

Return of Organization Exempt From Income Tax

2006

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning 7/01, 2006, and ending 6/30, 2007

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

C LAGUNA BEACH EDUCATION FOUNDATION P.O. BOX 19 LAGUNA BEACH, CA 92652

D Employer Identification Number 95-3565451 E Telephone number 949-494-6811 F Accounting method: X Cash Accrual

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations. H (a) Is this a group return for affiliates? H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling? I Group Exemption Number M Check if the organization is not required to attach Schedule B

G Web site: N/A

J Organization type (check only one) X 501(c) 3 (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 1,049,452.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, and Total. Includes sections for Revenue (lines 1-12), Expenses (lines 13-17), and Assets (lines 18-21).

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here... <input type="checkbox"/>	22a				
22b Other grants and allocations (att sch) See Stmt 2 (cash \$ <u>800,395.</u> non-cash \$ _____) If this amount includes foreign grants, check here... <input type="checkbox"/>	22b	800,395.	800,395.		
23 Specific assistance to individuals (attach schedule).....	23				
24 Benefits paid to or for members (attach schedule).....	24				
25a Compensation of current officers, directors, key employees, etc listed in Part V-A (attach sch).....	25a	0.	0.	0.	0.
b Compensation of former officers, directors, key employees, etc listed in Part V-B (attach sch).....	25b	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule).....	25c	0.	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c.....	26	95,001.	95,001.		
27 Pension plan contributions not included on lines 25a, b, and c.....	27				
28 Employee benefits not included on lines 25a - 27.....	28				
29 Payroll taxes.....	29	7,314.	7,314.		
30 Professional fundraising fees.....	30				
31 Accounting fees.....	31	817.		817.	
32 Legal fees.....	32				
33 Supplies.....	33				
34 Telephone.....	34	4,064.	4,064.		
35 Postage and shipping.....	35	1,812.		1,812.	
36 Occupancy.....	36	8,125.		8,125.	
37 Equipment rental and maintenance.....	37				
38 Printing and publications.....	38				
39 Travel.....	39				
40 Conferences, conventions, and meetings.....	40	815.		815.	
41 Interest.....	41				
42 Depreciation, depletion, etc (attach schedule).....	42				
43 Other expenses not covered above (itemize): a See Statement 3	43a	51,904.	26,270.	17,508.	8,126.
b -----	43b				
c -----	43c				
d -----	43d				
e -----	43e				
f -----	43f				
g -----	43g				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15).....	44	970,247.	933,044.	29,077.	8,126.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>ASSIST LAGUNA SCHOOL DISTRICT</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>PROVIDED FINANCIAL ASSISTANCE TO THE LAGUNA BEACH UNIFIED SCHOOL DISTRICT. ORGANIZATION ANNUALLY RAISES FUNDS TO DONATE TO THE SCHOOL DISTRICT FOR SPECIFIC AND UNRESTRICTED USE BY THE DISTRICT.</u> (Grants and allocations \$ <u>800,395.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	933,044.
b _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
c _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e Other program services (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	933,044.

BAA

Part IV Balance Sheets (See the instructions.)

		(A) Beginning of year		(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				
ASSETS	45 Cash — non-interest-bearing	85,595.	45	45,120.
	46 Savings and temporary cash investments.....	89,440.	46	
	47a Accounts receivable.....	47a		
	b Less: allowance for doubtful accounts	47b		47c
	48a Pledges receivable.....	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable.....			49
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges	10,000.	53	
	54a Investments — publicly-traded securities.....	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a
	b Investments — other securities (attach sch).....	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55a Investments — land, buildings, & equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
	56 Investments — other (attach schedule)			56
	57a Land, buildings, and equipment: basis.....	57a	8,734.	
b Less: accumulated depreciation (attach schedule).....	57b			
58 Other assets, including program-related investments (describe			58	
59 Total assets (must equal line 74). Add lines 45 through 58		193,769.	59	53,854.
LIABILITIES	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue	10,000.	62	13,650.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule).....		64a	
	b Mortgages and other notes payable (attach schedule).....		64b	
	65 Other liabilities (describe		65	
66 Total liabilities. Add lines 60 through 65.....		10,000.	66	13,650.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted		67	
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds.....		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds	183,769.	72	40,204.
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	183,769.	73	40,204.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	193,769.	74	53,854.	

