Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545 0047

2008

Open to Public Inspection

For the 2008 calendar year, or tax year beginning 6/01 **, 2008, and ending** 5/31 **, 2009**

B Check if applicable
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Termination
- [ ] Amended return
- [ ] Application pending

Please use IRS label or print or type. See specific Instructions.

C The Clay Studio
139 North 2nd Street
Philadelphia, PA 19106

D Employer Identification Number: 23-7380408

E Telephone number: 215-925-3453

G Gross receipts $ 1,769,772.

F Name and address of principal officer: Amy Sarner Williams
Same As C Above

H(a) Is this a group return for affiliates? [ ] Yes [X] No
H(b) Are all affiliates included? [ ] Yes [ ] No
If 'No,' attach a list (see instructions)

I Tax-exempt status [X] 501(c) (3) ◄ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ► www.theclaystudio.com

H(c) Group exemption number ►

K Type of organization [X] Corporation [ ] Trust [ ] Association [ ] Other ►

L Year of Formation 1974 **M** State of legal domicile PA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities. The Clay Studio is a non-profit educational and arts organization dedicated to the promotion and development of contemporary and traditional ceramic arts and the work of new clay artists.

2 Check this box ► [ ] if the organization discontinued its operations or disposed of more than 25% of its assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	28
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	28
5 Total number of employees (Part V, line 2a)	5	12
6 Total number of volunteers (estimate if necessary)	6	80
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.

	Prior Year	Current Year
Revenue		
8 Contributions and grants (Part VIII, line 1h)	1,021,023.	1,053,657.
9 Program service revenue (Part VIII, line 2g)	483,613.	549,634.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,314.	7,892.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	54,153.	98,322.
12 Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,572,103.	1,709,505.
Expenses		
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	361,349.	419,044.
16a Professional fundraising fees (Part IX, column (A), line 11e)		
b Total fundraising expenses (Part IX, column (D), line 25) ► 47,401.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	730,080.	899,555.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,091,429.	1,318,599.
19 Revenue less expenses. Subtract line 18 from line 12	480,674.	390,906.

Net Assets or Fund Balances	Beginning of Year	End of Year
20 Total assets (Part X, line 16)	1,409,769.	1,818,169.
21 Total liabilities (Part X, line 26)	71,775.	89,269.
22 Net assets or fund balances. Subtract line 21 from line 20	1,337,994.	1,728,900.

RECEIVED
DEC 15 2009
OGDEN, UT
IRS-OSC

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here
► Signature of officer — Date 12-3-09
► Amy Sarner Williams, President & CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ► Cynthia R. Bergvall — Date 12/01/09 — Check if self employed ► [ ] — Preparer's identifying number (see instructions) P00133440

Firm's name (or yours if self employed), address, and ZIP + 4 ► Bee, Bergvall & Co. P.C.
936 Easton Road / PO BOX 754
Warrington, PA 18976

EIN ► 23-2749044
Phone no ► (215) 343-2727

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

SCANNED JAN 0 4 2010

Part III **Statement of Program Service Accomplishments** (see instructions)

1 Briefly describe the organization's mission:
The Clay Studio is a non-profit educational and arts organization dedicated to the promotion and development of contemporary and traditional ceramic arts and the work of new clay artists.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If 'Yes,' describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 265,262. including grants of $) (Revenue $)
Gallery- The Studio gallery provides artists with the opportunity to exhibit their art professionally.

4b (Code) (Expenses $ 198,709. including grants of $) (Revenue $)
School- The Studio offers basic pottery classes, as well as specialized classes and workshops.

4c (Code) (Expenses $ 209,245. including grants of $) (Revenue $)
Educational and Outreach Programs- Community service for youngsters.

4d Other program services (Describe in Schedule O.) See Schedule O
(Expenses $ 362,249. including grants of $) (Revenue $)

4e Total program service expenses ► $ 1,035,465. *(Must equal Part IX, Line 25, column (B).)*

Part IV Checklist of Required Schedules

		Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If 'Yes,' complete Schedule A*	1	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If 'Yes,' complete Schedule C, Part I*	3		X
4 **Section 501(c)(3) organizations** Did the organization engage in lobbying activities? *If 'Yes,' complete Schedule C, Part II*	4		X
5 **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If 'Yes,' complete Schedule C, Part III*	5		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If 'Yes,' complete Schedule D, Part I*	6		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If 'Yes,' complete Schedule D, Part II*	7		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If 'Yes,' complete Schedule D, Part III*	8		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If 'Yes,' complete Schedule D, Part IV*	9		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? *If 'Yes,' complete Schedule D, Part V*	10		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If 'Yes,' complete Schedule D, Parts XI, XII, and XIII*	12	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? *If 'Yes,' complete Schedule E*	13	X	
14a Did the organization maintain an office, employees, or agents outside of the U S ?	14a		X
b Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? *If 'Yes,' complete Schedule F, Part I*	14b		X
15 Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If 'Yes,' complete Schedule F, Part II*	15		X
16 Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If 'Yes,' complete Schedule F, Part III*	16		X
17 Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If 'Yes,' complete Schedule G, Part I*	17		X
18 Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If 'Yes,' complete Schedule G, Part II*	18	X	
19 Did the organization report more than $15,000 on Part VIII, line 9a? *If 'Yes,' complete Schedule G, Part III*	19		X
20 Did the organization operate one or more hospitals? *If 'Yes,' complete Schedule H*	20		X
21 Did the organization report more than $5,000 on Part IX, column (A), line 1? *If 'Yes,' complete Schedule I, Parts I and II*	21		X
22 Did the organization report more than $5,000 on Part IX, column (A), line 2? *If 'Yes,' complete Schedule I, Parts I and III*	22		X
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? *If 'Yes,' complete Schedule J*	23		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, and that was issued after December 31, 2002? *If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,'go to question 25*	24a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d		
25a **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If 'Yes,' complete Schedule L, Part I*	25a		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If 'Yes,' complete Schedule L, Part I*	25b		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If 'Yes,' complete Schedule L, Part II*	26		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If 'Yes,' complete Schedule L, Part III*	27		X

