

Return of Organization Exempt From Income Tax

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

2007

Open to Public Inspection

Department of the Treasury Internal Revenue Service(77)

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

A For the 2007 calendar year, or tax year beginning, 2007, and ending

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

C CONSUMER EDUCATION FOUNDATION 4182 BECK AVE. STUDIO CITY, CA 91604

D Employer Identification Number 95-4720268 E Telephone number 818-980-0340 F Accounting method: [X] Cash [] Accrual [] Other (specify)

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? [] Yes [X] No H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? [] Yes [] No H (d) Is this a separate return filed by an organization covered by a group ruling? [] Yes [X] No

G Web site: N/A

J Organization type (check only one) [X] 501(c) 4 (insert no) [] 4947(a)(1) or [] 527

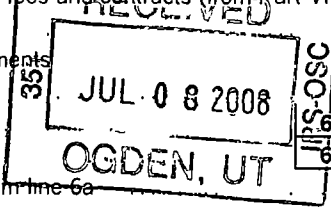
K Check here [] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000

I Group Exemption Number M Check [X] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 1,747,114.

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

Table with 21 rows and 3 columns: Description, Amount, and Total. Includes sections for Revenue (lines 1-12) and Expenses (lines 13-17), and Net Assets (lines 18-21). Total revenue is 520,032 and total expenses is 316,140.



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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 (See instructions)

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) (cash \$ 150,000. non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b	150,000.	150,000.	
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	25a	100,000.	95,000.	5,000.
b Compensation of former officers, directors, key employees, etc listed in Part V-B	25b	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).	25c	0.	0.	0.
26 Salaries and wages of employees not included on lines 25a, b, and c	26			
27 Pension plan contributions not included on lines 25a, b, and c	27			
28 Employee benefits not included on lines 25a - 27	28	10,143.	9,636.	507.
29 Payroll taxes	29	5,423.	5,152.	271.
30 Professional fundraising fees	30			
31 Accounting fees	31	3,900.		3,900.
32 Legal fees	32			
33 Supplies	33			
34 Telephone	34	95.		95.
35 Postage and shipping	35	73.		73.
36 Occupancy	36			
37 Equipment rental and maintenance	37			
38 Printing and publications	38			
39 Travel	39			
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42	3,807.		3,807.
43 Other expenses not covered above (itemize)				
a SEE STATEMENT 2	43a	42,699.	7,752.	34,947.
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	316,140.	267,540.	48,600.

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 (See the instructions.)

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? ▶ SEE ATTACHED STATEMENT 5. 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 TO EDUCATE THE PUBLIC AND ADVOCATE THE PUBLIC INTEREST IN PARTICIPATION OF PUBLIC PROCESSES AND DEMOCRATIC INSTITUTIONS. SEE STATEMENT 5. (Grants and allocations \$ 150,000.) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	208,770.
b TO PROVIDE THE PUBLIC WITH CONSUMER INFORMATION AND ANALYSIS OF PUBLIC POLICY ISSUES. SEE STATEMENT 5. (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	58,770.
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) ▶	267,540.

BAA

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing		45	
	46 Savings and temporary cash investments	78,436.	46	71,303.
	47 a Accounts receivable	47 a		
	b Less: allowance for doubtful accounts	47 b	47 c	
	48 a Pledges receivable	48 a		
	b Less: allowance for doubtful accounts	48 b	48 c	
	49 Grants receivable		49	
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50 a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50 b	
	51 a Other notes and loans receivable (attach schedule)	51 a		
	b Less: allowance for doubtful accounts	51 b	51 c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 a Investments – publicly-traded securities STMT 3 <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV	3,526,781.	54 a	3,741,252.
	b Investments – other securities (attach sch) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54 b	
	55 a Investments – land, buildings, & equipment basis	55 a		
	b Less: accumulated depreciation (attach schedule)	55 b	55 c	
	56 Investments – other (attach schedule)		56	
	57 a Land, buildings, and equipment basis	57 a 25,912.		
b Less: accumulated depreciation (attach schedule) STATEMENT 4	57 b 20,135.	9,223.	57 c 5,777.	
58 Other assets, including program-related investments (describe ► _____)		58		
59 Total assets (must equal line 74) Add lines 45 through 58	3,614,440.	59	3,818,332.	
LIABILITIES	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe ► _____)		65	
	66 Total liabilities. Add lines 60 through 65	0.	66	0.
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	3,614,440.	72	3,818,332.
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)	3,614,440.	73	3,818,332.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	3,614,440.	74	3,818,332.	

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
HARVEY ROSENFELD P.O. BOX 1980 SANTA MONICA, CA 90406	PRESIDENT 35.00	100,000.	0.	10,143.
JAY ANGOFF 216 EAST MCCARTY STREET JEFFERSON CITY, MO 65101	DIRECTOR 0	0.	0.	0.
JOHN PHILLIPS 1906 SUNDERLAND PLACE NW WASHINGTON, DC 20036	DIRECTOR 0	0.	0.	0.
ANN CARLSON 405 HILGARD, BOX 951476 LOS ANGELES, CA 90065	DIRECTOR 0	0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

Yes No

- 75 a** Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 4
- 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)
- 75 b** Yes No
- 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'
- 75 c** Yes No
- If 'Yes,' attach a statement that includes the information described in the instructions
- d** Does the organization have a written conflict of interest policy?
- 75 d** Yes No

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other

Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(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 *(See the instructions.)*

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** Yes No
- 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** Yes No
- 78 a** Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
- 78 a** Yes No
- b** If 'Yes,' has it filed a tax return on Form 990-T for this year?
- 78 b** Yes No
 N/A
- 79** Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement
- 79** Yes No
- 80 a** 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?
- 80 a** Yes No
- b** If 'Yes,' enter the name of the organization ▶ N/A and check whether it is exempt or nonexempt
- 81 a** Enter direct and indirect political expenditures. (See line 81 instructions)
- 81 a** 0.
- b** Did the organization file Form 1120-POL for this year?
- 81 b** Yes No

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Part VI Other Information (continued)

		Yes	No
82 a	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
82 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.)		
	N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 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 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		X
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		X
	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.		
85 c	Dues, assessments, and similar amounts from members		0.
85 d	Section 162(e) lobbying and political expenditures		0.
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		0.
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		0.
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85 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 a	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12		N/A
86 b	Gross receipts, included on line 12, for public use of club facilities		N/A
87 a	501(c)(12) organizations Enter: a Gross income from members or shareholders		N/A
87 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
88 a	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
88 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
89 a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under section 4911 <u>N/A</u> , section 4912 <u>N/A</u> , section 4955 <u>N/A</u>		
89 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
89 c	Enter amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
89 d	Enter amount of tax on line 89c, above, reimbursed by the organization		0.
89 e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89 f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89 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
90 a	List the states with which a copy of this return is filed <u>CA</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)		0
91 a	The books are in care of <u>PAMELA KAIZER</u> Telephone number <u>(818) 980-0340</u> Located at <u>4182 BECK AVENUE, STUDIO CITY, CA</u> ZIP + 4 <u>91604</u>		
91 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)? If 'Yes,' enter the name of the foreign country _____		X
	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)

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

Note: Enter gross amounts unless otherwise indicated.

	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					
96 Dividends & interest from securities			14	148,980.	
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			18	371,052.	
101 Net income or (loss) from special events					
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))				520,032.	
105 Total (add line 104, columns (B), (D), and (E))					520,032.

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)
N/A	

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).

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

Yes	No
	X

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

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

Yes	No
	X

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

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?

Yes	No
	X

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.

Please Sign Here

Signature of officer: ARVEY ROSENFIELD Date: 6/29/08
 Type or print name and title: ARVEY ROSENFIELD PRESIDENT

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 6/20/08 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: JENKINS, BOWLER & PERKINS LLP
626 S LAKE AVE
PASADENA, CA 91106-3918

Preparer's SSN or PTIN (See General Instruction X): P00008092
 EIN: 95-2131722
 Phone no: (626) 792-2179

STATEMENT 1
FORM 990, PART I, LINE 8
NET GAIN (LOSS) FROM NONINVENTORY SALES

PUBLICLY TRADED SECURITIES

GROSS SALES PRICE: 1,598,134.
 COST OR OTHER BASIS: 1,227,082.

TOTAL GAIN (LOSS) PUBLICLY TRADED SECURITIES \$ 371,052.

TOTAL NET GAIN (LOSS) FROM NONINVENTORY SALES \$ 371,052.

STATEMENT 2
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
ADMINISTRATIVE CONSULTING	4,485.		4,485.	
BANK CHARGES	130.		130.	
INSURANCE	2,555.	1,277.	1,278.	
INVESTMENT COUNSELLOR	27,914.		27,914.	
MARKETING	6,475.	6,475.		
OFFICE EXPENSE	1,055.		1,055.	
TAXES AND LICENSES	85.		85.	
TOTAL	\$ <u>42,699.</u>	\$ <u>7,752.</u>	\$ <u>34,947.</u>	\$ <u>0.</u>

STATEMENT 3
FORM 990, PART IV, LINE 54A
INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>OTHER PUBLICLY TRADED SECURITIES</u>	<u>VALUATION METHOD</u>	<u>AMOUNT</u>
TOTAL OTHER PUBLICLY TRADED SECURITIES	COST	\$ 3,741,252.
	TOTAL	\$ <u>3,741,252.</u>

PUBLICLY TRADED SECURITIES \$ 3,741,252.

STATEMENT 4
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE
MACHINERY AND EQUIPMENT	\$ 25,912.	\$ 20,135.	\$ 5,777.
TOTAL	<u>\$ 25,912.</u>	<u>\$ 20,135.</u>	<u>\$ 5,777.</u>

Consumer Education Foundation
EIN 95-4720268
For Year Ended 12/31/07

STATEMENT 5
FORM 990, PART III

During 2007, the CEF supported two projects consistent with its goal of utilizing the Foundation's resources so as maximize the impact of its resources.

1. Online Educational and Advocacy Grant to the Oaks Project/Foundation for Taxpayer and Consumer Rights.

In previous years, the CEF has provided ongoing support to the Oaks Project of the Foundation for Taxpayer and Consumer Rights, a California-based non-profit organization, to develop a new model of public participation that encourages Americans to participate more directly and deeply in public processes and democratic institutions. (The Foundation changed its name to Consumer Watchdog in April, 2008). The organization has developed and expanded an innovative citizen participation model that engaged in recruitment, training, legislative advocacy, grassroots campaigning, and public education. FTCCR reported the following activities funded by the CEF grant:

A. Educating and activating citizens online. In 2007, FTCCR completed an extensive, two-year overhaul of the consumerwatchdog.org internet portal for its online educational and e-advocacy activities.

Through its website, the project educates the public about corporate and political accountability efforts of the organization and provides tools for citizens to get involved in important public debates concerning corporate and political reform issues. The purpose of the CEF grant was to enable the organization to expand and improve its accessibility to the public, press and policymakers as the internet becomes the core communications medium in the country, and to assist the organization in pioneering new models of online activity.

The renovation applied "web 2.0" tools to provide ease of use, depth of information, page-oriented public involvement tools, connectivity and public participation in the organization's work. The organization reported strong initial results with significant increases in web traffic, email views, consumer complaints and YouTube video views.

A portion of the CEF grant was directed to the research and publication of a comprehensive analysis of how the new structures and styles dominating the web can be used to engage a new community of activists and concerned citizens. The report, intended for the use of nonprofit groups and other activist organizations, may be found at <http://www.consumerwatchdog.org/resources/activistweb.pdf>.

B. Improving Government Integrity and Accountability. The organization's successful sponsorship of municipal conflict of interest laws was followed in 2007 by related efforts at the state level in California. In response to a petition from the organization, the

Consumer Education Foundation
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STATEMENT 5
FORM 990, PART III

(...Continued from Previous Page)

California Fair Political Practices Commission issued a regulation that requires elected officials to disclose and defend the official purpose of "campaign expenditures" made on international travel. The organization also called public attention to the practice by some elected officials of directing money to non-profit organizations in order to avoid campaign contribution and disclosure laws.

Grantee: Oaks Project, c/o Foundation for Taxpayer and Consumer Rights
Amount: \$150,000
Address: 1750 Ocean Park #200, Santa Monica, CA 90405
Contact: Jamie Court, President

2. CEF Consumer Legislation Project

In 2007, CEF staff inaugurated an internal project to address problems consumers face in the modern commercial marketplace. The aim of this project will be to develop a model consumer protection law.

The first phase of the project will be to draft the proposal and circulate it for comment among educators and consumer advocates. This phase is expected to be completed by the third quarter of 2008.

The next phase of the project will be to utilize the internet to encourage public participation in the process of reviewing and refining the legislation. In an innovative application of "wiki" technology, consumers will be able to propose changes in the draft model as well as raise additional issues that the model legislation might address. A prototype web site has been established for this purpose: www.givememymoneyback.com. The site is expected to be activated by the end of 2008.

The last phase of the project will be publication of the final proposal. This is expected in 2009.

3. Loss Prevention

CEF has initiated a web site to provide the public with consumer information and analysis of public policy issues related to loss prevention practices:
www.honestanswers.org.

CONSUMER EDUCATION FOUNDATION
(EIN 95-4720268)
Grants and Allocations
For the Year Ended 12/31/2007

Schedule to Form 990, Part II, Line 22b
Grants and Allocations

<u>Donee and Address</u>	<u>Activity</u>	<u>Amount Given</u>
Foundation for Taxpayers and Consumer Rights 1750 Ocean Park Blvd., #200 Santa Monica, CA 90405	See Statement 5	150,000
Total Amount Given in 2007		\$ 150,000

CONSUMER EDUCATION FOUNDATION
(EIN 95-4720268)
Investment Securities
For the Year Ended 12/31/2007

Schedule to Form 990, Part IV, Line 54a
Investments - Securities

	<u>Beginning of Year</u>	<u>End of Year</u>
Bond Funds		
Loomis Syles Bond Class I	\$ -	\$ 169,217
Pimco Foreign Unhedged Fund	222,159	155,070
Pimco Low Duration Fund	242,726	282,833
Pimco Total Return	336,466	190,050
Total Bond Funds	<u>801,351</u>	<u>797,170</u>
Equity Funds		
Allianz CCM Emerging Companies Inst'l CI	140,507	-
Allianz OCC Opportunity Fund Inst'l CI	-	137,695
Artisan Int'l Fund	115,204	142,593
Calamos Growth Fund CI A	110,033	-
Calamos Market Neutral Inc. Fd CI A	-	289,428
Chesapeake Core Growth Fund	276,888	290,856
Cohen & Steers International Realty	146,536	159,887
Cohen & Steers Realty	101,599	107,636
Dodge & Cox International Stock Fund	166,986	163,253
Dodge & Cox Stock Fund	194,772	209,809
Hussman Strategic Growth	283,476	-
ICM Small-Cap Company Portfolio Inst'l CI	127,694	119,339
Ivy Global Natural Resources Fund CI A	237,817	-
Ivy Global Natural Resources Fund CI Y	-	329,388
JP Morgan Mid-Cap Value Fund Inst'l Shares	116,798	99,547
Merger Fund	284,923	304,403
Morgan Stanley Inst'l Emerging Markets	63,106	86,398
Morgan Stanley Trust Mid Cap Growth Inst	-	136,851
Oakmark International Small Cap Fund	155,065	167,946
Selected American Shares	204,026	199,053
Total Equity Funds	<u>2,725,430</u>	<u>2,944,082</u>
	<u>\$ 3,526,781</u>	<u>\$ 3,741,252</u>