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	N/A
b	Amounts included on line a but not on Part I, line 12:		
	1 Net unrealized gains on investments	b1	
	2 Donated services and use of facilities	b2	
	3 Recoveries of prior year grants	b3	
	4 Other (specify): _____	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	
d	Amounts included on Part I, line 12, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify): _____	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12). Add lines c and d	e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	N/A
b	Amounts included on line a but not on Part I, line 17:		
	1 Donated services and use of facilities	b1	
	2 Prior year adjustments reported on Part I, line 20	b2	
	3 Losses reported on Part I, line 20	b3	
	4 Other (specify): _____	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	
d	Amounts included on Part I, line 17, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify): _____	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17). Add lines c and d	e	

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
See Statement 5		0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees <i>(continued)</i>	Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business as board meetings . . . <u>39</u>	75a	X
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If 'Yes,' attach a statement that identifies the individuals and explains the relationship(s)	75b	X
c Do any officers, directors, trustees, or key employees listed in form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of 'related organization' If 'Yes,' attach a statement that includes the information described in the instructions.	75c	X
d Does the organization have a written conflict of interest policy?	75d	X

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
None				

Part VI Other Information <i>(See the instructions.)</i>	Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If 'Yes,' attach a detailed statement of each change	76	X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.	77	X
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	78b	N/A
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79	X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?	80a	X
b If 'Yes,' enter the name of the organization ▶ <u>See Statement 6</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0.	81a	0.
b Did the organization file Form 1120-POL for this year?	81b	X

Part VI Other Information (continued)		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b N/A		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84a	Did the organization solicit any contributions or gifts 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?		N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A
	If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members.		N/A
	85c N/A		
d	Section 162(e) lobbying and political expenditures.		N/A
	85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.		N/A
	85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e).		N/A
	85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12.		N/A
	86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities		N/A
	86b N/A		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders		N/A
	87a N/A		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		N/A
	87b N/A		
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX.		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Part XI.		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958. ▶ 0.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
90a	List the states with which a copy of this return is filed ▶ CA		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions.)		0
91a	The books are in care of ▶ ROBERT L. GAMEZ, CPA Telephone number ▶ 949-494-1034 Located at ▶ 920 GLENNEYRE ST. D, LAGUNA BEACH, CA, ZIP + 4 ▶ 92651		
b	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
	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.		

Part VI Other Information (continued)

	Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States?	91 c	X

If 'Yes,' enter the name of the foreign country ▶

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. N/A ▶
 and enter the amount of tax-exempt interest received or accrued during the tax year. ▶ 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments.....					
g Fees & contracts from government agencies. . .					
94 Membership dues and assessments. . .					
95 Interest on savings & temporary cash invmnts. . .			14	4,850.	
96 Dividends & interest from securities. . .					
97 Net rental income or (loss) from real estate:					
a debt-financed property.....					
b not debt-financed property.....					
98 Net rental income or (loss) from pers prop. . . .					
99 Other investment income.....					
100 Gain or (loss) from sales of assets other than inventory.....					
101 Net income or (loss) from special events			2	348,374.	
102 Gross profit or (loss) from sales of inventory. . . .					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				353,224.	
105 Total (add line 104, columns (B), (D), and (E))..... ▶					353,224.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	See Statement 7

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

	Yes	No
106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
Totals				

	Yes	No
107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- -----			
b	----- -----			
c	----- -----			
Totals				

	Yes	No
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please 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	_____ Date
	▶ _____ Type or print name and title.	

Paid Preparer's Use Only	Preparer's signature ▶ <u>ROBERT L. GAMEZ, CPA</u>	Date <u>11/16/07</u>	Check if self-employed ▶ <input checked="" type="checkbox"/>	Preparer's SSN or PTIN (See General Instruction W) <u>P00046993</u>
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ <u>Robert L. Gamez, CPA</u> <u>920 Glenneyre St., Suite #D</u> <u>Laguna Beach, CA 92651</u>	EIN ▶ <u>95-6400610</u>		
	Phone no. ▶ <u>(949) 494-1034</u>			