Part IV **Checklist of Required Schedules** *(continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee.			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If 'Yes,' complete Schedule L, Part IV*	28a		X
b	Have a family member who had a direct or indirect business relationship with the organization? *If 'Yes,' complete Schedule L, Part IV*	28b		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If 'Yes,' complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If 'Yes,' complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If 'Yes,' complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If 'Yes,' complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If 'Yes,' complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If 'Yes,' complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If 'Yes,' complete Schedule R, Part V, line 2*	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If 'Yes,' complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If 'Yes,' complete Schedule R, Part VI*	37		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S Information Returns Enter -0- if not applicable	1a	0			
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	12			
2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b		X
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)					
3a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			3a		X
b If 'Yes' has it filed a Form 990-T for this year? *If 'No,' provide an explanation in Schedule O*			3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
b If 'Yes,' enter the name of the foreign country ►					
See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts					
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c		
6a Did the organization solicit any contributions that were not tax deductible?			6a	X	
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?			6b	X	
7 **Organizations that may receive deductible contributions under section 170(c).**					
a Did the organization provide goods or services in exchange for any quid pro quo contribution of more than $75?			7a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided?			7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year	7d				
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		X
h For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h		X
8 **Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9 **Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.**					
a Did the organization make any taxable distributions under section 4966?			9a		
b Did the organization make any distribution to a donor, donor advisor, or related person?			9b		
10 **Section 501(c)(7) organizations.** Enter					
a Initiation fees and capital contributions included on Part VIII, line 12	10a				
b Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11 **Section 501(c)(12) organizations.** Enter					
a Gross income from other members or shareholders.	11a				
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	12b				

Part VI **Governance, Management and Disclosure** *(Sections A, B, and C request information about policies not required by the Internal Revenue Code.)*

Section A. Governing Body and Management

For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O See instructions

			Yes	No
1a Enter the number of voting members of the governing body	1a 28			
b Enter the number of voting members that are independent	1b 28			
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? See Sch O		4	X	
5 Did the organization become aware during the year of a material diversion of the organization's assets?		5		X
6 Does the organization have members or stockholders?		6		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a The governing body?		8a	X	
b Each committee with authority to act on behalf of the governing body?		8b	X	
9a Does the organization have local chapters, branches, or affiliates?		9a		X
b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		9b		
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 See Schedule O		10	X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If 'Yes,' provide the names and addresses in Schedule O*		11		X

Section B. Policies

		Yes	No
12a Does the organization have a written conflict of interest policy? *If 'No,' go to line 13*	12a	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? *If 'Yes,' describe in Schedule O how this is done* See Schedule O	12c	X	
13 Does the organization have a written whistleblower policy?	13	X	
14 Does the organization have a written document retention and destruction policy?	14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision			
a The organization's CEO, Executive Director, or top management official?	15a	X	
b Other officers of key employees of the organization? See Schedule O	15b	X	
Describe the process in Schedule O (see instructions)			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosures

17 List the states with which a copy of this Form 990 is required to be filed ► PA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

[ ] Own website [X] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Schedule O

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

► Management 139 N. 2nd St. Philadelphia PA 19106 (215) 925-3453

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) or more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W 2/1099 MISC)	(E) Reportable compensation from related organizations (W 2/1099 MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Amy Sarner Williams Executive Direc	40			X				63,760.	0.	0.
Kim Armstrong Director	2	X						0.	0.	0.
Lynne Berman Director	2	X						0.	0.	0.
Brian A Bernhardt Director	2	X						0.	0.	0.
Gail M. Brown Director	2	X						0.	0.	0.
Shannon Donovan Director	2	X						0.	0.	0.
Lynne Dorman Director	2	X						0.	0.	0.
Heather Mae Erickson Director	2	X						0.	0.	0.
Katy R. Friedland Director	2	X						0.	0.	0.
Bunny Glick Director	2	X						0.	0.	0.
Jennifer E. Jordan Director	2	X						0.	0.	0.
Marge Brown Kalodner Director	2	X						0.	0.	0.
Timothy W. Levin Director	2	X						0.	0.	0.
Richard Levy Director	2	X						0.	0.	0.
Norman Mitchell Director	2	X						0.	0.	0.
David Montague Director	2	X						0.	0.	0.
Joyce Nagata Director	2	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(cont.)*

(A) Name and Title	(B) Average hours per week	(C) Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W 2/1099 MISC)	(E) Reportable compensation from related organizations (W 2/1099 MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Franz J. Rabauer Director	2	X						0.	0.	0.
Claire Shenk Rodgers Secretary	2	X						0.	0.	0.
Joseph Rudolf, Esq. Director	2	X						0.	0.	0.
Sylvia Salvat Director	2	X						0.	0.	0.
Ruth Snyderman Director	2	X						0.	0.	0.
Lawrence Spitz Director	2	X						0.	0.	0.
Matthew P. Stewart Treasurer	2	X						0.	0.	0.
Marianne Tebbens President	2	X						0.	0.	0.
Beverly Weiss Director	2	X						0.	0.	0.
John Williams Director	2	X						0.	0.	0.
Anne Wright Wilson Director	2	X						0.	0.	0.
Etta Winigrad Director	2	X						0.	0.	0.
1b Total ►								63,760.	0.	0.

