See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490
**Exempt Organization Business Income Tax Return (and proxy tax under section 6033(a))**

For calendar year 2007 or other tax year beginning _______ and ending ________ See separate instructions.

**Print or Type**

- **Name of organization**
  - THE CALIFORNIA ENDOWMENT

- **Address**
  - 1000 N. ALAMEDA STREET
  - LOS ANGELES, CA 90012

- **Employer identification number**
  - 95-4523223

- **Unrelated business activity codes**
  - (See instructions for Block E on page 9)

- **Group exemption number**
  - 4657176628

**Describe the organization’s primary unrelated business activity**

- **DAN DELEON**

**Part I**

<table>
<thead>
<tr>
<th>Income</th>
<th>Expenses</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a Gross receipts or sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Cost of goods sold (Schedule A, line 7)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3 Gross profit Subtract line 2 from line 1c</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4a Capital gain net income (attach Schedule D)</td>
<td>4a</td>
<td></td>
</tr>
<tr>
<td>4b Net gain (loss) Form 4797, Part II, line 17 (attach Form 4797)</td>
<td>4b</td>
<td></td>
</tr>
<tr>
<td>4c Capital loss deduction for trusts</td>
<td>4c</td>
<td></td>
</tr>
<tr>
<td>5 Income (loss) from partnerships and S corporations (attach statement)</td>
<td>5</td>
<td>-1,225,910.</td>
</tr>
<tr>
<td>6 Rent income (Schedule C)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7 Unrelated debt-financed income (Schedule E)</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10 Exploited exempt activity income (Schedule I)</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>11 Advertising income (Schedule J)</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>12 Other income (See page 11 of the instructions, attach schedule)</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>13 Total. Combine lines 3 through 12</td>
<td>13</td>
<td>-1,225,910.</td>
</tr>
</tbody>
</table>

**Part II**

**Deductions Not Taken Elsewhere** (See page 12 of the instructions for limitations on deductions)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Compensation of officers, directors, and trustees (Schedule K)</td>
<td></td>
</tr>
<tr>
<td>15 Salaries and wages</td>
<td></td>
</tr>
<tr>
<td>16 Repairs and maintenance</td>
<td></td>
</tr>
<tr>
<td>17 Bad debts</td>
<td></td>
</tr>
<tr>
<td>18 Interest (attach schedule)</td>
<td></td>
</tr>
<tr>
<td>19 Taxes and licenses</td>
<td></td>
</tr>
<tr>
<td>20 Charitable contributions (See page 14 of the instructions for limitations)</td>
<td></td>
</tr>
<tr>
<td>21 Depreciation (attach Form 4562)</td>
<td>21</td>
</tr>
<tr>
<td>22 Less depreciation claimed on Schedule A and elsewhere on return</td>
<td>22a</td>
</tr>
<tr>
<td>23 Depletion</td>
<td>23</td>
</tr>
<tr>
<td>24 Contributions to deferred compensation plans</td>
<td>24</td>
</tr>
<tr>
<td>25 Employee benefit programs</td>
<td>25</td>
</tr>
<tr>
<td>26 Excess exempt expenses (Schedule I)</td>
<td>26</td>
</tr>
<tr>
<td>27 Excess readjustment costs (Schedule J)</td>
<td>27</td>
</tr>
<tr>
<td>28 Other deductions (attach schedule)</td>
<td>28</td>
</tr>
<tr>
<td>29 Total deductions. Add lines 14 through 28</td>
<td>29</td>
</tr>
<tr>
<td>30 Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13</td>
<td>30</td>
</tr>
<tr>
<td>31 Net operating loss deduction (limited to the amount on line 30)</td>
<td>31</td>
</tr>
<tr>
<td>32 Unrelated business taxable income before specific deduction Subtract line 31 from line 30</td>
<td>32</td>
</tr>
<tr>
<td>33 Specific deduction (Generally $1,000, but see line 33 instructions for exceptions)</td>
<td>33</td>
</tr>
<tr>
<td>34 Unrelated business taxable income Subtract line 33 from line 32 If line 33 is greater than line 32, enter the smaller of zero or line 32</td>
<td>34</td>
</tr>
</tbody>
</table>

**For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form 990-T (2007)

509
### Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions on page 20)

1 **Description of property**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
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<td>(1)</td>
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<td>(4)</td>
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</tr>
</tbody>
</table>

