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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)

OMB No 1545-0047

2008Open to Public
Inspection

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

A For the 2008 calendar year, or tax year beginning OCT 1, 2008 and ending SEP 30, 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 Name of organization CHALLENGE ASPEN		D Employer identification number 84-1315910
		Doing Business As		E Telephone number (970) 923-0578
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 6639		
		City or town, state or country, and ZIP + 4 SNOWMASS VILLAGE, CO 81615		G Gross receipts \$ 2,574,595.
		F Name and address of principal officer: HOUSTON COWAN SAME AS C ABOVE		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status ☒ 501(c) (3) (insert no) ☐ 4947(a)(1) or ☐ 527 J Website: ▶ WWW.CHALLENGEASPEN.COM K Type of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation: 1995 M State of legal domicile: CO				

Part I Summary

1 Briefly describe the organization's mission or most significant activities. RECREATION FOR DISABLED PERSONS.			
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 8		
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 8		
5 Total number of employees (Part V, line 2a)	5 51		
6 Total number of volunteers (estimate if necessary)	6 100		
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a 0.		
7b Net unrelated business taxable income from Form 990-T, line 34	7b 0.		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,628,130.	Current Year 1,678,145.
	9 Program service revenue (Part VIII, line 2g)	163,263.	122,671.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	29,083.	25,450.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	504,710.	80,643.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,325,186.	1,906,909.
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)	950,827.	1,171,568.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	163,457.	
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 168,715.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	967,900.	916,932.
	18 Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	2,082,184.	2,088,500.
	19 Revenue less expenses. Subtract line 18 from line 12	243,002.	<181,591.>
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 3,883,857.	End of Year 3,301,505.
	21 Total liabilities (Part X, line 26)	501,206.	76,194.
	22 Net assets or fund balances. Subtract line 21 from line 20	3,382,651.	3,225,311.

Part II Signature Block

Sign Here	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.		
	Signature of officer: <i>Houston Cowan</i> Date: 7/2/10 HOUSTON COWAN, CEO Type or print name and title		
Paid Preparer's Use Only	Preparer's signature: <i>Danise Ann Jorgens CPA</i>	Date: 6/28/10	Check if self-employed ☐
	Firm's name (or yours if self-employed), address, and ZIP + 4: REESE HENRY & COMPANY, INC. 400 EAST MAIN STREET, SUITE 2 ASPEN, CO 81611		Preparer's identifying number (see instructions): EIN ▶ Phone no. ▶ (970) 925-3771

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

Part III Statement of Program Service Accomplishments (see instructions)

- 1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
CHALLENGE ASPEN IS DEDICATED TO IMPACTING LIVES BY PRESENTING
MEANINGFUL RECREATIONAL, CULTURAL AND COMPETITIVE EXPERIENCES TO
INDIVIDUALS FACED WITH COGNITIVE OR PHYSICAL CHALLENGES.

- 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 \$ 1,534,792. including grants of \$) (Revenue \$ 122,671.)
PROVIDE YEAR-ROUND RECREATIONAL & CULTURAL ACTIVITIES IN THE ASPEN,
COLORADO AREA FOR PERSONS WITH DISABILITIES. APPROXIMATELY 833 PEOPLE
BENEFITTED FROM THE VARIOUS PROGRAMS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 1,534,792. (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)? <i>If "Yes," complete Schedule A.</i>	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? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	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? <i>If "Yes," complete Schedule C, Part III</i>	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? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	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? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	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? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	12	X
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	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.? <i>If "Yes," complete Schedule F, Part I</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? <i>If "Yes," complete Schedule F, Part II</i>	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? <i>If "Yes," complete Schedule F, Part III</i>	16	X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	20	X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>	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, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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)? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	37	X

Form **990** (2008)

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	5	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
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	51	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
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)?		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?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		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?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
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?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		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?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter: N/A		
a	Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		

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**

	Yes	No
<i>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.</i>		
1a Enter the number of voting members of the governing body	1a	8
b Enter the number of voting members that are independent	1b	8
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?	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	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	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 or key employees of the organization? Describe the process in Schedule O (see instructions)	15b	X
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. Disclosure