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ► 0

		Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? If 'Yes' complete Schedule J for such individual	4		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If 'Yes,' complete Schedule J for such person	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of Services	(C) Compensation

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ► 0

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS						
1a Federated campaigns	1a					
b Membership dues	1b					
c Fundraising events	1c					
d Related organizations	1d					
e Government grants (contributions)	1e	165,282.				
f All other contributions, gifts, grants, and similar amounts not included above	1f	888,375.				
g Noncash contribns included in lns 1a-1f	$					
h **Total.** Add lines 1a-1f		►	1,053,657.			
PROGRAM SERVICE REVENUE		Business Code				
2a Tuition and Lab Fees			210,525.	210,525.		
b Artist Fees and Charges			84,353.	84,353.		
c Sales			186,646.	186,646.		
d Host Fees			68,110.	68,110.		
e						
f All other program service revenue						
g **Total.** Add lines 2a-2f		►	549,634.			
OTHER REVENUE						
3 Investment income (including dividends, interest and other similar amounts)		►	7,892.			7,892.
4 Income from investment of tax-exempt bond proceeds		►				
5 Royalties		►				
	(i) Real	(ii) Personal				
6a Gross Rents	9,655.					
b Less rental expenses						
c Rental income or (loss)	9,655.					
d Net rental income or (loss)		►	9,655.			9,655.
	(i) Securities	(ii) Other				
7a Gross amount from sales of assets other than inventory						
b Less cost or other basis and sales expenses						
c Gain or (loss)						
d Net gain or (loss)		►				
8a Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a	147,766.				
b Less direct expenses	b	60,267.				
c Net income or (loss) from fundraising events		►	87,499.	87,499.		
9a Gross income from gaming activities. See Part IV, line 19	a					
b Less direct expenses	b					
c Net income or (loss) from gaming activities		►				
10a Gross sales of inventory, less returns and allowances	a					
b Less. cost of goods sold	b					
c Net income or (loss) from sales of inventory		►				
Miscellaneous Revenue		Business Code				
11a Miscellaneous			1,168.			1,168.
b						
c						
d All other revenue						
e **Total.** Add lines 11a-11d		►	1,168.			
12 **Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		►	1,709,505.	637,133.	0.	18,715.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	63,760.	25,504.	19,128.	19,128.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	296,932.	252,229.	28,844.	15,859.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	21,610.	16,640.	2,874.	2,096.
10 Payroll taxes	36,742.	28,291.	4,887.	3,564.
11 Fees for services (non-employees)				
a Management				
b Legal	71,578.		71,578.	
c Accounting	17,500.		17,500.	
d Lobbying				
e Prof fundraising svcs See Part IV, ln 17				
f Investment management fees				
g Other				
12 Advertising and promotion	21,081.	21,081.		
13 Office expenses	86,047.	67,604.	17,787.	656.
14 Information technology				
15 Royalties				
16 Occupancy	211,104.	162,049.	49,055.	
17 Travel	15,093.	13,584.	1,509.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	3,323.	2,991.	332.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	111,569.	100,412.	11,157.	
23 Insurance	33,227.	28,243.	4,984.	
24 Other expenses Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a Instructors	127,357.	127,357.		
b Payments to Artist & Galleries	98,889.	98,889.		
c Postage and Shipping	30,913.	24,731.	3,091.	3,091.
d Printing and Publications	30,067.	24,053.	3,007.	3,007.
e Resident Artist	22,600.	22,600.		
f All other expenses	19,207.	19,207.		
25 **Total functional expenses** Add lines 1 through 24f	1,318,599.	1,035,465.	235,733.	47,401.
26 **Joint Costs.** Check here ► ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X | Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash – non-interest-bearing		398,227.	1	669,328.
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net		214,325.	3	417,638.
	4	Accounts receivable, net		36,904.	4	14,990.
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		49,278.	9	46,403.
	10a	Land, buildings, and equipment. cost basis	10a 1,494,612.			
	b	Less accumulated depreciation. Complete Part VI of Schedule D	10b 964,802.	523,035.	10c	529,810.
	11	Investments – publicly-traded securities			11	
	12	Investments – other securities See Part IV, line 11			12	
	13	Investments – program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		188,000.	15	140,000.
	16	**Total assets** Add lines 1 through 15 (must equal line 34)		1,409,769.	16	1,818,169.
Liabilities	17	Accounts payable and accrued expenses		41,195.	17	67,364.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow account liability Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable			24	
	25	Other liabilities Complete Part X of Schedule D		30,580.	25	21,905.
	26	**Total liabilities.** Add lines 17 through 25		71,775.	26	89,269.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ► [X] and complete lines 27 through 29 and lines 33 and 34.**				
	27	Unrestricted net assets		369,453.	27	400,106.
	28	Temporarily restricted net assets		968,541.	28	1,328,794.
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ► [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, and equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	**Total net assets or fund balances.**		1,337,994.	33	1,728,900.
	34	Total liabilities and net assets/fund balances		1,409,769.	34	1,818,169.