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No. 1545-0047

2006

Name of the organization LAGUNA BEACH EDUCATION FOUNDATION	Employer identification number 95-3565451
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
NONE		0.	0.	0.
Total number of other employees paid over \$50,000.....▶	0			

Part II – A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0.
Total number of others receiving over \$50,000 for professional services.....▶	0	

Part II – B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services.....▶	0	

Part III Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities. . . . ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3a Did the organization make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X
b Did the organization have a section 403(b) annuity plan for its employees?	3b	X
c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' attach a detailed statement	3c	X
d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d	X
4a Did the organization maintain any donor advised funds? If 'Yes,' complete lines 4b through 4g. If 'No,' complete lines 4f and 4g.	4a	X
b Did the organization make any taxable distributions under section 4966?	4b	N/A
c Did the organization make a distribution to a donor, donor advisor, or related person?	4c	N/A
d Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A
e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A
f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0
g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year. . . ▶		0.

Part IV Reason for Non-Private Foundation Status (See instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc. 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization: ▶

Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations.(See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					0.

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	483,139.	398,406.	244,858.	196,698.	1,323,101.
16 Membership fees received					0.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					0.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	3,893.	1,836.	262.	874.	6,865.
19 Net income from unrelated business activities not included in line 18					0.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0.
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0.
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0.
23 Total of lines 15 through 22	487,032.	400,242.	245,120.	197,572.	1,329,966.
24 Line 23 minus line 17	487,032.	400,242.	245,120.	197,572.	1,329,966.
25 Enter 1% of line 23	4,870.	4,002.	2,451.	1,976.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 N/A . . . ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ **26c**

d Add: Amounts from column (e) for lines: **18** _____ **19** _____
22 _____ **26b** _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶ **26f %**

27 Organizations described on line 12:

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year:
 (2005) _____ 0. (2004) _____ 0. (2003) _____ 0. (2002) _____ 0.

b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:
 (2005) _____ 0. (2004) _____ 0. (2003) _____ 0. (2002) _____ 0.

c Add: Amounts from column (e) for lines: **15** _____ **16** _____
17 _____ **20** _____ **21** _____ ▶ **27c** 1,323,101.

d Add: Line 27a total 0. and line 27b total 0. ▶ **27d** 0.

e Public support (line 27c total minus line 27d total) ▶ **27e** 1,323,101.

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . . ▶ **27f** 1,329,966.

g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶ **27g 99.48 %**

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ **27h 0.52 %**

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
	If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following:		
	a Records indicating the racial composition of the student body, faculty, and administrative staff?		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	d Copies of all material used by the organization or on its behalf to solicit contributions?		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
	a Students' rights or privileges?		
	b Admissions policies?		
	c Employment of faculty or administrative staff?		
	d Scholarships or other financial assistance?		
	e Educational policies?		
	f Use of facilities?		
	g Athletic programs?		
	h Other extracurricular activities?		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
	b Has the organization's right to such aid ever been revoked or suspended?		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table —		
	If the amount on line 40 is —		
	The lobbying nontaxable amount is —		
	Not over \$500,000	20% of the amount on line 40	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.			

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h .)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h .)			

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

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LAGUNA BEACH EDUCATION FOUNDATION

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Statement 1
Form 990, Part I, Line 9
Net Income (Loss) from Special Events

Special Events	Gross Receipts	Less Contri- butions	Gross Revenue	Less Direct Expenses	Net Income (Loss)
DINNER DANCE	364,231.	0.	364,231.	137,097.	227,134.
GOLF TOURNAMENT	186,053.	0.	186,053.	84,559.	101,494.
CLAES DINNER	20,860.	0.	20,860.	1,114.	19,746.
Total	<u>\$ 571,144.</u>	<u>\$ 0.</u>	<u>\$ 571,144.</u>	<u>\$ 222,770.</u>	<u>\$ 348,374.</u>

Statement 2
Form 990, Part II, Line 22b
Other Grants and Allocations

Cash Grants and Allocations

Class of Activity: CONTRIBUTION TO GEN. FUND
 Donee's Name: LAGUNA BEACH UNIFIED SCH.
 Donee's Address: BLUMONT DRIVE
 LAGUNA BEACH, CA 92651
 Relationship of Donee: NONE
 Amount Given: \$ 380,027.

