

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2007

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2007, or tax year beginning _____, and ending _____

G Check all that apply Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation Howard Charitable Foundation	A Employer identification number 91-1952040
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 2525 Pio Pico 202	B Telephone number (see page 10 of the instructions) 760-730-7342
	City or town, state, and ZIP code Carlsbad CA 92008	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 78,658,645	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))				
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	75,087	75,087		
4 Dividends and interest from securities	3,139,729	3,139,729		
5 a Gross rents				
b Net rental income or (loss)				
6 a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	9,763,265	9,763,265		
12 Total. Add lines 1 through 11	12,978,081	12,978,081	0	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	190,000	130,000		60,000
14 Other employee salaries and wages	56,640	28,320		28,320
15 Pension plans, employee benefits	155,000	92,000		63,000
16 a Legal fees (attach schedule)	114	114		
b Accounting fees (attach schedule)	20,475	20,475		
c Other professional fees (attach schedule)	428,368	428,368		
17 Interest				
18 Taxes (attach schedule, see page 14 of the instructions)	77,510	77,510		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)	14,338	14,338		
24 Total operating and administrative expenses. Add lines 13 through 23	942,445	791,125	0	151,320
25 Contributions, gifts, grants paid	24,430,000			24,430,000
26 Total expenses and disbursements. Add lines 24 and 25	25,372,445	791,125	0	24,581,320
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-12,394,364			
b Net investment income (if negative, enter -0-)		12,186,956		
c Adjusted net income (if negative, enter -0-)			0	

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Operating and Administrative Expenses

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	558,741	1,049,833	1,049,833
	3	Accounts receivable			
		Less allowance for doubtful accounts			
	4	Pledges receivable			
		Less allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule)			
		Less allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	253,750	253,750	133,200
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)				
12	Investments—mortgage loans				
13	Investments—other (attach schedule)	97,726,588	77,475,612	77,475,612	
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	98,539,079	78,779,195	78,658,645	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe See attached statement)	10,056,483	2,690,963	
	23	Total liabilities (add lines 17 through 22)	10,056,483	2,690,963	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	88,482,596	76,088,232		
30	Total net assets or fund balances (see page 17 of the instructions)	88,482,596	76,088,232		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	98,539,079	78,779,195		

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	88,482,596
2	Enter amount from Part I, line 27a	-12,394,364
3	Other increases not included in line 2 (itemize)	
4	Add lines 1, 2, and 3	76,088,232
5	Decreases not included in line 2 (itemize)	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	76,088,232

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				0
b				0
c				0
d				0
e				0
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			0	0
b			0	0
c			0	0
d			0	0
e			0	0
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 { If (loss), enter -0- in Part I, line 7		2	0
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	}		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2006	12,337,000	96,376,354	0.128009
2005	11,296,000	99,759,943	0.113232
2004	5,389,050	98,641,690	0.054633
2003	2,689,640	92,799,610	0.028983
2002	3,925,000	72,619,767	0.054049
2 Total of line 1, column (d)			2 0.378906
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.075781
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5			4 96,353,499
5 Multiply line 4 by line 3			5 7,301,765
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 121,870
7 Add lines 5 and 6			7 7,423,635
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			8 24,581,320

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes sub-rows 6a-6d for credits and payments. Values include 121,870, 81,930, and 39,940.

Part VII-A Statements Regarding Activities

Table with 10 rows of activity statements. Columns include question number, 'Yes', and 'No'. Includes questions about political campaigns, unrelated business income, and substantial contributors.

Part VII-A Statements Regarding Activities (continued)

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	X	
Website address			
14	The books are in care of Richard D. Newell Telephone no 760-586-4044		
	Located at 2525 Pio Pico, Suite 202 Carlsbad CA ZIP+4 98101-3927		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year	<input type="checkbox"/>	15 N/A

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	N/A	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions)	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here **5b** N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
If you answered "Yes" to 6a, also file Form 8870 **6b**

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 23 of 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	(e) Expense account, other allowances
Richard D Newell 2525 Pio Pico, ste.202 Carlsbad CA 92008	Sec/Treas 40.00	190,000	104,500	-0-
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If 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, other allowances
J C Northern 2525 Pio Pico, ste 202 Carlsbad CA 92008	40 00	56,640	50,500	
	00			
	00			
	00			
	00			

Total number of other employees paid over \$50,000

▶ 1

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter

"NONE." (a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
.....		
.....		
.....		
.....		