Part XI | Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990. [ ] Cash [X] Accrual [ ] Other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If 'Yes,' did the organization undergo the required audit or audits?	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501 (c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

► **Attach to Form 990 or Form 990-EZ.** ► **See separate instructions.**

OMB No 1545 0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
The Clay Studio	23-7380408

Part I **Reason for Public Charity Status** (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**

2 ☒ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state. ____________

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives. (1) more than 33-1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions — subject to certain exceptions, and (2) no more than 33-1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I   b ☐ Type II   c ☐ Type III — Functionally integrated   d ☐ Type III— Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

			Yes	No
(i)	a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11 g (i)		
(ii)	a family member of a person described in (i) above?	11 g (ii)		
(iii)	a 35% controlled entity of a person described in (i) or (ii) above?	11 g (iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1 9 above or IRC section **(see instructions)**)	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of Support
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants ')						
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge						
4 **Total.** Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income form similar sources						
9 Net income form unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss form the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) | 12 |

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f) | 14 | %

15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f | 15 | %

16a **33-1/3 support test – 2008.** If the organization did not check the box on line 13, and the line 14 is 33-1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization. ► ☐

b **33-1/3 support test – 2007.** If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

17a **10%-facts-and-circumstances test – 2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test The organization qualifies as a publicly supported organization. ► ☐

b **10%-facts-and-circumstances test – 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test The organization qualifies as a publicly supported organization ► ☐

18 **Private foundation.** If the organization did not check a box on line, 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include 'unusual grants ')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1-5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income form similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included inline 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (add lns 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2008** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2007** Schedule A, Part IV-A, line 27h	18	%

19a **33-1/3 support tests – 2008.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

b **33-1/3 support tests – 2007.** If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Attach to Form 990. To be completed by organizations that answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545 0047

2008

Open to Public Inspection

Name of the organization: The Clay Studio

Employer Identification number: 23-7380408

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?? ☐ Yes ☐ No

Part II **Conservation Easements** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e.g., recreation or pleasure)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of certified historic structure

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► ______

4 Number of states where property subject to conservation easement is located ► ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easement it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► ______

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► $ ______

(ii) Assets included in Form 990, Part X ► $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► $ ______

b Assets included in Form 990, Part X ► $ ______

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as.

a Board designated or quasi-endowment ► ______ %

b Permanent endowment ► ______ %

c Term endowment ► ______ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1 a Land				
b Buildings				
c Leasehold improvements				
d Equipment	1,124,873.		761,887.	362,986.
e Other	369,739.		202,915.	166,824.
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ►				529,810.

Part VII **Investments—Other Securities** See Form 990, Part X, line 12. N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total *(Column (b) should equal Form 990 Part X, col (B) line 12)* ►		

Part VIII **Investments—Program Related** (See Form 990, Part X, line 13) N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total *Column (b)(should equal Form 990, Part X, Col (B) line 13)* ►		

Part IX **Other Assets** (See Form 990, Part X, line 15)

(a) Description	(b) Book value
Unconditional Promises to Give	140,000.
Total. *Column (b) Total (should equal Form 990, Part X, col.(B), line 15)* ►	140,000.

Part X **Other Liabilities** (See Form 990, Part X, line 25)

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Deferred Rent Obligation	13,750.
Security Deposit	8,155.
Total *Column (b) Total (should equal Form 990, Part X, col (B) line 25)* ►	21,905.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1,709,505.
2	Total expenses (Form 990, Part IX, column (A), line 25)	1,318,599.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	390,906.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4-8	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	390,906.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	1,769,772.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines 2a through 2d			2e	
3	Subtract line 2e from line 1			3	1,769,772.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1.				
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV) See Part XIV	4b	-60,267.		
c	Add lines 4a and 4b			4c	-60,267.
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)			5	1,709,505.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	1,378,866.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25.				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Losses reported on Form 990, Part IX, line 25	2c			
d	Other (Describe in Part XIV) See Part XIV	2d	60,267.		
e	Add lines 2a through 2d			2e	60,267.
3	Subtract line 2e from line 1			3	1,318,599.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines 4a and 4b			4c	
5	Total expenses. Add lines 3 and 4c (This should equal Form 990, Part I, line 18)			5	1,318,599.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Part XIV. Supplemental Information *(continued)*

Schedule D, Part XII, Line 4b
Other Revenue Included On Form 990 But Not Included In F/S

Special Events	$	-60,267.
Total	$	-60,267.

Schedule D, Part XIII, Line 2d
Other Expenses And Losses Per Audited F/S

Special Events	$	60,267.
Total	$	60,267.