Class of Activity: CASH DONATION TO ENDOW.
 Donee's Name: LAGUNA BEACH EDUCATION FOUND.
 Donee's Address: 675 PARK AVE
 LAGUNA BEACH, CA 92651
 Relationship of Donee: NONE
 Amount Given: 420,368.

Total Grants and Allocations \$ 800,395.

Statement 3
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
ADVERTISING	123.		123.	
BANK CHARGES	4,877.		4,877.	
BOARD EXPENSE	689.		689.	
COMMUNITY CAMPAIGN	4,262.			4,262.
COMPUTER COSTS	4,302.	4,302.		
COPIES	2,988.	2,988.		
DIRECTORY EXPENSE	18,605.	18,605.		
EQUIPMENT RENTAL	153.		153.	
FOOD AND CATERING	15.		15.	
INSURANCE	4,882.		4,882.	
INTERNET EXPENSE	1,809.		1,809.	
LAST YEARS EXPENSE	-490.	-490.		
LOCALS CARD	865.	865.		

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Statement 3 (continued)
Form 990, Part II, Line 43
Other Expenses

	(A)	(B)	(C)	(D)
	Total	Program Services	Management & General	Fundraising
OFFICE SUPPLIES	3,343.		3,343.	
OTHER EXPENSE	304.		304.	
PROPERTY TAX	569.		569.	
PUBLIC RELATIONS	1,390.			1,390.
REPAIRS & MAINTENANCE	510.		510.	
UTILITIES	234.		234.	
YEAR END EVENT	2,474.			2,474.
Total	<u>\$ 51,904.</u>	<u>\$ 26,270.</u>	<u>\$ 17,508.</u>	<u>\$ 8,126.</u>

Statement 4
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Machinery and Equipment	\$ 8,734.	\$ 0.	\$ 8,734.
Total	<u>\$ 8,734.</u>	<u>\$ 0.</u>	<u>\$ 8,734.</u>

Statement 5
Form 990, Part V-A
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
TOM ADDIS 1 NO. ENCINO LAGUNA BEACH, CA 92651	PRESIDENT 4	\$ 0.	\$ 0.	\$ 0.
JENNIFER MEISWINKEL 29882 TOP OF THE WORLD LAGUNA BEACH, CA 92651	VICE PRESIDENT 1	0.	0.	0.
GAIL HAGLAND 31 HUMMINGBIRD ALISO VIEJO, CA 92656	SECRETARY 1	0.	0.	0.
FRANK CRONIN 22611 ALLVIEW TERRACE LAGUNA BEACH, CA 92651	TREASURER 1	0.	0.	0.
AMY KRAMER 707 MARLIN DRIVE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.

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Statement 5 (continued)
Form 990, Part V-A
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
CLAES ANDERSEN 602 VISTA LANE LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
MARI BARTON 931 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
ROB BEKKEN 813 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN BOOTH 26 SONGBIRD LANE ALISO VIEJO, CA 92677	Director 1	0.	0.	0.
MITCHELLENE CHANNELS 17 SO. LA SENDA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
TINA COOK 253 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
PETER CRANE 465 NYES PLACE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
NANCY GLENN 1175 COAST VIEW LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN GIUSTO 360 PINECREST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SCOTT HAUG 400 EL BOSQUE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JERRY HAYDEN 71 SO. LA SENDA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
CRISI HOSEA 32 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.

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LAGUNA BEACH EDUCATION FOUNDATION

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Statement 5 (continued)
Form 990, Part V-A
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
LAUREN HOWELL 1215 DUNNING DR LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
AMY JACKSON 412 JASMINE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
MARK JONUS 46 N. VISTA DE CATALINA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BETH KRUGER 1385 SKYLINE DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL LANDSIEDEL 2230 TEMPLE HILLS DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JILL LOCKHART 31538 WEST ST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BETH MCCOMBS 21 N. VISTA DE LUNA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
TIM MCMULLEN 709 DAVIS WAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
KATHY MEEK 159 DUMOND DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
DANNY MELITA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
CAROL NORMANDIN 3023 MOUNTAIN VIEW LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL OHARE 888 REMBRANDT LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.