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 Charitable Grant Program	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
3 All other program-related investments. See page 24 of the instructions	
Total. Add lines 1 through 3 ▶	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	94,256,304
b	Average of monthly cash balances	1b	3,564,507
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	97,820,811
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	97,820,811
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	1,467,312
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	96,353,499
6	Minimum investment return. Enter 5% of line 5	6	4,817,675

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	4,817,675
2a	Tax on investment income for 2007 from Part VI, line 5	2a	121,870
b	Income tax for 2007 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	121,870
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	4,695,805
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	4,695,805
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	4,695,805

Part XII Qualifying Distributions (see page 26 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	24,581,320
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	24,581,320
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	121,870
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	24,459,450

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				4,695,805
2 Undistributed income, if any, as of the end of 2006				
a Enter amount for 2006 only				
b Total for prior years 20 03 , 20 04 , 20 05				
3 Excess distributions carryover, if any, to 2007				
a From 2002	537,198			
b From 2003	NONE			
c From 2004	594,908			
d From 2005	6,690,588			
e From 2006	7,736,426			
f Total of lines 3a through e	15,559,120			
4 Qualifying distributions for 2007 from Part XII, line 4 ▶ \$ 24,581,320				
a Applied to 2006, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 27 of the instructions)				
d Applied to 2007 distributable amount				4,695,805
e Remaining amount distributed out of corpus	19,885,515			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	35,444,635			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2006 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2007 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2008				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)	537,198			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	34,907,437			
10 Analysis of line 9				
a Excess from 2003				
b Excess from 2004	594,908			
c Excess from 2005	6,690,588			
d Excess from 2006	7,736,426			
e Excess from 2007	19,885,515			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling ▶
- b** Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))
- NONE
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest
- NONE
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d
- a** The name, address, and telephone number of the person to whom applications should be addressed
- Richard D Newell 2525 Pio Pico, Suite 202 Carlsbad CA 92008
- b** The form in which applications should be submitted and information and materials they should include
- Application form supplied upon written request Applicant must be a qualified 501(c)(3) org
- c** Any submission deadlines
- None
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
- Health care, Educational, Domestic Humanitarian Charities

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Alzheimer's Association, Alois Society P O Box 8462 Chicago IL 60680-8462		501(c)(3)	Unrestricted	100,000
American Red Cross San Diego/Imperial Counties P O Box 85224 San Diego CA 92186		501(c)(3)	San Diego Wild Fire Reli	100,000
Assistance League of North Coast P O Box 2682 Carlsbad CA 92018		501(c)(3)	Operation School Bell	5,000
Ayn Rand Institute 2120 Alton Parkway, Ste 250 Irvine CA 92606		501(c)(3)	Unrestricted	100,000
Brother Benno Foundation P O Box 308 Oceanside CA 92049		501(c)(3)	Unrestricted	50,000
Business Plus, Inc P O Box 929 Twin Falls ID 83301		501(c)(3)	Unrestricted	50,000
Casa de Amparo 3355 Mission Ave , Ste 238 Oceanside CA 92054		501(c)(3)	Unrestricted	50,000
Coalition to Salute Americas' Heros P O Box 96440 Washington D C DC 20090		501(c)(3)	Unrestricted	50,000
College of Southern Idaho Foundation, Inc P O Box 1238 Twin Falls ID 83303		501(c)(3)	L Hovey Scholarship En	30,000
Community Resource Center 650 Second Street Encinitas CA 92024		501(c)(3)	Unrestricted	50,000
Criminal Justice Legal Foundation P O Box 1199 Sacramento CA 95812		501(c)(3)	Unrestricted	100,000
Escondido Education Foundation 1330 East Grand Avenue Escondido CA 92027		501(c)(3)	Project "LIVE"	25,000
Flathead Education Foundation P O Box 759 Kalispell MT 59903		501(c)(3)	Scholarship Fund	1,000,000
Francis Parker School 6501 Linda Vista Road San Diego CA 92111		501(c)(3)	Owen Hasler Memorial S	50,000
The Fund for American Studies 1706 New Hampshire Ave N W Washington DC 2000		501(c)(3)	Institute for Political Jour	50,000
Groton School Annual fund P O Box 991 Groton NH 01450-9986		501(c)(3)	Unrestricted	10,000
Total				24,430,000
b Approved for future payment				
Scripps Health Foundation P O Box 2669 La Jolla CA 92038		501(c)(3)	Scripps Memorial La Jolla	20,000,000
Total				20,000,000