2 **Rent received or accrued**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)</td>
<td>(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)</td>
<td>3 Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1)</td>
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<tr>
<td>(4)</td>
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</tbody>
</table>

**Total**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total income</td>
<td>Add totals of columns 2(a) and 2(b) Enter here and on page 1, Part I, line 6, column (A).</td>
</tr>
</tbody>
</table>

**Schedule E - Unrelated Debt-Financed Income** (see instructions on page 20)

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Description of debt-financed property</td>
<td>2 Gross income from or allocable to debt-financed property</td>
<td>3 Deductions directly connected with or allocable to debt-financed property</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Straight line depreciation (attach schedule)</td>
<td>(b) Other deductions (attach schedule)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td>(4)</td>
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</tr>
</tbody>
</table>

4 **Amount of average acquisition debt or allocable to debt-financed property (attach schedule)**

5 **Average adjusted basis of or allocable to debt-financed property (attach schedule)**

6 **Column 4 divided by column 5**

7 **Gross income reportable (column 2 x column 6)**

8 **Allocable deductions (column 6 x total of columns 3(a) and 3(b))**

<p>| | | | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>(1)</td>
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<tr>
<td>(4)</td>
<td>%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals**

**Enter here and on page 1, Part I, line 7, column (A)**

**Enter here and on page 1, Part I, line 7, column (B)***

---

### Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations

(see instructions on page 21)

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1 Name of Controlled Organization</td>
<td>2 Employer Identification Number</td>
<td>Exempt Controlled Organizations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3 Net unrelated income (loss) (see instructions)</td>
<td>4 Total of specified payments made</td>
<td>5 Part of column 4 that is included in the controlling organization's gross income</td>
<td>6 Deductions directly connected with income in column 5</td>
</tr>
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</tbody>
</table>

**Nonexempt Controlled Organizations**

<p>| | | | | | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>7 Taxable Income</td>
<td>8 Net unrelated income (loss) (see instructions)</td>
<td>9 Total of specified payments made</td>
<td>10 Part of column 9 that is included in the controlling organization's gross income</td>
<td>11 Deductions directly connected with income in column 10</td>
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</tbody>
</table>

**Totals**

Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)

Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)

---

**Form 990-T (2007)**

**JSA**

**7E1630 2 000**

**00796U 1673**

**V07-8.7**

**511**
ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

INVESTMENT INCOME DERIVED FROM OWNERSHIP OF PARTNERSHIP INTERESTS PURCHASED FOR PASSIVE INVESTMENT PURPOSES.
FORM 990T - LINE 5 - INCOME (LOSS) FROM PARTNERSHIPS
-----------------------------------------------------------------------------------------

NET PASS-THROUGH UBTI FROM PARTNERSHIPS
------------------------------------------

INCOME (LOSS) FROM PARTNERSHIPS
---------------------------------  

-1,225,910.

-----------------------------------------------------------------------------------------

STATEMENT 2

00796U 1673

V07-8.7

514
# THE CALIFORNIA ENDOWMENT

FOR YEAR ENDED FEBRUARY 29, 2008

## FORM 990-T, NET OPERATING LOSS DEDUCTION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2/29/2008</td>
<td>620,252</td>
<td>-</td>
<td>620,252</td>
</tr>
</tbody>
</table>

**TOTALS**

<p>| | | | |</p>
<table>
<thead>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>620,252</td>
</tr>
</tbody>
</table>

## FORM 990-T, CAPITAL LOSS CARRYFORWARD

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>2/29/2008</td>
<td>605,658</td>
<td>-</td>
<td>605,658</td>
</tr>
</tbody>
</table>

**TOTALS**

<p>| | | | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>605,658</td>
</tr>
</tbody>
</table>
### Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions on page 22)

<table>
<thead>
<tr>
<th>Description of income</th>
<th>Amount of income</th>
<th>Deductions directly connected (attach schedule)</th>
<th>Set-asides (attach schedule)</th>
<th>Total deductions and set-asides (col 3 plus col 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Totals: Enter here and on page 1, Part I, line 9, column (A)

### Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions on page 22)

<table>
<thead>
<tr>
<th>Description of exploited activity</th>
<th>Gross unrelated business income from trade or business</th>
<th>Expenses directly connected with production of unrelated business income</th>
<th>Net income (loss) from unrelated trade or business (column 2 minus column 3) if a gain, compute cols 5 through 7</th>
<th>Gross income from activity that is not unrelated business income</th>
<th>Expenses attributable to column 5</th>
<th>Excess exempt expenses (column 6 minus column 5, but not more than column 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
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<td>(4)</td>
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</tr>
</tbody>
</table>