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LAGUNA BEACH EDUCATION FOUNDATION

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Statement 5 (continued)
Form 990, Part V-A
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
MARY QUELLMALZ 731 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
ALI ROUNAGHI 31481 WEST ST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL SHOPOFF EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
STACY SPURLOCK 425 BLUEBIRD CANYON LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL STEEL 2255 HILLVIEW DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
APRIL STEINERT 1074 VAN DYKE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JON STILLWELL 1700 SUNSET RIDGE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN THOMAS 1111 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SAMANTHA WASHER 345 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
THASA ZUZIAK 3261 RIMCREST CIRCLE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
	Total	\$ 0.	\$ 0.	\$ 0.

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LAGUNA BEACH EDUCATION FOUNDATION

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Statement 6
Form 990, Part VI, Line 80b
Related Organizations

<u>Name of Organization</u>	<u>Exempt</u>	<u>Nonexempt</u>
CAPITAL FUND	X	
LAGUNA BEACH EDUCATIONAL ENDOWMENT AND	X	

Statement 7
Form 990, Part VIII
Relationship of Activities to the Accomplishment of Exempt Purposes

<u>Line #</u>	<u>Explanation of Activities</u>
101	SPECIAL EVENTS TO PROVIDE FUNDS FOR EXEMPT PURPOSE. ALL EVENTS MATERIALLY SUPPORTED BY VOLUNTEERS. ALL FUNDS USED FOR EXEMPT PURPOSE
95	INCOME FROM TEMPORARY CASH INVESTMENTS HELD FOR EXEMPT PURPOSES.
103	ADVERTISING REVENUE GENERATED PRINCIPALLY BY VOLUNTEERS IN THE PUBLICATIONS OF THE ORGANIZATION. FUNDS USED TO FURTHER THE EXEMPT PURPOSE

YEAR
2006

California Exempt Organization Annual Information Return

FORM
199

For calendar or fiscal year beginning month 07 day 01 year 2006 and ending month 06 day 30 year 2007

IMPORTANT: Your number is required.

California corporation number D-0576324 Federal employer identification number (FEIN) 95-3565451

Corporation/Organization name
LAGUNA BEACH EDUCATION FOUNDATION

Address including Suite, Room, or PMB no.
P.O. BOX 19

City State ZIP Code
LAGUNA BEACH, CA 92652

A Final return? Check applicable box. Yes No
 Dissolved Withdrawn Merged/Reorganized (attach explanation)
If a box is checked, enter date

B Check forms filed this year: State: 109 100 100S 100W Fed: 990
Fed: 990EZ 990T 990PF 1041 1120H 1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. **See General Instruction F. No filing fee is required.**

D Is this a group filing? See General Instruction N. Yes No

E Accounting method used . Cash

F Type of organization Exempt under Section 23701 d (insert letter)
 IRC Section 4947(a)(1) trust

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues <small>(Enclose, but do not staple, any payment.)</small>	1 Gross sales or receipts from other sources. From Side 2, Part II, line 8	1	575,994.
	2 Gross dues and assessments from members and affiliates.	2	
	3 Gross contributions, gifts, grants, and similar amounts received. See instructions	3	473,458.
	4 Total gross receipts for filing requirement test. Add line 1 through line 3 This line must be completed. If the result is less than \$25,000, see General Instruction C.	4	1,049,452.
	5 Cost of goods sold	5	
	6 Cost or other basis, and sales expenses of assets sold.	6	
	7 Total costs. Add line 5 and line 6	7	
	8 Total gross income. Subtract line 7 from line 4	8	1,049,452.
Expenses	9 Total expenses and disbursements. From Side 2, Part II, line 18	9	1,193,017.
	10 Excess of receipts over expenses and disbursements. Subtract line 9 from line 8	10	-143,565.
Filing Fee	11 Filing fee \$10 or \$25. See General Instruction F.	11	10.
	12 Penalty for failure to file on time. See General Instruction L.	12	
	13 Use tax. See General Instruction M.	13	
	14 Balance due. Add line 11, line 12, and line 13	14	10.