SCHEDULE E
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

► **To be completed by organizations that answer 'Yes' to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.**
► **Attach to Form 990 or Form 990-EZ.**

OMB No 1545 0047

2008

Open to Public Inspection

Name of the organization: The Clay Studio

Employer identification number: 23-7380408

			YES	NO
1	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1	X	
2	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2	X	
3	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it had no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe. If 'No', please explain	3		X
	The Studio does have a racially Non-Discriminatory Policy. However, The Studio believes that it is exempt from the advertising requirement under Section 4.03-2(c) of the Rev. Proc. 75-50 due to its promotional activities in all racial segments of the community.			
4	Does the organization maintain the following?			
	a Records indicating the racial composition of the student body, faculty, and administrative staff?	4a	X	
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b	X	
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c	X	
	d Copies of all material used by the organization or on its behalf to solicit contributions?	4d	X	
	If you answered 'No,' to any of the above, please explain (If you need more space, attach a separate statement.)			
5	Does the organization discriminate by race in any way with respect to			
	a Students' rights or privileges?	5a		X
	b Admissions policies?	5b		X
	c Employment of faculty or administrative staff?	5c		X
	d Scholarships or other financial assistance?	5d		X
	e Educational policies?	5e		X
	f Use of facilities?	5f		X
	g Athletic programs?	5g		X
	h Other extracurricular activities?	5h		X
	If you answered 'Yes,' to any of the above, please explain (If you need more space, attach a separate statement)			
6a	Does the organization receive any financial aid or assistance from a governmental agency?	6a		X
	b Has the organization's right to such aid ever been revoked or suspended?	6b		X
	If you answered 'Yes,' to either line 6a or line b, please explain using an attached statement			
7	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation	7	X	

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

► **Must be completed by organizations that answer 'Yes' to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than $15,000 on Form 990-EZ, line 6a.**

OMB No 1545 0047

2008

Open to Public Inspection

Name of the organization: The Clay Studio

Employer identification number: 23-7380408

Part I | Fundraising Activities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply.

- [X] Mail solicitations
- [ ] Email solicitations
- [X] Phone solicitations
- [X] In-person solicitations
- [X] Solicitation of non-government grants
- [X] Solicitation of government grants
- [X] Special fundraising events

2a Did the organization have written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? [ ] Yes [X] No

b If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization. Form 990EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col.(i)	(vi) Amount paid to (or retained by) organization
Total ►						0.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

Part II **Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 Gallery Income (event type)	(b) Event #2 (event type)	(c) Other Events (total number)	(d) Total Events (Add col. (a) through col (c))
REVENUE	1 Gross receipts	147,766.			147,766.
	2 Less Charitable contributions				
	3 Gross revenue (line 1 minus line 2)	147,766.			147,766.
DIRECT EXPENSES	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs				
	7 Other direct expenses	60,267.			60,267.
	8 Direct expense summary. Add lines 4- through 7 in column (d) ►				60,267.
	9 Net income summary. Combine lines 3 and 8 in column (d) ►				87,499.

Part III **Gaming.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
REVENUE	1 Gross revenue				
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ►				
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ►				

		YES	NO
9 Enter the state(s) in which the organization operates gaming activities. ______			
a Is the organization licensed to operate gaming activities in each of these states?	9a		
b If 'No,' Explain			
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		
b If 'Yes,' Explain.			
11 Does the organization operate gaming activities with nonmembers?	11		
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12		

			YES	NO
13 Indicate the percentage of gaming activity operated in.				
a The organization's facility	13a	%		
b An outside facility	13b	%		

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records.

Name ►

Address ►

		YES	NO
15a Does the organization have a contact with a third party from whom the organization receives gaming revenue?	15a		

b If 'Yes,' enter the amount of gaming revenue received by the organization $ and the amount of gaming revenue retained by the third party $

c If 'Yes,' enter name and address

Name. ►

Address ►

16 Gaming manager information

Name ►

Gaming manager compensation ► $

Description of services provided. ►

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

		YES	NO
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a		

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► $

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545 0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
The Clay Studio	23-7380408

Form 990, Part III, Line 4d - Other Program Services Description

Other Programs (Artists-In-Residence, Fellowships, Associates Program, Lecture Series, Guest Resident)

Form 990, Part VI, Line 4 - Significant Changes to Organizational Documents

Changes in Bylaws

Form 990, Part VI, Line 10 - Form 990 Review Process

The Finance Committee and the Board of Directors were shown the 990 prior to the return being filed with the IRS

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

A disclosure form is sent out to each employee every year and they are then required to fill out, sign, and return it to administration.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process for Officers & Key Employees

Compensation is reviewed and approved by the board.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Available upon request.

AMENDED AND RESTATED BYLAWS

CLAY STUDIO, THE CORPORATION
(the "Corporation")

ARTICLE I

Name

The name of the Corporation is Clay Studio, The Corporation. The Corporation is further authorized to conduct business and hold itself out as any of "The Clay Studio", "The Clay Studio Corp." and "Clay Studio".

ARTICLE II

OFFICES

The registered office shall be located at 139 North Second Street, Philadelphia, Pennsylvania or at such other place as the Board of Directors may determine from time to time. The Corporation may also have offices at such other places as the Board of Directors may from time to time determine.

ARTICLE III

PURPOSE

Section 3.1. General Purpose. The Corporation shall have unlimited powers to engage in and do any lawful act which is granted or may be granted to non-profit corporations by the Nonprofit Corporation Law of 1988 of the Commonwealth of Pennsylvania, or any successor legislation.

Section 3.2. Primary Purpose. Notwithstanding the foregoing, the primary purpose of the Corporation is to provide promotion of and education in contemporary and traditional ceramic arts. The Corporation is organized and will be operated exclusively for nonprofit, charitable, and educational purposes.

ARTICLE IV

DETERMINATION OF MEMBERS

This Corporation shall make no provision for members. Any action requiring a decision on behalf of the Corporation shall be made by the Board of Directors in accordance with these By-Laws.