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name The Heritage Foundation				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 214 Massachusetts Ave N E					
City Washington		State DC	Zip code 20002	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 5,000,000

Name The Hoover Institution				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 434 Galvez Mall, HHMB 308					
City Stanford		State CA	Zip code 94305	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 1,000,000

Name Interfaith Community Services				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 550 West Washington Ave , Ste B					
City Escondido		State CA	Zip code 92025	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 200,000

Name Journeys School of the Tetons, Science Schools				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 700 Coyote Canyon Road					
City Jackson		State WY	Zip code 83001	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name Lakeside Quick Response Unit				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 911					
City Lakeside		State MT	Zip code 59922	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name The Lawrenceville School				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 6125					
City Lawrenceville		State NJ	Zip code 08648	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Teaching & Learning Center Capital Endowment					Amount 4,000,000

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name
 Magic Valley Arts Council Person Business

Street
 P O Box 1158

City Twin Falls State ID Zip code 83303 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Arts Center Building Construction 100,000

Name
 Miramar Food Locker, Navy Wives Clubs of America Person Business

Street
 P O Box 45066

City San Diego State CA Zip code 92145 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Unrestricted 10,000

Name
 Moonlight Cultural Foundation Person Business

Street
 600 Eucalyptus Ave

City Vista State CA Zip code 92084 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Educational Outreach Program 20,000

Name
 North County Solutions for Change Person Business

Street
 722 West California Ave

City Vista State CA Zip code 92083 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Living Solutions Project 100,000

Name
 Racing for Our Heros Person Business

Street
 6611 Hillcrest Ave., Ste 343

City Dallas State TX Zip code 75205 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Wounded Warriors Project 25,000

Name
 Rancho Santa Fe Foundation Person Business

Street
 P O Box 811

City Rancho Santa Fe State CA Zip code 92067 Foreign Country

Relationship Foundation Status 501(c)(3)

Purpose of grant/contribution Amount
 Robert & Lillian Howard Endowment Fund 1,000,000

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name
Rancho Santa Fe Seniors Person Business

Street
P O Box 223

City Rancho Santa Fe	State CA	Zip code 92067	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 50,000
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Name
The Salvation Army Person Business

Street
2320 Fifth Ave

City San Diego	State CA	Zip code 92101	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 50,000
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Name
The Salvation Army Person Business

Street
2320 Fifth Ave

City San Diego	State CA	Zip code 92101	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution San Diego Wild Fire Relief Fund	Amount 100,000
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Name
Scripps Health Foundation Person Business

Street
P O Box 2669

City La Jolla	State CA	Zip code 92038	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Scripps Memorial La Jolla Cardiovascular Institute	Amount 10,000,000
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Name
Sol Aureus College Preparatory School Person Business

Street
7485 Ruch River Drive

City Sacramento	State CA	Zip code 95831	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Reading Literacy Program for College & Life Development	Amount 30,000
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Name
Southern Idaho Learning Center Person Business

Street
564 Shoup Ave. West

City Twin Falls	State ID	Zip code 83301	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 150,000
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Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name Saint Clare's Home				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 249 S Escondido Blvd , Ste 120					
City Escondido		State CA	Zip code 92025	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Transitional Living Program					Amount 25,000

Name The Village Community Church				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 704					
City Rancho Santa Fe		State CA	Zip code 92067	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Educational Facility Expansion Project					Amount 400,000