15 If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? If 'Yes,' complete and attach form FTB 3509, Political or Legislative Activities by Section 23701d Organizations. Yes No

16 Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? If 'Yes,' complete an explanation and attach copies of revised documents. Yes No

17 Is the organization exempt under R&TC Section 23701g? Yes No
If 'Yes,' enter amount of gross receipts from nonmember sources. . . . \$ _____

18 Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income? Yes No
If 'Yes,' enter amount of total income reported. . . . \$ _____

19 The financial records are in care of. ROBERT L. GAMEZ, CPA Daytime telephone 949-494-1034
located at 920 GLENNEYRE ST. D, LAGUNA BEACH, CA 92651

Please 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 taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer _____ Date _____ Title _____
Daytime telephone 949-494-6811

Paid Preparer's Use Only
Paid Preparer's signature ROBERT L. GAMEZ, CPA Date 11/16/07 Check if self-employed Paid preparer's SSN or PTIN P00046993
Firm's name (or yours, if self-employed) and address Robert L. Gamez, CPA FEIN 95-6400610
920 Glenneyre St., Suite #D
Laguna Beach, CA 92651 Daytime telephone (949) 494-1034

Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts—complete Part II or furnish substitute information. See Specific Line Instructions.

Receipts from Other Sources	1 Gross sales or receipts from all business activities. See instructions	1	
	2 Interest	2	4,850.
	3 Dividends	3	
	4 Gross rents	4	
	5 Gross royalties	5	
	6 Gross amount received from sale of assets	6	
	7 Other income. Attach schedule See Statement 1	7	571,144.
	8 Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	575,994.
Expenses and Disbursements	9 Contributions, gifts, grants, and similar amounts paid. Attach schedule See Statement 2	9	800,395.
	10 Disbursements to or for members	10	
	11 Compensation of officers, directors, and trustees. Attach schedule See Statement 3	11	0.
	12 Other salaries and wages	12	95,001.
	13 Interest	13	
	14 Taxes	14	7,314.
	15 Rents	15	8,125.
	16 Depreciation and depletion	16	
	17 Other. Attach schedule See Statement 4	17	282,182.
	18 Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	1,193,017.

Schedule L Balance Sheets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		175,035.		45,120.
2 Net accounts receivable				
3 Net notes receivable. Attach schedule				
4 Inventories				
5 Federal and state government obligations				
6 Investments in other bonds. Attach schedule				
7 Investments in stock. Attach schedule				
8 Mortgage loans (number of loans)				
9 Other investments. Attach schedule				
10a Depreciable assets	8,734.		8,734.	
b Less accumulated depreciation		8,734.		8,734.
11 Land				
12 Other assets. Attach schedule		10,000.		
13 Total assets		193,769.		53,854.
Liabilities and net worth				
14 Accounts payable				
15 Contributions, gifts, or grants payable				
16 Bonds and notes payable. Attach schedule				
17 Mortgages payable				
18 Other liabilities. Attach schedule See Statement 5		10,000.		13,650.
19 Capital stock or principle fund				
20 Paid-in or capital surplus. Attach reconciliation				
21 Retained earnings or income fund		183,769.		40,204.
22 Total liabilities and net worth		193,769.		53,854.

Schedule M-1 Reconciliation of income per books with income per return			
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000			
1 Net income per books	-143,565.	7 Income recorded on books this year not included in this return. Attach schedule	
2 Federal income tax		8 Deductions in this return not charged against book income this year. Attach schedule	
3 Excess of capital losses over capital gains		9 Total. Add line 7 and line 8	
4 Income not recorded on books this year. Attach schedule		10 Net income per return. Subtract line 9 from line 6	
5 Expenses recorded on books this year not deducted in this return. Attach schedule			
6 Total. Add line 1 through line 5	-143,565.		-143,565.

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Statement 1
Form 199, Part II, Line 7
Other Income

Income from Special Events..... \$ 571,144.
 Total \$ 571,144.

Statement 2
Form 199, Part II, Line 9
Contributions, Gifts, Grants, and Similar Amounts Paid

Class of Activity: CONTRIBUTION TO GEN. FUND
 Donee's Name: LAGUNA BEACH UNIFIED SCH.
 Donee's Street Address: BLUMONT DRIVE
 Donee's City, State, ZIP: LAGUNA BEACH, CA 92651
 Relationship of Donee: NONE
 Amount Given: \$ 380,027.

Class of Activity: CASH DONATION TO ENDOW.
 Donee's Name: LAGUNA BEACH EDUCATION FOUND.
 Donee's Street Address: 675 PARK AVE
 Donee's City, State, ZIP: LAGUNA BEACH, CA 92651
 Relationship of Donee: NONE
 Amount Given: 420,368.