ARTICLE V

BOARD OF DIRECTORS

Section 5.1. Powers. The business and affairs of the Corporation shall be managed by its Board of Directors (the "Board") which may exercise all such powers of the Corporation and do all such lawful acts and things as are not proscribed by statute, by the Articles of Incorporation or by these By-laws.

Section 5.2. Members of the Board. The number of directors shall not be less than ten (10) nor more than thirty (30). The Board shall include a representative of the Resident Artists, a representative of the Associate Artists and such other individuals who shall be elected from time to time by the Board in accordance with these Bylaws. Directors shall be natural persons of full age who, unless otherwise restricted by these Bylaws, need not be a resident of the Commonwealth of Pennsylvania. A meeting of the Board shall be held in each year at such a time and place as the Board may determine for the election of directors and for the transaction of such other business as may properly come before the meeting. Each director elected at the annual meeting of the Board shall hold office until the expiration of the term for which he or she was elected and until his or her successor has been elected and qualified or until his or her earlier death, resignation or removal. Directors shall initially be elected for a one (1) year term of office, and may thereafter be reelected to up to two (2) consecutive two (2) year terms of office. Except as otherwise directed herein, directors may not serve for more than five (5) consecutive years, but are eligible for re-nomination and election to the Board after a one (1) year absence from the Board membership. Following such one year absence from the Board, such person shall be eligible to be elected for terms as if a new director. In the event that a director is elected to serve as President, Vice President, Secretary or Treasurer of the Corporation during his or her fifth year of Board service, such director's term will automatically be extended by consecutive additional one (1) year terms, so long as such director continues to serve as President, Vice President, Secretary or Treasurer of the Corporation, respectively. Notwithstanding any provision of this Section 5.2 to the contrary, a director who previously served as President (a "Past President") shall be eligible to serve as a director for a one-year period following the end of such director's service as President.

Section 5.3. Vacancies. Vacancies in the Board, including vacancies resulting from an increase in the number of directors, shall be filled by appointment made by a majority vote of the remaining members of the Board, and each person so elected shall be eligible to serve as a director in accordance with the terms of Section 5.2 of these Bylaws.

Section 5.4. Duties. It shall be the duty of the directors to:

(a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this Corporation, or by these Bylaws;

(b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the Corporation;

(c) Supervise all officers, agents and employees of the Corporation to assure that their duties are performed properly;

(d) Meet at such times and places as required by these Bylaws; and

(e) Register their addresses with the Secretary of the Corporation, and notices of meetings mailed or telegraphed to them at such address shall be valid notice thereof.

Section 5.5. Regular and Annual Meetings. The meetings of the Board shall be held at the principal office of the Corporation unless otherwise provided by the board or at such place within the Commonwealth of Pennsylvania or elsewhere as the Board may from time to time determine, or as may be designated in the notice of the meeting. In the absence of such designation, any meeting not held at the principal office of the Corporation shall be valid only if held on the written consent of all directors given either before or after the meeting and filed with the Secretary of the Corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all directors participating in such meeting can hear one another.

Section 5.6. Notice for Regular Meetings. Regular meetings of the Board shall be held at such time and places as shall be determined from time to time by resolution of the Board. Notice of each regular meeting of the Board shall specify the date, place and hour of the meeting and shall be given to each director at least forty-eight (48) hours before the meeting either personally or by mail, telegram or other means of electronic communication. A director may at any time waive notice required by a statue or the Bylaws, and the presence of a director at any Board meetings shall be deemed such a waiver.

Section 5.7. Special Meetings. Written notice of every special meeting of the Board shall be given to each director at least twenty-four (24) hours before the time named for the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of the meeting. Special meetings of the Board may be called by the President either personally or by mail, telegram or by other means of electronic communication; special meetings may be called in like manner and on like notice on the written request of a majority of the directors. Such meetings shall be held at the place within or without the Commonwealth of Pennsylvania, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the Corporation.

Section 5.8. Quorum. At all meetings of the Board a majority of directors then in office shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these Bylaws. Once a quorum is established, it shall remain for the duration of the meeting. If a quorum shall not be present at any meeting of directors, the directors present thereat may adjourn the meeting. It shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken. In the event the number of directors opposed to a particular matter is the same as the number of directors in favor of such matter (a "Deadlock"), the President shall have two (2) votes in his or her capacity as director with respect to such matter. If the President is not present at any such meeting where a Deadlock occurs, the matter giving rise to the Deadlock shall be put aside until the next meeting (regular or special) at which the

President is present and, provided there is a quorum as set forth in these Bylaws, the directors shall vote on such matter again. Until the directors have reached a decision with respect to any matter with respect to which there is a Deadlock, no action shall be taken on such matter and the item or subject to which such matter relates shall remain at its status quo, provided that such inaction would not contravene the Articles, the Bylaws or any applicable law.