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

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 ☐ Another's website ☒ 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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ►
CHALLENGE ASPEN - 970-923-0578
PO BOX 6639, SNOWMASS VILLAGE, CO 81615

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) of 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[illegible]

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	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	358,744.			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	16,750.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,302,651.			
	g	Noncash contributions included in lines 1a-1f \$		278,182.			
	h	Total. Add lines 1a-1f		1678145.			
	Program Service Revenue	2 a	PROGRAM FEES	Business Code 711300	122,671.	122,671.	
b							
c							
d							
e							
f		All other program service revenue					
g		Total. Add lines 2a-2f		122,671.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		27,215.			27,215.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross Rents	(i) Real (ii) Personal				
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)		<1,765.>	<1,765.>		
	8 a	Gross income from fundraising events (not including \$ 358,744. of contributions reported on line 1c) See Part IV, line 18					
	b	Less: direct expenses					
	c	Net income or (loss) from fundraising events		79,797.	79,797.		
	9 a	Gross income from gaming activities. See Part IV, line 19					
	b	Less: direct expenses					
	c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances					
	b	Less: cost of goods sold					
c	Net income or (loss) from sales of inventory		<1,576.>	<1,576.>			
Miscellaneous Revenue			Business Code				
11 a	MISCELLANEOUS	711300	2,422.	2,422.			
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		2,422.				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		1906909.	201,549.	0.	27,215.	

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	262,966.	52,593.	52,594.	157,779.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	841,231.	677,825.	163,406.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	13,396.		13,396.	
9 Other employee benefits	4,638.		4,638.	
10 Payroll taxes	49,337.	29,028.	15,528.	4,781.
11 Fees for services (non-employees):				
a Management				
b Legal	10,307.	3,530.	6,777.	
c Accounting	10,265.		10,265.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	1,799.	164.	1,629.	6.
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	67,884.	54,485.	13,399.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	37,285.	37,285.		
23 Insurance	34,914.	14,242.	20,672.	
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 <u>SUMMER/WINTER PROGRAM A</u>	444,474.	442,974.	518.	982.
b <u>SATISFACTION OF PROGRAM</u>	80,590.	80,590.		
c <u>CONTRACT LABOR</u>	57,191.	18,200.	38,991.	0.
d <u>INTERN HOUSING</u>	47,147.	47,147.		
e <u>TRAVEL & ENTERTAINMENT</u>	26,768.	23,368.	2,785.	615.
f All other expenses	98,308.	53,361.	40,395.	4,552.
25 Total functional expenses. Add lines 1 through 24f	2,088,500.	1,534,792.	384,993.	168,715.
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		1	499.
	2 Savings and temporary cash investments	1,316,406.	2	991,066.
	3 Pledges and grants receivable, net	31,200.	3	12,000.
	4 Accounts receivable, net	6,120.	4	
	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	9,674.	8	7,054.
	9 Prepaid expenses and deferred charges	257,239.	9	7,407.
	10a Land, buildings, and equipment: cost basis	10a 2,148,755.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 261,317.	10c	1,887,438.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	356,335.	12	396,041.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,883,857.	16	3,301,505.	
Liabilities	17 Accounts payable and accrued expenses	91,523.	17	74,394.
	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	409,683.	25	1,800.
	26 Total liabilities. Add lines 17 through 25	501,206.	26	76,194.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	2,726,018.	27	2,728,941.
	28 Temporarily restricted net assets	594,939.	28	447,795.
	29 Permanently restricted net assets	61,694.	29	48,575.
	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, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	3,382,651.	33	3,225,311.
	34 Total liabilities and net assets/fund balances	3,883,857.	34	3,301,505.

Part XI Financial Statements and Reporting

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to lines 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?
- 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?
- b If "Yes," did the organization undergo the required audit or audits?

	Yes	No
2a	X	
2b		X
2c		X
3a		X
3b		

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047

2008

Open to Public Inspection

CHALLENGE ASPEN

Employer identification number

84-1315910

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

- 1 ☐ A church, convention, 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 a 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 the 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 to 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 it 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?