Name Travelers' Aid of San Diego				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 110 West "C" Street, Ste 129					
City San Diego		State CA	Zip code 92101	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Mobile Moms Program					Amount 20,000

Name United Way of San Diego				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 4699 Murphy Canyon Road					
City San Diego		State CA	Zip code 92123	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name United Way Gem Society				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 8217					
City Kalispell		State MT	Zip code 59904	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name West Central Initiative, Wheaton Swimming Pool				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 1000 Western Ave					
City Fergus Falls		State MN	Zip code 56437	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Wheaton Swimming Pool Capital Fund					Amount 100,000

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name
Women's Resource Center Person Business

Street
1963 Apple Street

City Oceanside	State CA	Zip code 92054	Foreign Country
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Relationship
Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 30,000
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Name Person Business

Street

City	State	Zip code	Foreign Country
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Relationship
Foundation Status

Purpose of grant/contribution	Amount 0
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Name Person Business

Street

City	State	Zip code	Foreign Country
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Relationship
Foundation Status

Purpose of grant/contribution	Amount 0
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Name Person Business

Street

City	State	Zip code	Foreign Country
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Relationship
Foundation Status

Purpose of grant/contribution	Amount 0
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Name Person Business

Street

City	State	Zip code	Foreign Country
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Relationship
Foundation Status

Purpose of grant/contribution	Amount 0
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Name Person Business

Street

City	State	Zip code	Foreign Country
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Relationship
Foundation Status

Purpose of grant/contribution	Amount 0
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Line 11 (990-PF) - Other Income

		9,763,265	9,763,265	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	UBS Global Securities K-1	9,763,265	9,763,265	
2			0	
3			0	
4			0	
5			0	
6			0	
7			0	
8			0	
9			0	
10			0	

Line 16a (990-PF) - Legal Fees

		114	114	0	0
	Name of organization or person providing service	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Gary Bergquist Esq	114	114		
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 16b (990-PF) - Accounting Fees

		20,475	20,475	0	0
	Name of organization or person providing service	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Lindsay & Brownell CPA's	20,475	20,475		
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 16c (990-PF) - Other Fees

		428,368	428,368	0	0
	Name of organization or person providing service	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Investment Management Fees	428,368	428,368		
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 18 (990-PF) - Taxes

		77,510	77,510	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Real estate tax not included in line 20				
2	Tax on investment income				
3	Income tax	77,500	77,500		
4	State Tax	10	10		
5					
6					
7					
8					
9					
10					

Line 23 (990-PF) - Other Expenses

14,338

14,338

0

0

	Description	Revenue and expenses per books	Net investment income	Adjusted net income	Disbursements for charitable purposes
1	Amortization See attached statement	0	0	0	0
2	Fund Raising				
3	Payroll taxes	13,707	13,707		
4	Bank and custody fees				
5	Postage				
6	Fees and Misc Office	631	631		
7	Other portfolio expenses from UBS K-1				
8					
9					
10					

Part II, Line 10b (990-PF) - Investments - Corporate Stock

			253,750	253,750	118,200	133,200
	Description	Num shares/ face value	(a) Book value beg of year	(b) Book value end of year	FMV beg of year	(c) FMV end of year
1						
2	5,000 shrs Schering-Plough		253,750	253,750	118,200	133,200
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

Part II, Line 13 (990-PF) - Investments - Other

			97,726,588	77,475,612	77,475,612
	Item or Category	Basis of Valuation	(a) Book value beg of year	(b) Book value end of year	(c) FMV end of year
1	UBS Bond Relationship Fund		10,945,501	-0-	-0-
2	UBS Global Securities Relationship Fund		86,781,087	77,475,612	77,475,612
3					
4					
5					
6					
7					
8					
9					
10					

Part II, Line 22 (990-PF) - Other Liabilities

10,056,483

2,690,963

	Description	(a) Beginning balance	(b) Ending balance
1	Unrealized Gain UBS Funds	9,306,483	1,790,963
2	Non-Qualified Post retirement benefit liability	750,000	900,000
3			
4			
5			
6			
7			
8			
9			