Total \$ 800,395.

Statement 3
Form 199, Part II, Line 11
Compensation of Officers, Directors, and Trustees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
TOM ADDIS 1 NO. ENCINO LAGUNA BEACH, CA 92651	PRESIDENT 4	\$ 0.	\$ 0.	\$ 0.
JENNIFER MEISWINKEL 29882 TOP OF THE WORLD LAGUNA BEACH, CA 92651	VICE PRESIDENT 1	0.	0.	0.
GAIL HAGLAND 31 HUMMINGBIRD ALISO VIEJO, CA 92656	SECRETARY 1	0.	0.	0.
FRANK CRONIN 22611 ALLVIEW TERRACE LAGUNA BEACH, CA 92651	TREASURER 1	0.	0.	0.

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Statement 3 (continued)
Form 199, Part II, Line 11
Compensation of Officers, Directors, and Trustees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
AMY KRAMER 707 MARLIN DRIVE LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
CLAES ANDERSEN 602 VISTA LANE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
MARI BARTON 931 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
ROB BEKKEN 813 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN BOOTH 26 SONGBIRD LANE ALISO VIEJO, CA 92677	Director 1	0.	0.	0.
MITCHELLENE CHANNELS 17 SO. LA SENDA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
TINA COOK 253 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
PETER CRANE 465 NYES PLACE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
NANCY GLENN 1175 COAST VIEW LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN GIUSTO 360 PINECREST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SCOTT HAUG 400 EL BOSQUE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JERRY HAYDEN 71 SO. LA SENDA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.

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Statement 3 (continued)
Form 199, Part II, Line 11
Compensation of Officers, Directors, and Trustees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
CRISI HOSEA 32 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
LAUREN HOWELL 1215 DUNNING DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
AMY JACKSON 412 JASMINE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
MARK JONUS 46 N. VISTA DE CATALINA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BETH KRUGER 1385 SKYLINE DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL LANDSIEDEL 2230 TEMPLE HILLS DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JILL LOCKHART 31538 WEST ST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BETH MCCOMBS 21 N. VISTA DE LUNA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
TIM MCMULLEN 709 DAVIS WAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
KATHY MEEK 159 DUMOND DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
DANNY MELITA LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
CAROL NORMANDIN 3023 MOUNTAIN VIEW LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.

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Statement 3 (continued)
Form 199, Part II, Line 11
Compensation of Officers, Directors, and Trustees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
BILL OHARE 888 REMBRANDT LAGUNA BEACH, CA 92651	Director 1	\$ 0.	\$ 0.	\$ 0.
MARY QUELLMALZ 731 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
ALI ROUNAGHI 31481 WEST ST LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL SHOPOFF EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
STACY SPURLOCK 425 BLUEBIRD CANYON LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
BILL STEEL 2255 HILLVIEW DR LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
APRIL STEINERT 1074 VAN DYKE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
JON STILLWELL 1700 SUNSET RIDGE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SUSAN THOMAS 1111 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
SAMANTHA WASHER 345 EMERALD BAY LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
THASA ZUZIAK 3261 RIMCREST CIRCLE LAGUNA BEACH, CA 92651	Director 1	0.	0.	0.
		Total \$ 0.	\$ 0.	\$ 0.

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Statement 4
Form 199, Part II, Line 17
Other Expenses

Accounting Fees.....	\$	817.
ADVERTISING.....		123.
BANK CHARGES.....		4,877.
BOARD EXPENSE.....		689.
COMMUNITY CAMPAIGN.....		4,262.
COMPUTER COSTS.....		4,302.
Conferences, Conventions, and Meetings.....		815.
COPIES.....		2,988.
DIRECTORY EXPENSE.....		18,605.
EQUIPMENT RENTAL.....		153.
FOOD AND CATERING.....		15.
INSURANCE.....		4,882.
INTERNET EXPENSE.....		1,809.
LAST YEARS EXPENSE.....		-490.
LOCALS CARD.....		865.
OFFICE SUPPLIES.....		3,343.
OTHER EXPENSE.....		304.
Postage and Shipping.....		1,812.
PROPERTY TAX.....		569.
PUBLIC RELATIONS.....		1,390.
REPAIRS & MAINTENANCE.....		510.
Special Event Expenses.....		222,770.
Telephone.....		4,064.
UTILITIES.....		234.
YEAR END EVENT.....		2,474.
	Total \$	<u>282,182.</u>

Statement 5
Form 199, Schedule L, Line 18
Other Liabilities

Deferred Revenue.....		13,650.
	Total \$	<u>13,650.</u>

IN
MAIL TO:
 Registry of Charitable Trusts
 P.O. Box 903447
 Sacramento, CA 94203-4470
 Telephone: (916) 445-2021

WEBSITE ADDRESS:
<http://ag.ca.gov/charities/>

ANNUAL REGISTRATION RENEWAL FEE REPORT TO ATTORNEY GENERAL OF CALIFORNIA

Sections 12586 and 12587, California Government Code
 11 Cal. Code Regs. sections 301-307, 311 and 312

Failure to submit this report annually no later than four months and fifteen days after the end of the organization's accounting period may result in the loss of tax exemption and the assessment of a minimum tax of \$800, plus interest, and/or fines or filing penalties as defined in Government Code Section 12586.1. IRS extensions will be honored.



State Charity Registration Number <u>46604</u> LAGUNA BEACH EDUCATION FOUNDATION <small>Name of Organization</small> <u>P.O. BOX 19</u> <small>Address (Number and Street)</small> <u>LAGUNA BEACH, CA 92652</u> <small>City or Town State ZIP Code</small>	Check if: <input type="checkbox"/> Change of address <input type="checkbox"/> Amended report Corporate or Organization No. <u>D-0576324</u> Federal Employer ID No. <u>95-3565451</u>
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ANNUAL REGISTRATION RENEWAL FEE SCHEDULE (11 Cal. Code Regs. sections 301-307, 311 and 312)
 Make Check Payable to Attorney General's Registry of Charitable Trusts

Gross Annual Revenue	Fee	Gross Annual Revenue	Fee	Gross Annual Revenue	Fee
Less than \$25,000	0	Between \$100,001 and \$250,000	\$50	Between \$1,000,001 and \$10 million	\$150
Between \$25,000 and \$100,000	\$25	Between \$250,001 and \$1 million	\$75	Between \$10,000,001 and \$50 million	\$225
				Greater than \$50 million	\$300

PART A – ACTIVITIES

For your most recent full accounting period (beginning 7/01/06 ending 6/30/07) list:
 Gross annual revenue \$ 826,682. Total assets \$ 53,854.

PART B – STATEMENTS REGARDING ORGANIZATION DURING THE PERIOD OF THIS REPORT

Note: If you answer 'yes' to any of the questions below, you must attach a separate sheet providing an explanation and details for each 'yes' response. Please review RRF-1 instructions for information required.

	Yes	No
1 During this reporting period, were there any contracts, loans, leases or other financial transactions between the organization and any officer, director or trustee thereof either directly or with an entity in which any such officer, director or trustee had any financial interest?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 During this reporting period, was there any theft, embezzlement, diversion or misuse of the organization's charitable property or funds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During this reporting period, did non-program expenditures exceed 50% of gross revenues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 During this reporting period, were any organization funds used to pay any penalty, fine or judgment? If you filed a Form 4720 with the Internal Revenue Service, attach a copy.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 During this reporting period, were the services of a commercial fundraiser or fundraising counsel for charitable purposes used? If 'yes,' provide an attachment listing the name, address, and telephone number of the service provider.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 During this reporting period, did the organization receive any governmental funding? If so, provide an attachment listing the name of the agency, mailing address, contact person, and telephone number.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 During this reporting period, did the organization hold a raffle for charitable purposes? If 'yes,' provide an attachment indicating the number of raffles and the date(s) they occurred.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Does the organization conduct a vehicle donation program? If 'yes,' provide an attachment indicating whether the program is operated by the charity or whether the organization contracts with a commercial fundraiser for charitable purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did your organization have prepared an audited financial statement in accordance with generally accepted accounting principles for this reporting period?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Organization's area code and telephone number 949-494-6811

Organization's e-mail address _____

I declare under penalty of perjury that I have examined this report, including accompanying documents, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of authorized officer _____ Printed Name _____ Title _____ Date _____