Section 5.9. Conduct of Meetings. Meetings of the Board shall be presided over by the President, or, if no such person has been so designated, or in his or her absence, by an individual selected by a majority of the directors present at the meeting. The Secretary of the Corporation shall act as Secretary of all meetings of the Board, provided that in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Section 5.10. Committees of Directors. The Board may, by resolution adopted by a majority of the whole Board, designate one or more standing committees, including the Executive Committee specifically authorized in Section 5.11. Each such committee shall be accountable to the full Board. Committee Chairpersons shall be appointed by vote of the Executive Committee. Any such committee, to the extent provided in such resolution or in these Bylaws, shall have and exercise the authority of the Board in the management of the business and affairs of the Corporation within such committee's jurisdiction granted by the Board. A quorum for the purpose of holding and acting at any meeting of a committee shall be a simple majority of the members thereof. In The absence or disqualification of any member of such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another director to act at the meeting in the place of any such absent or disqualified member. Each committee of the Board shall serve at the pleasure of the Board. Non directors may be appointed to serve on behalf of any Committee in an *ex officio* capacity.

Section 5.11. Executive Committee. The Board may designate a committee of the Board, to be known as the Executive Committee, to operate as part of the corporation's management with the prescribed authority of the Board to act for the Board in the day-to-day management of the Corporation in the absence of action by the Board where legally permissible. The directors to serve on the Executive Committee shall include the President, each Vice President, the Treasurer, the Secretary, any director who is an immediate Past President, and any other directors designated and appointed by the Board.

Section 5.12. Participation in Meeting by Telephone. One or more directors may participate in a meeting of the Board or of a committee of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and all directors so participating shall be deemed present at the meeting.

Section 5.13. Action by Directors or Committees by Written Consent. Any action which may be taken at a meeting of the directors or of a committee of the Board may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by that number of the directors or the members of the committee, as the case may be, as would be sufficient to approve such action if taken at a duly convened meeting and shall be filed with the Secretary of the Corporation.

Section 5.14. Removal or Resignation of Directors. Any director may be removed from office, with or without cause, by a majority vote of the Board. Any director may resign his or her office by giving thirty (30) days prior written notice to the Secretary of the Corporation.

Section 5.15. No Proxies. With the exception of action taken by written consent in accordance with Section 5.13 hereof, directors shall cast their votes in person and proxies shall not be permitted.

ARTICLE VI

OFFICERS

Section 6.1. Officers and Qualification. The officers of the Corporation shall be chosen by the Board and shall include a President, a Secretary, a Treasurer. The Board may also choose such other officers and assistant officers as the needs of the corporation may require who shall hold their offices for such terms and shall have such authority and shall perform such duties as from time to time shall be determined by resolution of the Board. The President, Treasurer and Secretary and any Vice President, Assistant Secretary or Assistant Treasurer shall be natural persons of full age. Unless otherwise restricted by these Bylaws, it shall not be necessary for the officers to be directors, except that the President shall be a director. Any two or more offices may be held by the same person, except that the duties of the President, Treasurer and the Secretary shall each be performed by separate persons.

Section 6.2. Election, Tenure and Removal. The officers shall be elected by the Board at their annual meeting and, unless sooner removed, shall serve until the next annual meeting of the Board and until their successors shall have been duly elected and qualified. Officers may be re-elected to serve an unlimited number of consecutive terms in office. Any officer may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as may be specified in the notice of resignation. Any officer or agent of the Corporation may be removed by the Board whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the persons so removed.

Section 6.3. Vacancies. In the event of a vacancy in any office other than the President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Any Vacancy in the office of President shall be filled by the Board. Vacancies occurring in offices appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 6.4. The President. The president shall be the Chief Executive Officer of the Corporation and shall have the authority and the duty to manage the affairs of the Corporation. He or she shall preside and serve as Chairperson at all meetings of the Board, shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board are carried into effect. Further, the President shall have such other powers and perform such other duties as are delegated to him or her by the Board or as are incidental to said office. He or she shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, with the approval of the Executive Committee and in accordance with these Bylaws, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation.

Section 6.5. Vice-President. A Vice President shall, in the absence or disability of the President, or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board may prescribe or the President may delegate to him or her, and shall be subject to all the restrictions on the President. A Vice-President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board or the President.

Section 6.6. Secretary and Assistant Secretary. The Secretary shall attend all meetings of the Board and record all the votes of the Corporation and the minutes of all the transactions in a book to be kept for that purpose, and shall perform like duties for the committees of the Board when required. He or she shall give, or cause to be given, notice of all meetings of the Board, and shall perform such other duties as may be prescribed by the Board or President, under whose supervision he or she shall act. He or she shall keep in safe custody the Corporate Seal of the Corporation, and, when authorized by the Board, affix the same to any instrument requiring it, and, when so affixed, it shall be attested by his or her signature or by the signature of the Treasurer or an Assistant Secretary. An Assistant Secretary shall exercise all of the authority and responsibilities of the Secretary in the absence or disability of the Secretary.

Section 6.7. Treasurer and Assistant Treasurer. The Treasurer shall oversee the management of the corporate funds and securities and other certificates evidencing tangible and intangible personal property belonging to the Corporation and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit or cause to be deposited all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as shall be designated by the Board. He or she shall disburse or cause to be disbursed the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render or cause to be rendered to the Board whenever the Board may require it, an account of all of his or her transactions as Treasurer, and prepare or cause to be prepared statements of the current financial condition and current results of operations of the Corporation. The Treasurer shall, upon proper lawful request, furnish or cause to be furnished statements of the current financial condition and the current results of operations of the Corporation to any such person(s) so entitled, and he or she shall have such other powers as are delegated to him or her by the Board.

A duplicate copy of the corporate seal may be kept and used by the Treasurer.

An Assistant Treasurer shall exercise all of the authority and responsibilities of the Treasurer in the absence or disability of the Treasurer.

