

Form **990-PF**

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

OMB No 1545-0052

**2008**

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 2008, or tax year beginning , 2008, and ending , 20

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

<b>Use the IRS label. Otherwise, print or type. See Specific Instructions.</b>	Name of foundation The George Lucas Educational Foundation		<b>A Employer identification number</b> 68-0065687
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	<b>B Telephone number (see page 10 of the instructions)</b> (415) 662-1800
	City or town, state, and ZIP code San Rafael, CA 94912		<b>C If exemption application is pending, check here</b> <input type="checkbox"/>

**H Check type of organization**  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

**I Fair market value of all assets at end of year (from Part II, col. (c), line 16)** ▶ \$ 845,552.

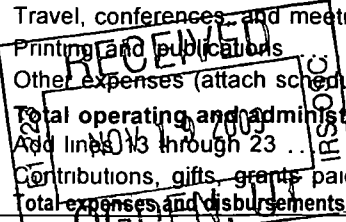
**J Accounting method:**  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
 (Part I, column (d) must be on cash basis)

**E If private foundation status was terminated under section 507(b)(1)(A), check here...**

**F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here...**

<b>Part I Analysis of Revenue and Expenses</b> (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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received (attach schedule) <sup>Stmt. 1</sup>	4,088,789.			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 <sup>Stmt. 2</sup>	6,738.			
	b Gross sales price for all assets on line 6a	7,000.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10a Gross sales less returns and allowances	12,454.			
b Less: Cost of goods sold	21,803.				
c Gross profit or (loss) (attach schedule) <sup>Stmt. 12</sup>	-9,349.		-9,349.		
11 Other income (attach schedule) <sup>Stmt. 1</sup>	1,270,980.		1,270,980.		
12 Total. Add lines 1 through 11	5,357,158.	0.	1,261,631.		
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc	220,876.			220,876.
	14 Other employee salaries and wages	2,464,137.		376,209.	2,087,930.
	15 Pension plans, employee benefits	608,920.		84,738.	524,183.
	16a Legal fees (attach schedule) <sup>Stmt. 3</sup>	36,780.		4,609.	7,584.
	b Accounting fees (attach schedule) <sup>Stmt. 3</sup>	59,060.		5,452.	8,258.
	c Other professional fees (attach schedule) <sup>Stmt. 3</sup>	297,911.		113,368.	173,117.
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) <sup>Stmt. 4</sup>	160.			
	19 Depreciation (attach schedule) and depletion <sup>Stmt. 5</sup>	36,723.			
	20 Occupancy <sup>Stmt. 10</sup>				
	21 Travel, conferences, and meetings	163,715.		28,412.	80,844.
	22 Printing and publications	470,681.		185,343.	280,739.
	23 Other expenses (attach schedule) <sup>Stmt. 6</sup>	1,452,500.		333,172.	971,475.
	24 Total operating and administrative expenses. Add lines 13 through 23	5,811,463.	0.	1,131,303.	4,355,006.
	25 Contributions, gifts, grants paid	278,985.			145,655.
26 Total expenses and disbursements. Add lines 24 and 25	6,090,448.	0.	1,131,303.	4,500,661.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-733,290.				
b Net investment income (if negative, enter -0-)		0.			
c Adjusted net income (if negative, enter -0-)			130,328.		

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For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash—non-interest-bearing .....	186,417.	337,629.	337,629.		
	2	Savings and temporary cash investments .....					
	3	Accounts receivable ▶ 325,937.					
		Less: allowance for doubtful accounts ▶ 38,930.	350,183.	287,007.	287,007.		
	4	Pledges receivable ▶ .....					
		Less: allowance for doubtful accounts ▶ .....	0.				
	5	Grants receivable .....	625,000.				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) .....					
	7	Other notes and loans receivable (attach schedule) ▶ .....					
		Less allowance for doubtful accounts ▶ .....	0.				
	8	Inventories for sale or use .....	34,069.	53,572.	53,572.		
	9	Prepaid expenses and deferred charges .....	99,770.	73,134.	73,134.		
	10a	Investments—US and state government obligations (attach schedule) .....					
	b	Investments—corporate stock (attach schedule) .....					
	c	Investments—corporate bonds (attach schedule) .....					
	11	Investments—land, buildings, and equipment: basis ▶ .....					
	Less accumulated depreciation (attach schedule) ▶ .....	0.					
12	Investments—mortgage loans .....						
13	Investments—other (attach schedule) .....						
14	Land, buildings, and equipment: basis ▶ 446,505.						
	Less: accumulated depreciation (attach schedule) ▶ Stmt 5 352,295.	44,276.	94,210.	94,210.			
15	Other assets (describe ▶ .....						
16	<b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I) .....	1,339,715.	845,552.	845,552.			
Liabilities	17	Accounts payable and accrued expenses .....	306,220.	408,953.			
	18	Grants payable .....	25,000.	91,660.			
	19	Deferred revenue .....	3,673.	73,407.			
	20	Loans from officers, directors, trustees, and other disqualified persons .....					
	21	Mortgages and other notes payable (attach schedule) .....					
	22	Other liabilities (describe ▶ .....					
	23	<b>Total liabilities</b> (add lines 17 through 22) .....	334,893.	574,020.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted .....	755,340.	-135,275.			
	25	Temporarily restricted .....	249,482.	406,807.			
	26	Permanently restricted .....					
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.						
	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 .....						
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) .....	1,004,822.	271,532.				
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) .....	1,339,715.	845,552.				