(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?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

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

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

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 any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization 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 from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from 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 from 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 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 ☐		

Schedule A (Form 990 or 990-EZ) 2008

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 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 any "unusual grants.")	864,380.	836,075.	869,478.	1,628,130.	1,678,145.	5,876,208.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	8,811.	5,335.	6,548.	163,263.	127,838.	311,795.
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	873,191.	841,410.	876,026.	1,791,393.	1,805,983.	6,188,003.
7a Amounts included on lines 1, 2, and 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		22,000.	42,000.			64,000.
c Add lines 7a and 7b		22,000.	42,000.			64,000.
8 Public support (Subtract line 7c from line 6)						6,124,003.

Section B. Total Support

Calendar year (or fiscal year beginning in)▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	873,191.	841,410.	876,026.	1,791,393.	1,805,983.	6,188,003.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	21,619.	24,623.	38,150.	29,083.	25,450.	138,925.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	21,619.	24,623.	38,150.	29,083.	25,450.	138,925.
11 Net income from unrelated business activities not included in line 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 lines 9, 10c, 11, and 12)						6,326,928.
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	96.79 %
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	79.51 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	2.20 %
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	2.75 %

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 line 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 ☐

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, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

CHALLENGE ASPEN

Employer identification number

84-1315910

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)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of certified historic structure
☐ Preservation of open space	

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 easements 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 section 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.

1a 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, 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.

1a 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
1a Beginning of year balance	61,694.				
b Contributions					
c Investment earnings or losses					
d Grants or scholarships	13,119.				
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	48,575.				

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

- a Board designated or quasi-endowment ► 11.00 %
 b Permanent endowment ► 89.00 %
 c Term endowment ► %

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

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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
1a Land		1,747,929.		1,747,929.
b Buildings		7,620.	7,620.	0.
c Leasehold improvements				
d Equipment		251,517.	207,260.	44,257.
e Other		141,689.	46,437.	95,252.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))				1,887,438.

Part VII Investments - Other Securities. See Form 990, Part X, line 12

(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		
BROKERAGE ACCOUNTS	396,041.	END-OF-YEAR MARKET VALUE
Total. (Col (b) should equal Form 990, Part X, col (B) line 12.)	396,041.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Col (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
Total. (Column (b) should equal Form 990, Part X, col (B) line 15.)	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
DEFERRED REVENUE	1,800.
Total. (Column (b) should equal Form 990, Part X, col (B) line 25.)	1,800.

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

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	
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	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment 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 revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

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

1	Total expenses and losses per audited financial statements	1	
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)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment 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	

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

Department of the Treasury
Internal Revenue Service

► **Attach to Form 990 or Form 990-EZ. 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.**

2008

Open To Public Inspection

CHALLENGE ASPEN

84-1315910

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

- a ☐ Mail solicitations
- b ☐ Email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☐ Special fundraising events

☐ Yes☐ 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 990-EZ filers are not required to complete this table

[illegible]

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 GOLF CLASSIC (event type)	(b) Event #2 MARATHON EVENT (event type)	(c) Other Events 4 (total number)	(d) Total Events (Add col. (a) through col. (c))
Revenue				
1 Gross receipts	276,519.	186,882.	551,585.	1,014,986.
2 Less: Charitable contributions	25,640.	180,487.	152,617.	358,744.
3 Gross revenue (line 1 minus line 2)	250,879.	6,395.	398,968.	656,242.
Direct Expenses				
4 Cash prizes				
5 Non-cash prizes				
6 Rent/facility costs				
7 Other direct expenses	90,387.	136,042.	350,016.	576,445.
8 Direct expense summary Add lines 4 through 7 in column (d)				(576,445.)
9 Net income summary Combine lines 3 and 8 in column (d)				79,797.