Section 6.8. Executive Director. The Executive Director shall be the Chief Operating Officer of the Corporation and shall have general and active management of the day to day operations of the Corporation and shall see that all orders and resolutions of the Board and its Committees are carried into effect. Further, the Executive Director shall have such other powers and perform such other duties as are delegated to him or her by the Board or the Executive Committee or as are incidental to said office. He or she shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, with the approval of the Executive Committee and in accordance with these Bylaws, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation.

Section 6.9. Other Officers. All other officers shall have such powers and perform such duties as are delegated to them by the Board.

ARTICLE VII

GENERAL PROVISIONS

Section7.1. Checks and Notes. All checks or demands for money and notes of the Corporation shall be signed by such individual or individuals as the Board may from time to time designate.

Section 7.2. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of June and end on the last day of May of each calendar year.

Section 7.3. Books and Records. The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the meetings and actions of the Board and all committees of the Board. Every director shall have the absolute right, at any reasonable time, to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation. An audit of the books shall be conducted annually.

Section 7.4. Seal. The Board may provide a seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board, a duplicate of the seal may be kept and used by the Treasurer. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced. Except as otherwise required by statute, the affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Corporation.

Section 7.5. Notices. Whenever written notice is required to be given to any person under the provisions of the statutes or of the Articles of Incorporation or of these Bylaws, it may be given to such persons either personally or by sending a copy thereof by first class or express, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answer back received) or courier service, charges prepaid, or by facsimile transmission, to his address (or to his telex, TWX or facsimile number) appearing on the books of the corporation or supplied by him to the corporation for the purpose of notice or by other means of electronic communication. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office or courier service for transmission to such persons or, in the case of telex or TWX, when dispatched. Such notice shall specify the place, day and hour of the meeting and any other information required by statute.

Section 7.6. Waiver of Notice. Whenever any written notice is required to be given by statute or by the Articles of Incorporation or by these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting. Attendance of any person entitled to notice at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE VII

LIMITATION OF LIABILITY; INDEMNIFICATION

Section 8.1. Limitation of Liability. The directors shall not be personally liable for debts, liabilities or other obligations of the Corporation to the fullest extent permitted by law. No person who is or was a director of this Corporation shall be personally liable, as such, for monetary damages for any action taken unless (a) such director has breached or failed to perform the duties of his or her office under the Nonprofit Corporation Law of 1988 or (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness, or unless such liability is expressly imposed pursuant to a criminal statute.

If Pennsylvania law hereafter is amended or interpreted to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the

Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by Pennsylvania law as so amended or interpreted.

Section 8.2. Indemnification. The Corporation shall indemnify each of its directors and officers (including persons who serve at the Corporations's request as directors, officers or trustees of another organization in which the Corporation has any interest as a shareholder, creditor or otherwise) (hereinafter referred to as a "Covered Person") against all liabilities and expenses, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees reasonably incurred by any Covered Person in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, before any court or administrative or legislative body, in which such Covered Person may be or may have been involved as a party or otherwise or with which such Covered Person may be or may have been threatened, while in office or thereafter, by reason of being or having been such a Covered Person except with respect to any matter as to which such Covered Person shall have been finally adjudicated in any such action, suit or other proceeding to be liable to the Corporation by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such Covered Person's office. Expenses, including counsel fees so incurred by any such Covered Person (but excluding amounts paid in satisfaction of judgments, in compromise or as fines or penalties), shall be paid from time to time by the Corporation in advance of the final disposition of any such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Covered Person to repay amounts so paid to the Corporation if it is ultimately determined that indemnification of such expenses is not authorized under this Article, provided, however, that either (a) such Covered Person shall have provided appropriate security for such undertaking, (b) the Corporation shall be insured against losses arising from any such advance payments, or (c) either a majority of the disinterested directors acting on the matter (provided that a majority of the disinterested directors then in office act on the matter), or independent legal counsel in a written opinion, shall have determined, based upon a review of readily available facts (as opposed to a full trial type inquiry) that there is reason to believe that such Covered Person will be found entitled to indemnification under this Section.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of shareholders or disinterested directors or otherwise, both as to action in this official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 8.3. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, Partner, director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article VII.

ARTICLE IX

AMENDMENTS

Section 9.1. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of the full Board at any regular or special meeting duly convened, provided that the Bylaws at no time be inconsistent with the law or the Articles of Incorporation.

I certify that the foregoing were adopted as the Bylaws of the Corporation this 12th day of May, 2009.

Secretary

Form 8868 (Rev April 2009)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545 1709

► File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ► [X]
- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only ► [ ]

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing *(e-file)*. Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization: The Clay Studio	Employer identification number: 23-7380408
	Number street, and room or suite number If a P O box, see instructions: 139 North 2nd Street	
	City town or post office state and ZIP code For a foreign address see instructions: Philadelphia, PA 19106	

Check type of return to be filed (file a separate application for each return)

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (section 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ► Management

Telephone No ► (215) 925-3453 FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ____ If this is for the whole group, check this box ► [ ] . If it is for part of the group, check this box ► [ ] and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 1/15 , 20 10 , to file the exempt organization return for the organization named above. The extension is for the organization's return for

► [ ] calendar year 20 ___ or

► [X] tax year beginning 6/01 , 20 08 , and ending 5/31 , 20 09 .

2 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 0.
c **Balance Due.** Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions