $ 2,481,846 |

THE OLANA PARTNERSHIP
STATEMENT OF CASH FLOWS
Year ended December 31, 2008
(with memorandum totals for December 31, 2007)

| | 2008 | 2007 (memorandum only) |
|---|---|---|
| Cash flows from operating activities: | | |
| Change in net assets | $ 743,733 | $ 998,683 |
| Adjustments to reconcile change in net assets to net cash from operating activities: | | |
| Depreciation | 5,593 | 5,405 |
| Loss/(gain)on sale of marketable securities | 1,258 | (442) |
| Unrealized loss/(gain) on marketable securities | 95,471 | (8,362) |
| Donated investments | (112,131) | (291,120) |
| Gift of endowment | (125,000) | (200,000) |
| Increase in accounts receivables | (900) | - |
| Increase in contributions receivables | (467,842) | (25,043) |
| Increase in government grant receivables | (135,574) | (559,172) |
| Increase in inventories | (1,719) | (653) |
| Decrease in prepaid expenses | 20,000 | (20,000) |
| Decrease (increase) in due from New York State | 75,000 | - |
| (Increase) decrease in accounts payables | 22,550 | (6,157) |
| (Increase) decrease in accrued expenses | 3,827 | (10,765) |
| Decrease in government contract advances | - | (125,801) |
| Total Adjustments | (619,467) | (1,242,110) |
| Net cash provided by (used for) operating activities | 124,266 | (243,427) |
| Cash flows from investing activities: | | |
| Purchases of furniture and equipment | (10,155) | (1,274) |
| Sales of investments | 295,482 | 180,601 |
| Increase in cash and cash equivalents - construction of museum | (6,536) | (16,481) |
| (Increase) decrease in cash and cash equivalents - restricted to investment in endowment | 12,739 | (400,000) |
| Net cash provided by (used for) investing activities | 291,530 | (237,154) |

See accompanying notes and auditors' report.

THE OLANA PARTNERSHIP
STATEMENT OF CASH FLOWS (CONTINUED)
Year ended December 31, 2008
(with memorandum totals for December 31, 2007)

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| | 2008 | 2007 (memorandum only) |
|---|---|---|
| Cash flows from financing activities: | | |
| Payments on line of credit, net | - | (82,707) |
| Gift of Endowment | 125,000 | 200,000 |
| Net cash provided by financing activities | 125,000 | 117,293 |
| Net (decrease) increase in cash | 540,796 | (363,288) |
| Cash and cash equivalents, beginning of year | 304,351 | 667,639 |
| Cash and cash equivalents, end of year | $ 845,147 | $ 304,351 |
| Supplemental Disclosures to the Statement of Cash Flows: | | |
| Interest paid | $ - | $ 1,262 |
| Donated investments | $ 112,131 | $ 291,120 |

See accompanying notes and auditors' report.

THE OLANA PARTNERSHIP
STATEMENT OF FUNCTIONAL EXPENSES
Year ended December 31, 2008
(with comparative totals for the year ended December 31, 2007)

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| | 2008 | | | | 2007 (memorandum only) |
|---|---|---|---|---|---|
| | Program | Management and General | Fund-Raising | Total | |
| Salaries and wages | $ 245,849 | $ 128,306 | $ 159,359 | $ 533,514 | $ 443,275 |
| Employee benefits | 13,248 | 14,058 | 15,370 | 42,676 | 13,350 |
| Payroll tax | 20,237 | 10,267 | 12,528 | 43,032 | 40,050 |
| Insurance | 8,072 | 6,632 | - | 14,704 | 9,132 |
| Supplies and office | 38,605 | 39,206 | - | 77,811 | 120,315 |
| Development | - | - | 49,430 | 49,430 | 21,264 |
| Programs | 1,554,205 | - | - | 1,554,205 | 957,515 |
| Landscaping | 133,037 | - | - | 133,037 | 33,817 |
| Professional fees | 25,000 | 32,482 | - | 57,482 | 85,922 |
| Depreciation | 1,864 | 1,864 | 1,865 | 5,593 | 5,405 |
| Uncollectible pledges | - | - | - | - | 120 |
| | $ 2,040,117 | $ 232,815 | $ 238,552 | $ 2,511,484 | $ 1,730,165 |

See accompanying notes and auditors' report.