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)				

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? _____

b If "No," Explain. _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____

b If "Yes," Explain. _____

11 Does the organization operate gaming activities with nonmembers? _____

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? _____

Yes No

9a

10a

11

12

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 ► _____

15a Does the organization have a contract 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

- 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 J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Attach to Form 990. To be completed by organizations that
answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization

CHALLENGE ASPEN

Employer identification number

84-1315910

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990,
Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- | | |
|--|---|
| ☐ First-class or charter travel | ☒ Housing allowance or residence for personal use |
| ☒ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☐ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision
of all of the expenses described above? If "No," complete Part III to explain

1b Yes No **X**

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors,
trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

2 Yes No **X**

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's
CEO/Executive Director. Check all that apply.

- | | |
|--|---|
| ☒ Compensation committee | ☒ Written employment contract |
| ☐ Independent compensation consultant | ☐ Compensation survey or study |
| ☐ Form 990 of other organizations | ☒ Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a

a Receive a severance payment or change of control payment?

4a Yes No **X**

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4b Yes No **X**

c Participate in, or receive payment from, an equity-based compensation arrangement?

4c Yes No **X**

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the revenues of

a The organization?

5a Yes No **X**

b Any related organization?

5b Yes No **X**

If "Yes," to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation
contingent on the net earnings of:

a The organization?

6a Yes No **X**

b Any related organization?

6b Yes No **X**

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments
not described in lines 5 and 6? If "Yes," describe in Part III

7 Yes No **X**

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the
initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

8 Yes No **X**

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 1A: ALL TRAVEL FOR COMPANIONS PAID BY THE ORGANIZATION WAS
REQUIRED TO BE REPAID BY THE APPLICABLE EMPLOYEE.

PART I, LINE 7: THE ORGANIZATION ENTERED INTO A LETTER OF INTENT WITH THE
CEO TO PROVIDE ADEQUATE RETIREMENT THROUGH ANNUAL BONUSES. THE LETTER OF
INTENT STIPULATES THAT AN ANNUAL BONUS BE PROVIDED TO THE CEO WITH THE
RETIREMENT POSSIBILITY OF \$100,000 PER YEAR, IN APPROXIMATELY TEN YEARS.
IT IS THE INTENT OF THE ORGANIZATION TO PROVIDE THIS BENEFIT TO THE CEO,
BUT NOTHING IN THE LETTER OF INTENT SHOULD BE CONSTRUED AS AN OBLIGATION OR
CONTRACT OBLIGING FUTURE CHALLENGE ASPEN BOARDS OR OFFICERS.

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.

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FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE AIM OF CHALLENGE ASPEN IS TO CAREFULLY ORCHESTRATE LIFE CHANGING
ADVENTURES, GIVING PARTICIPANTS THE COURAGE TO LEARN SOMETHING NEW,
TRUST THEIR OWN ABILITIES AND CARRY THAT IDEAL FORWARD, REACHING TOWARD
GOALS IN OTHER AREAS OF THEIR LIVES.

FORM 990, PART VI, SECTION A, LINE 2: TWO OF THE BOARD MEMBERS ARE
CO-MANAGING PARTNERS AT A LOCAL RESTAURANT.

FORM 990, PART VI, SECTION A, LINE 4: AMENDMENTS WERE MADE TO THE
ORGANIZATION'S BY-LAWS. SEE ATTACHMENT FOR REVISED DOCUMENTS.

FORM 990, PART VI, SECTION A, LINE 10: THE FORM 990 IS REVIEWED BY THE
ORGANIZATION'S CEO AND A COPY IS PROVIDED TO THE BOARD OF DIRECTORS AT THE
NEXT SCHEDULED MEETING.

FORM 990, PART VI, SECTION B, LINE 15: THE CEO'S COMPENSATION AND BENEFITS
ARE REVIEWED AND APPROVED BY THE BOARD OF DIRECTORS. ALL OTHER EMPLOYEES
HAVE AN ANNUAL COMPENSATION REVIEW BY THE CEO OR DEPARTMENT DIRECTOR.
COMPENSATION IS REVIEWED BASED UPON PERFORMANCE MEASURES AND INCREASED BY A
PERCENTAGE IF FUNDING IS AVAILABLE. BONUSES ARE APPROVED BY THE CEO AND
REPORTED TO THE BOARD OF DIRECTORS. SOME EMPLOYMENT CONTRACTS ARE SPECIFIC
ON COMPENSATION INCREASES BASED UPON CERTAIN OBJECTIVE GOALS.