Totals: Enter here and on page 1, Part I, line 26

### Schedule J - Advertising Income
(see instructions on page 22)

#### Part I - Income From Periodicals Reported on a Consolidated Basis

<table>
<thead>
<tr>
<th>Name of periodical</th>
<th>Gross advertising income</th>
<th>Direct advertising costs</th>
<th>Advertising gain or (loss) (col 2 minus col 3) if a gain, compute cols 5 through 7</th>
<th>Circulation income</th>
<th>Readership costs</th>
<th>Excess readership costs (column 6 minus column 5, but not more than column 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
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<tr>
<td>(4)</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Totals (carry to Part II, line (i)):

#### Part II - Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

<table>
<thead>
<tr>
<th>Total from Part I</th>
<th>Enter here and on page 1, Part I, line 11, col (A)</th>
<th>Enter here and on page 1, Part I, line 11, col (B)</th>
<th>Enter here and on page 1, Part II, line 27</th>
</tr>
</thead>
<tbody>
<tr>
<td>(5)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Schedule K - Compensation of Officers, Directors, and Trustees
(see instructions on page 23)

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Percent of time devoted to business</th>
<th>Compensation attributable to unrelated business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total: Enter here and on page 1, Part II, line 14
Part III  Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15.
Controlled group members (sections 1551 and 1563) check here □ See instructions and:
a Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order)
   (1) □  
   (2) □  
   (3) □  
b Enter organization's share of (1) Additional 5% tax (not more than $11,750) ...
   (2) Additional 3% tax (not more than $100,000) ...
c Income tax on the amount on line 34 □ 35c

36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from □ Tax rate schedule or □ Schedule D (Form 1041) □ 36

37 Proxy tax. See page 16 of the instructions □ 37

38 Alternative minimum tax □ 38

39 Total. Add lines 37 and 38 to line 35c or 35, whichever applies □ 39

Part IV  Tax and Payments

40 a Foreign tax credit (corporations attach Form 1116, trusts attach Form 1116) □ 40a
b Other credits (see page 17 of the instructions) □ 40b
c General business credit. Check here and indicate which forms are attached □ Form 3800 □ Form(s) (specify) □ 40c
d Credit for prior year minimum tax (attach Form 8801 or 8827) □ 40d

e Total credits. Add lines 40a through 40d □ 40e

41 Subtract line 40e from line 39 □ 41

42 Other taxes. Check if from □ Form 4255 □ Form 8611 □ Form 8697 □ Form 8868 □ Other (attach schedule) □ 42

43 Total tax. Add lines 41 and 42 □ 43

44 a Payments. A 2006 overpayment credited to 2007 □ 44a
b 2007 estimated tax payments □ 44b
c Tax deposited with Form 8886 □ 44c
d Foreign organizations. Tax paid or withheld at source (see instructions) □ 44d
e Backup withholding (see instructions) □ 44e

f Other credits and payments □ Form 2439 □ Form 4136 □ Other □ Total □ 44f

45 Total payments. Add lines 44a through 44f □ 45

46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached □ 46

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed □ 47

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid □ 48

49 Enter the amount of line 48 you want credited to 2008 estimated tax □ Refunded □ 49

Part V  Statements Regarding Certain Activities and Other Information (see instructions on page 18)

1 At any time during the 2007 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1 □ If YES, enter the name of the foreign country here □ X

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? □ X

3 Enter the amount of tax-exempt interest received or accrued during the tax year □ $

Schedule A - Cost of Goods Sold. Enter method of inventory valuation □

1 Inventory at beginning of year □ 1
2 Purchases □ 2
3 Cost of labor □ 3
4a Additional section 263A costs (attach schedule) □ 4a
4b Other costs (attach schedule) □ 4b
5 Total. Add lines 1 through 4b □ 5

6 Inventory at end of year □ 6
7 Cost of goods sold. Subtract line 6 from line 5 Enter here and in Part I, line 2 □ 7
8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? □ Yes □ No

Sign Here □
Signature of preparer □
Date 10-15-09 □
Title □

Paid Preparer's Use Only
Preparer's signature □
Date 10-19-09 □
Check if self-employed □
Preparer's SSN or PTIN □
Form's name (or yours if self-employed), address, and ZIP code □
May the IRS discuss this return with the preparer shown below (see instructions)? □ Yes □ No

JSA
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