**1. Nature of Operations:**

The Olana Partnership (the "Organization") is a not-for-profit organization based in Hudson, New York, that encourages public appreciation of, acts as an advocate for, and provides supplementary support for the preservation and interpretation of Olana, the home of one of America's premier landscape artists, Frederic Edwin Church. Olana is a National Historic Landmark and is a New York State Historic Site administered by the New York State Office of Parks, Recreation and Historic Preservation.

**2. Summary of Significant Accounting Policies:**

**Basis of Accounting:**

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

**Financial Statement Presentation:**

The financial statements are presented in accordance with the Statement of Financial Accounting Standards No. 117, "*Financial Statements for Not-for-Profit Organizations*", which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes or locations by action of the Board of Directors.

Temporarily Restricted Net Assets - Net assets whose use is subject to donor-imposed stipulations that may be fulfilled by actions of the Organization to meet the stipulations or become unrestricted at the date specified by the donor.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be retained and invested permanently by the Organization.

Expenses are presented as decreases in unrestricted net assets when incurred.

**Prior Year Amounts:**

Amounts shown for December 31, 2007, in the accompanying statements are included to provide a basis for comparison with December 31, 2008 and present summarized totals only. Accordingly, the December 31, 2007, amounts are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America.

**2. Summary of Significant Accounting Policies (Continued):**

**Cash and Cash Equivalents:**

For the purposes of the statement of cash flows, cash and cash equivalents are considered highly liquid investments with maturities of three months or less at the time of acquisition. Cash and cash equivalents with donor imposed restrictions for the purpose of acquisitions of fixed assets or endowment are excluded from cash and cash equivalents in the statement of cash flows.

**Property and Equipment:**

Furniture and equipment are recorded at cost or, if donated, at the estimated fair value at the time of donation. Expenditures for routine repairs and maintenance that do not add to an asset's useful life are expensed in the period in which they are incurred. Asset additions and expenditures that extend the useful lives of existing assets are capitalized and depreciated. Gains and losses from disposals of property and equipment are included in current operations.

**Depreciation:**

Depreciation on furniture and equipment is recorded using the straight-line method over the various estimated useful lives of the assets.

As the Organization embarks on construction projects in support of its purpose, New York State (the State) and the Organization typically enter into agreements that map out the parameters of the projects. Construction costs incurred by the Organization for assets that it will not own are expensed as incurred.

**Income Taxes:**

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC).

**Use of Estimates:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that will affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. Summary of Significant Accounting Policies (Continued):**

**Concentrations of Credit and Market Risks:**

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash and cash equivalents and receivables. Cash and cash equivalents are maintained at high quality financial institutions and credit exposure is limited to any one institution. The Organization did not exceed the FDIC limit or the DIF insurance limit (see note 3) as of December 31, 2008. The Organization has not experienced any losses with respect to its cash balances. Based upon assessment of the financial condition of these institutions, management believes that the risk of loss of any uninsured amounts is minimal.

At December 31, 2008, there were two (2) donors that individually exceeded 10% of contributions receivables. The Organization has determined no allowance for doubtful accounts is needed based on a review of outstanding receivables, historical collection information, and economic conditions. Management controls credit risk through the use of the above procedures.

**Investments:**

In accordance with SFAS No. 124, "Accounting for Certain Investments Held by Not-For-Profit Organizations" investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Investment income (including realized and unrealized gains and losses on investments, interest and dividends) is included in the statement of activities as increases or decreases in unrestricted net assets unless donor or law restricts the income or loss. Investment management fees for the year ended December 31, 2008 were $2,434.

**Fair value measurements:**

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157 "Fair Value Measurement" (FAS 157). FAS 157 was effective as of the Organization's fiscal year beginning January 1, 2008. FAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. FAS 157 does not require any new fair value measurements but applies to other GAAP accounting pronouncements that use fair value as a relevant measurement attribute. The impact of adopting FAS 157 as of January 1, 2008 did not materially impact fair value measurements applied by the Organization. See Note 6 for disclosures required by FAS 157.

**Inventory:**

Inventory is stated at the lower of cost or market, with cost determined on a first-in, first-out basis and market based on the lower of replacement cost or realizable value. Inventory includes books, periodicals and other items available for resale at the bookstore and gift shop.

**2. Summary of Significant Accounting Policies (Continued):**

**Contributions:**

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

The Organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Donated Services:**

The Organization recognizes revenue for certain services received at the fair value of those services. These services include professional services donated by attorneys and accountants to clients and donated advertising and legal services. The fair value of the donated services is reflected in revenues and included in expenses in the following functional categories for the year ended December 31, 2008:

| | | |
|---|---|---|
| Professional fees | $ | 48,122 |
| Landscape architect | | 960 |
| Printing and publication | | 391 |
| Editorial services | | 960 |
| Public Relations/marketing Consulting | | 975 |
| Advertisements | | 1,350 |
| Summer party | | 15,296 |
| Subtotal | | 68,054 |
| Less: special event | | (15,296) |
| | $ | 52,758 |

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization with program services and fundraising events. No amounts have been reflected in the financial statements for these donated services since the volunteers' time does not meet the criteria for recognition under SFAS No. 116.

**2. Summary of Significant Accounting Policies (Continued):**

**Revenue Recognition – Government Grants:**

Certain revenue is earned on cost reimbursable type contracts as services are provided and expenses are incurred to carry out the objectives of the related contractual arrangements. Cost reimbursable contract revenue is recognized only to the extent the contract allows for the related costs incurred by the Organization and cannot exceed the maximum amount allowed for under the contract. Funds advanced to the Organization prior to the earnings process are deferred and included in the caption "government contract advance" in the accompanying statements of financial position. Revenue earned in excess of payments received from the government agency is accrued as government grant receivable.

**3. Cash and Cash Equivalents:**

Cash and cash equivalents at December 31, 2008, comprised the following:

| Bank | Book Balance | Bank Balance | FDIC Insurance | In Excess |
|---|---|---|---|---|
| First Niagara | $ 50,012 | $ 117,984 | $ 250,000 | $ - |
| Legacy Bank | 1,524,538 | 1,524,538 | 250,000 | 1,274,538 |
| Petty Cash | 350 | - | | - |
| | $ 1,574,900 | $ 1,642,522 | | $ 1,274,538 |

The Organization has full insurance coverage on the excess amount of $1,274,538 under the Depositors Insurance Fund (DIF). The DIF is a private industry sponsored fund that insures deposits above the FDIC limits at Massachusetts-chartered savings banks. The Organization's bank, Legacy Bank, is a participating bank therefore provides insurance coverage on the remaining balance.

**4. Restricted cash:**

Restricted cash at December 31, 2008 consisted of the following:

| | |
|---|---|
| Construction of museum | $ 342,492 |
| Investment in Endowment | 387,261 |
| | $ 729,753 |

**5. Contributions Receivable:**

Contributions receivable consist primarily of pledges and grants from private foundations that are scheduled to be collected within the current year. The following summarizes the estimated fair value of the contributions receivable based on the period in which they are expected to be collected. Fair value is determined by calculating the present value of the estimated future cash flows, net of an allowance for uncollectible pledges. The interest rates used in determining the net present value of contributions receivable range from 1.53% to 3.52% at December 31, 2008, based on the terms and pledge dates of the gifts. Management believes that all contributions receivable at December 31, 2008 are fully collectible.

The expected receipts of multi-year unconditional promises to give are as follows:

Amounts to be received in:

| | |
|---|---|
| 2009 | $ 230,000 |
| 2010 | 140,000 |
| 2011 | 125,000 |
| 2012 | 100,000 |
| 2013 & thereafter | 100,000 |
| | $ 695,000 |

In addition, the current portion of contributions receivable includes $125,441 of contributions made in 2008 and expected to be collected in 2009. The Organization recorded a discount for the amount of $53,025 to discount the pledges that were received with a pledge exceeding more than one year.

**6. Investments:**

Investments at December 31, 2008, stated at fair value include:

| Cost | Unrealized Gain (Loss) | Fair Market Value | FAS 157 Measurements |
|---|---|---|---|
| $ 196,250 | $(45,579) | $ 153,671 | Level 1 |

Investments are measured at fair value on a recurring basis. In accordance with FAS 157, fair value measurements are identified as Level 1, Level 2, and Level 3. Level 1 fair value is based on quoted prices in active markets for identical asset/liabilities. The Organization does not have any Level 2 or 3 investments. The Organization's investments are comprised of one mutual fund at December 31, 2008.

**7. Property and Equipment:**

A summary of property and equipment is as follows as of December 31, 2008:

| Category | |
|---|---|
| Furniture/Equipment | $ 81,071 |
| Accumulated Depreciation | (53,126) |
| | $ 27,945 |

The depreciation expense for 2008 was $5,593.

**8. Collections:**

The Organization does not capitalize its collections. Costs of collection items purchased are shown as decreases in net assets in the statement of activities, proceeds from sales of collection items and insurance recoveries of lost or destroyed collection items are presented as increases in net assets. There were no such increases or decrease for the year ended December 31, 2008.

**9. Functional Expenses:**

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among programs and other activities benefited.

**10. Program and Special Events:**

During the year ended December 31, 2008, the Organization held various program and special events. A financial summary is as follows:

| | Program | Gala | Other | Total |
|---|---|---|---|---|
| Gross event income | $ 7,319 | $ 672,114 | $ 58,041 | $ 737,474 |
| Event expenses | 33,791 | 309,053 | 46,843 | 389,687 |
| Net profit (loss) | $ (26,472) | $ 363,061 | $ 11,198 | $ 347,787 |

**11. Line of Credit:**

The Organization applied for and obtained a working capital line of credit on July 10, 2008. The amount of the line is $200,000 and is due for renewal on July 1, 2009 and is currently under review. No advances were requested on this line during the year, and so no balance was due on December 31, 2008.

**12. The Landmarks Visitor Center:**

The Landmarks Visitor Center is a venture that began on May 26, 2006 with five other area historic sites and Columbia County tourism. A store and visitor center was opened at 547 Warren Street, later moving to 345 Warren Street. Each site contributed funds to cover expenses. Sales/contribution collection, distribution, and bill paying are managed by The Olana Partnership. The collaboration was temporarily terminated as of December 31, 2008, vacating the premises on January 6, 2009, with it yet to be determined if LVC will reopen in 2009. In the meantime, minor operational and promotional expenses are being paid while final determination is pending. At the close of 2008, $7,160 was held on behalf of the other sites, while $1,338 of Olana funds were also kept aside for the purposes of the venture.

**13. Temporarily Restricted Net Assets:**

Temporarily restricted net assets as of December 31, 2008 represent grants available for the following specific purposes or program services:

| | | |
|---|---|---|
| Main House Projects | $ | 284,537 |
| Museum Center | | 342,492 |
| Hudson River Improvement | | 15,000 |
| Education | | 49,943 |
| Landscaping | | 10,409 |
| Strabo – Conservation | | 19,829 |
| Time Restricted | | 59,325 |
| Second Floor Exhibit | | 135,938 |
| Mexico Tour | | 16,750 |
| SLC/Viewshed Donations | | 5,536 |
| Robison Family | | 3,000 |
| Time Restricted Projects | | 44,252 |
| Corporate Sponsorship | | 1,000 |
| Landmarks Visitor Center | | 1,338 |
| | $ | 989,349 |

**14. Board Designations:**

The board designated unrestricted net assets for contingencies in the amount of $21,000, and $40,000 for exhibitions.

**15. Permanently Restricted Net Assets:**

Permanently restricted net assets represent donor-restricted endowment gifts for the following salaried positions. Donors have intended that the earnings on such gifts be accumulated until each position reaches the $1 mm goal, then earnings are to be used to fund such positions:

| | 2008 |
|---|---|
| President Endowment (net of discount of $48,750) | $ 551,250 |
| President Endowment earnings | 293 |
| Cape Branch-Educator Endowment | 500,000 |
| Cape Branch-Educator Endowment earnings | 57 |
| Wilmerding Initiative-Educator Endowment | 160,000 |
| Wilmerding Initiative-Educator Endowment earnings | 1,814 |
| Curator Endowment (net of discount of $3,599) | 96,401 |
| Curator Endowment earnings | 97 |
| | $1,309,912 |

One of the Organization's donors, the Cape Branch Foundation, made an endowment gift for the educator position in November 2008 in the amount of $100,000, with the pledge of an additional $100,000 in 2009 for the educator endowment provided a matching $100,000 is raised. At December 31, 2008 the 2009 pledge for $100,000 was not recorded due to this contingency.

At the Olana Partnership's annual gala, an auction/initiative in honor of John Wilmerding was held and $169,250 was raised, of which $160,000 was raised for educator endowment (listed above) and $9,250 for education.

**16. 403 (B) Retirement Plan:**

Employees may participate in a 403(B) retirement plan administered by American Funds. Employees can make pre-tax contributions up to 100% of pay (subject to certain annual caps based on years of service). New employees may enroll in this program immediately, otherwise enrollment months are January and July. There is an employer match of up to 5% of salary for eligible employees.

The total employer match expense was $15,108 for year ended December 31, 2008.