FORM 990, PART VI, SECTION C, LINE 19: CHALLENGE ASPEN PROVIDES ACCESS TO
THEIR FORM 990 AND FINANCIAL STATEMENTS UPON REQUEST. THE FORM 990 IS ALSO

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.

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84-1315910

POSTED WITH THE COLORADO SECRETARY OF STATE FOR ANYONE TO ACCESS.

501(C)(3) AND OTHER LEGAL ORGANIZATIONAL DOCUMENTS ARE ALSO AVAILABLE UPON
REQUEST.

AMENDED
BYLAWS
OF
CHALLENGE ASPEN
(a Colorado Nonprofit Corporation)

The Board of Directors of Challenge Aspen, a Colorado Nonprofit Corporation (“Corporation”) has adopted the following Amended Bylaws which amend and supersede the Corporation Bylaws dated _____.

ARTICLE I.
OFFICES

1. Business Offices. The principal office of the Corporation in the State of Colorado shall be located at Snowmass Village Mall, #309, Snowmass Village, CO 81615. The Corporation may have such other offices, either within or without the State of Colorado, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

2. Registered Office. The Corporation shall have and continuously maintain in the State of Colorado a registered office, and a registered agent whose office is identical with such registered office, as required by the Colorado Revised Nonprofit Corporation Act (“Act”). The registered office may be, but need not be, identical with the principal office if the principal office is in the State of Colorado. The address of the registered office may be changed from time to time by the Corporation as long as the proper filings are made with the Secretary of State of Colorado.

**ARTICLE II.
NO MEMBERS**

The Corporation shall have no members.

**ARTICLE III.
BOARD OF DIRECTORS**

- 1. General Powers.** The affairs of the Corporation shall be managed by its Board of Directors.
- 2. Number, Tenure and Qualifications.** The number of Directors shall be nine (9) provided that the number of Directors may be increased or decreased from time to time by the Board of Directors provided that there shall be an odd number of members of the Board of Directors. Directors need not be residents of the State of Colorado, but they shall be natural persons who are at least eighteen years of age. Each Director shall hold office for a period of three (3) years unless such Director is removed or resigns earlier.
- 3. Removal.** Directors may be removed, without cause, by the vote of a majority of the Directors then in office. A Director shall also be deemed to have resigned if such Director fails to attend three (3) or more consecutive meetings.
- 4. Regular Meetings.** The regular annual meeting of the Board of Directors shall be held without other notice than this Bylaw on the second Monday in January of each year at the Corporation's business office. The Board of Directors may provide by resolution the time and place, either within or without the State of Colorado, for the holding of additional regular meetings of the Board without other notice than such resolution.
- 5. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to

call special meetings of the Board may fix any place, either within or without the State of Colorado, as the place for holding any special meeting of the Board called by them.

6. Notice of Meetings. Notice of each meeting of Directors may, but need not, be given to each Director; provided that written notice of each special meeting of Directors shall be given to each Director. If such notice is given either (a) by personally delivering written notice to a Director, or (b) by electronic mail, or (c) by personally telephoning such Director, it shall be so given at least two (2) days prior to the meeting. If such notice is given either (a) by depositing a written notice in the United States mail, postage prepaid, or (b) by transmitting a cable or telegram, in all cases directed to such Director at his residence or place of business, it shall be so given at least four (4) days prior to the meeting. The notice of all meetings shall state the place, date and hour thereof, but need not, unless otherwise required by statute, state the purpose or purposes thereof. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where the Director attends a meeting for the express purpose of objecting to the transaction of any business to be transacted because of failure to provide proper notice.

7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

8. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

9. Vacancies. Any vacancy occurring in the Board of Directors including any vacancy resulting from an increase in the number of Directors may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

10. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors; but nothing herein contained shall preclude any Director from serving the Corporation in some other capacity and receiving compensation therefor.

11. Informal Action by Directors. Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if: each and every Director in writing either (a) votes for such action; or (b) (I) votes against such action or abstains from voting; and (II) waives the right to demand that action not be taken without a meeting.

12. Meetings by Telephone. Members of the Board of Directors or any committee designated thereby may hold or participate in a meeting of the Board of Directors or such committee by means of conference telephone or similar communications equipment provided that all such persons so participating in such meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

13. Action by Electronic Mail. Voting by the Board of Directors may be effected via electronic mail, providing that (a) the Directors shall be provided a minimum of

forty-eight (48) hours to respond from the time the final vote is called by the President of the Corporation or his designee before voting is closed, (b) all votes shall be forwarded to the Secretary of the Corporation or his designee to be recorded, (c) the Secretary of the or his designee shall confirm each vote by telephone or by electronic mail response to the Director who is voting via electronic mail at his standard electronic mail address and shall receive a confirmation from such Director; and (d) all votes shall be recorded by printing the electronic mail votes and filing them in the corporate records.

ARTICLE IV. OFFICERS

1. Officers. The Officers of the Corporation shall be a President, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Vice Presidents, Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person. The officers must be natural persons who are at least eighteen (18) years of age.

2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as practicable. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

3. Resignation and Removal. Any officer may be removed by the Board of Directors at any time with or without cause. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

5. President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation, contracts or other instruments which the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation; and in general he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

6. Vice President. In the absence of the President or in event of his inability or refusal to act, the Vice President, if any (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the

President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

7. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article IX of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. In the absence of the President or in event of his inability or refusal to act, and if no Vice President has been appointed pursuant to Section 1 of this Article IV, the Treasurer shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Director and in

general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

9. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE V. COMMITTEES

1. Committees of Directors. The Board of Directors may create one or more committees of the Board and appoint one or more Directors to serve on them, by vote of a majority of all Directors in office, which committees shall have and exercise the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority of the Board of Directors in reference to authorizing distributions, electing, appointing or removing any Director, amending Articles of Incorporation, amending, altering or repealing the Bylaws; approving a plan of merger, or approving a sale, lease exchange or other distribution of all, or substantially all of the Corporation's property, with or without goodwill, otherwise than in the usual and regular course of business.

2. Other Committees. The Board may have other committees similarly appointed which shall not have the authority of the Board of Directors in the management of the Corporation.

3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors of the Corporation and until his successor is

appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

4. Chair Person. One member of each committee shall be appointed chair by the person or persons authorized to appoint the members thereof.

5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7. Rules. The same rules described herein regarding meetings, action without meeting, notice, waiver of notice and quorum and voting requirements of the Board of Directors similarly apply to the committees of the Board and their members.

ARTICLE VI.

STANDARDS OF CONDUCT FOR OFFICERS AND DIRECTORS

Each Director shall discharge the Director's duties as a Director, including the Director's duties as a member of a committee of the Board, and each Officer with discretionary authority shall discharge the Officer's duties under that authority: (a) in good faith; (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and (c) in a manner the Director or Officer reasonably believes to be in the best interests of the Corporation. A Director or Officer may rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by: (i) one or more Officers or employees of the Corporation whom the Director or Officer reasonably believes

to be reliable and competent in the matters presented; (ii) legal counsel, a public accountant, or other person as to matters the Director or Officer reasonably believes are within such person's professional or expert competence; or (iii) in the case of a Director, a committee of the Board of Directors of which the Director is not a member if the Director reasonably believes the committee merits confidence.

A Director or Officer is not acting in good faith if the Director or Officer has knowledge concerning the matter in question that makes reliance otherwise permitted by the above unwarranted. A Director or Officer is not liable as such to the Corporation for any action taken or omitted as a Director or Officer, if, in connection with such action or omission, the Director or Officer performed the duties of the position in compliance with this Article.

ARTICLE VII. CONFLICTING INTEREST TRANSACTIONS

1. Conflicting Interest Transactions. As used in this Article, "conflicting interest transaction" means: a contract, transaction, or other financial relationship between the Corporation and a Director or Officer of the Corporation, or between the Corporation and a party related to a Director or Officer, or between the Corporation and an entity in which a Director or Officer of the Corporation is a Director or Officer or has a financial interest.

2. Prohibition Against Loans to Directors or Officers. No loans shall be made by the Corporation to its Directors or Officers. Any Director or Officer who assents to or participates in the making of any such loan shall be liable to the Corporation for the amount of such loan until the repayment thereof.

3. Voidability of Conflicting Interest Transactions. No conflicting interest transaction shall be void or voidable or be enjoined, set aside, or give rise to an award of

damages or other sanctions in a proceeding by or in the right of the Corporation, solely because the conflicting interest transaction involves a Director or Officer of the Corporation or a party related to a Director or Officer or an entity in which a Director of the Corporation is a Director or Officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Corporation's Board of Directors or of the committee of the Board of Directors that authorizes, approves, or ratifies the conflicting interest transaction or solely because the Director's or Officer's vote is counted for such purpose if:

(A) The material facts as to the Director's or Officer's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum; or

(B) The conflicting interest transaction is fair as to the Corporation.

4. Approval of Conflicting Interest Transactions. Common or interested Directors or Officers may be counted in determining the presence of a quorum at a meeting of the Board of Directors or Officers or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.

5. Party Related to Director or Officer. For purposes of this Article, a "party related to a Director or Officer" shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the Director or a party related to a Director or Officer has a beneficial interest, or an entity in which a party related to a Director or Officer is a Director, Officer, or has a financial interest.

ARTICLE VIII.
INDEMNIFICATION

1. Indemnification. To the extent permitted or required by the Act and any other applicable law, if any Director or Officer of the Corporation is made a party to or is involved in (for example as a witness) any proceeding (as defined in clause below) because such person is or was a Director or Officer of the Corporation, the Corporation (I) shall indemnify such person from and against any judgments, penalties, fines (including but not limited to ERISA excise taxes), amounts paid in settlement and reasonable expenses (including but not limited to expenses of investigation and preparation, and fees and disbursements of counsel, accountants or other experts) incurred by such person in such proceeding, and (II) shall advance to such person expenses incurred in such proceeding.

The Corporation may in its discretion (but is not obligated in any way) indemnify and advance expenses to an employee or agent of the Corporation to the same extent as to a Director or officer.

The foregoing provisions for indemnification and advancement of expenses are not exclusive, and the Corporation may at its discretion provide for indemnification or advancement of expenses in a resolution of its Directors, in a contract or in its Articles of Incorporation.

Any repeal or modification of the foregoing provisions of this Article for indemnification or advancement of expenses shall not affect adversely any right or protection stated in such provisions with respect to any act or omission occurring prior to the time of such repeal or modification. If any provision of this Article or any part thereof shall be held to be prohibited by or invalid under applicable law, such provision or part thereof shall be deemed amended to

accomplish the objectives of the provision or part thereof as originally written to the fullest extent permitted by law, and all other provisions or parts shall remain in full force and effect.

As used in this Article, the following terms have the following meanings:

2. Proceeding. The term “proceeding” means any threatened, pending or completed action, suit, or proceeding whether civil, criminal, administrative or investigative, and whether formal or informal.

3. Limitation. Notwithstanding any other provision of this Article VIII, during any period that the Corporation is a “private foundation” within the meaning of section 509 of the Internal Revenue Code of 1986, or any corresponding provision of any future United States tax law, the Corporation shall not indemnify any person from or against or advance to any person the cost of, such expenses, judgments, fines, or amounts paid or necessarily incurred, nor shall the Corporation purchase or maintain such insurance, to the extent that any such indemnification, purchase, or maintenance would be determined to be an act of self-dealing within the meaning of section 4941 of the Code, to be a taxable expenditure within the meaning of section 4945 of the Code, or to be otherwise prohibited under the Code, unless and to the extent (i) a court orders such indemnification, or (ii) the purchase or maintenance of such insurance can be treated as reasonable compensation to such person.

ARTICLE IX.

CONTRACTS, CHECKS, DEPOSITS, GIFTS AND PROXIES

1. Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation, in addition to the Officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President.

3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

5. Proxies. Unless otherwise provided by resolution adopted by the Board of Directors, the President or any Vice President may from time to time appoint one or more agents or attorneys-in-fact of the Corporation, in the name and on behalf of the Corporation, to cast the votes which the Corporation may be entitled to cast as the holder of stock or other securities in any other corporation, association or other entity any of whose stock or other securities may be held by the Corporation, at meetings of the holders of the stock or other securities of such other corporation, association or other entity, or to consent in writing, in the name of the Corporation as such holder, to any action by such other corporation, association or other entity, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed in the name and on behalf of the Corporation

and under its corporate seal, or otherwise, all such written proxies or other instruments as he or she may deem necessary or proper in the premises.

**ARTICLE X.
NONDISCRIMINATION**

The Officers, Directors, employees, and persons served by this Corporation shall be selected entirely in a nondiscriminatory basis with respect to age, sex, race, religion, national origin and sexual orientation.

**ARTICLE XI.
BOOKS AND RECORDS**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the Directors. All books and records of the Corporation may be inspected by any Director or his agent or attorney for any proper purpose at any reasonable time.

**ARTICLE XII.
CORPORATE SEAL**

The corporate seal shall be in such form as shall be approved by resolution of the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. The impression of the seal may be made and attested by either the Secretary or an Assistant Secretary for the authentication of contracts or other papers requiring the seal.

**ARTICLE XIII.
WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions of the Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation or otherwise, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the event or other circumstance requiring such notice, shall be deemed equivalent to the giving of such notice.

**ARTICLE XIV.
AMENDMENTS TO BYLAWS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the Directors present at any meeting of the Board of Directors at which a quorum is present.

BYLAWS
OF
CHALLENGE ASPEN
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Depreciation and Amortization 990
 (Including Information on Listed Property)
 ▶ See separate instructions. ▶ Attach to your tax return.

CHALLENGE ASPEN

FORM 990 PAGE 10

84-1315910

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	37,285.

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property	/		27 5 yrs.	MM	S/L	
	/		27 5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs	MM	S/L	

Part IV Summary (See instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	37,285.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use

25

26 Property used more than 50% in a qualified business use

		%						
		%						
		%						

27 Property used 50% or less in a qualified business use

		%			S/L -			
		%			S/L -			
		%			S/L -			

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1

28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
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42 Amortization of costs that begins during your 2008 tax year

43 Amortization of costs that began before your 2008 tax year

43

44 Total. Add amounts in column (f). See the instructions for where to report

44

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II			Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).		
Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization			Employer identification number	
	CHALLENGE ASPEN			84-1315910	
	Number, street, and room or suite no. If a P.O. box, see instructions.			For IRS use only	
	PO BOX 6639				
	City, town or post office, state, and ZIP code. For a foreign address, see instructions				
	SNOWMASS VILLAGE, CO 81615				

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

- ☒ Form 990
 ☐ Form 990-EZ
 ☐ Form 990-T (sec. 401(a) or 408(a) trust)
 ☐ Form 1041-A
 ☐ Form 5227
 ☐ Form 8870
☐ Form 990-BL
☐ Form 990-PF
☐ Form 990-T (trust other than above)
☐ Form 4720
☐ Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

CHALLENGE ASPEN

- The books are in the care of **PO BOX 6639 - SNOWMASS VILLAGE, CO 81615**

Telephone No **970-923-0578**

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 is for

4 I request an additional 3-month extension of time until **AUGUST 15, 2010**

5 For calendar year _____, or other tax year beginning **OCT 1, 2008**, and ending **SEP 30, 2009**

6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

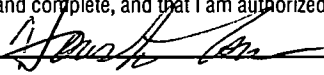
7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO GATHER COMPLETE & ACCURATE INFORMATION.

8a	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.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$
c	Balance Due. Subtract line 8b from line 8a. 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.	8c	\$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title **CEO**

Date **7/7/10**

Form **8868** (Rev. 4-2009)