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) .....	1 1,004,822.
2	Enter amount from Part I, line 27a .....	2 -733,290.
3	Other increases not included in line 2 (itemize) ▶ .....	3
4	Add lines 1, 2, and 3 .....	4 271,532.
5	Decreases not included in line 2 (itemize) ▶ .....	5
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5)—Part II, column (b), line 30 .....	6 271,532.

**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 None				
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				(l) 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 nonchangible-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2007	3,978,391.	183,261.	21.708880
2006	3,845,775.	315,923.	12.173140
2005	3,180,660.	367,357.	8.658226
2004	2,761,422.	332,394.	8.307677
2003	1,900,938.	174,529.	10.891817

2 Total of line 1, column (d) . . . . .	2	61.739740
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	12.340000
4 Enter the net value of nonchangible-use assets for 2008 from Part X, line 5 . . . . .	4	353,694.
5 Multiply line 4 by line 3 . . . . .	5	4,364,584.
6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	6	0.
7 Add lines 5 and 6 . . . . .	7	4,364,584.
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	4,543,398.

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

<b>1a</b> Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter _____ (attach copy of ruling letter if necessary—see instructions)	}	<b>1</b>	0
<b>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
<b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		<b>2</b>	0.
<b>3</b> Add lines 1 and 2		<b>3</b>	
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		<b>4</b>	0.
<b>5</b> Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		<b>5</b>	
<b>6</b> Credits/Payments			
<b>a</b> 2008 estimated tax payments and 2007 overpayment credited to 2008	<b>6a</b>		
<b>b</b> Exempt foreign organizations—tax withheld at source	<b>6b</b>		
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>		
<b>d</b> Backup withholding erroneously withheld	<b>6d</b>		
<b>7</b> Total credits and payments. Add lines 6a through 6d		<b>7</b>	0.
<b>8</b> Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		<b>8</b>	
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		<b>9</b>	0.
<b>10</b> Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		<b>10</b>	0.
<b>11</b> Enter the amount of line 10 to be Credited to 2009 estimated tax Refunded		<b>11</b>	0.

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
<b>c</b> Did the foundation file Form 1120-POL for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ NONE (2) On foundation managers. ▶ \$ NONE		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ NONE		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		X
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
<b>b</b> If "Yes," has it filed a tax return on Form 990-T for this year?	X	
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ CALIFORNIA		
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	X	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	X	
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

**Part VII-A Statements Regarding Activities (continued)**

11	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) .....	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? .....	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>www.edutopia.org</u>	13	X	
14	The books are in care of ▶ <u>Therese Marrett, Lucasfilm Ltd.</u> Telephone no ▶ <u>415-623-1988</u> Located at ▶ <u>P.O. Box 29901, San Francisco, CA</u> ZIP+4 ▶ <u>94129</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ..... ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ..... ▶ <u>15</u> 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? .....		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? .... <input checked="" type="checkbox"/> Yes <input 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)? .....		
(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) .....		
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 20 of the instructions)? .....	1b	X
Organizations relying on a current notice regarding disaster assistance check here ..... ▶ <input type="checkbox"/>		
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 2008? .....	1c	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)). N/A		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? .....		
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 20 of the instructions.) .....	2b	
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 2008 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 2008) .....	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	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 2008?	4b	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 **N/A**  
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 **6b** X  
If you answered "Yes" to 6b, also file Form 8870

**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** N/A

**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 22 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
Stmt. 7		0.		
		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
Stmt. 8				

**Total number of other employees paid over \$50,000**  **10**

**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
Brown Printing P.O. Box 704, Waseca, MN 56093	Printing Edutopia magazine and membership collateral	201,959.
Watershed Company, Inc. 100 Bush Street, Suite 850, San Francisco, CA 94104	Consulting services for the development and delivery of the online membership program	103,320.
Stark Services, Inc. 12444 Victory Blvd, North Hollywood, CA 91606	Provided fulfillment and database services for membership and magazine	86,901.
Laura Morris Designs, Inc. 4010 Baywater Point, High Point, NC 27265	Provided art direction and graphic design for Edutopia magazine	79,170.
Bloomsday Marketing, Inc. P.O. Box 127, Cherry Valley, NY 13320	Independent Advertising Sales Representative	77,165.
<b>Total number of others receiving over \$50,000 for professional services</b>		<b>2</b>

**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 Stmt. 9	4,950,662.
2	
3	
4	

**Part IX-B Summary of Program-Related Investments (see page 23 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 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	
<b>Total. Add lines 1 through 3</b>	<b>0.</b>

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	
<b>b</b>	Average of monthly cash balances	<b>1b</b>	359,080.
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	
<b>d</b>	Total (add lines 1a, b, and c)	<b>1d</b>	359,080.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	359,080.
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	5,386.
<b>5</b>	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	353,694.
<b>6</b>	Minimum investment return. Enter 5% of line 5	<b>6</b>	17,685.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	0.
<b>2a</b>	Tax on investment income for 2008 from Part VI, line 5	<b>2a</b>	0.
<b>b</b>	Income tax for 2008 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	0.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	0.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	0.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	0.

**Part XII** **Qualifying Distributions** (see page 25 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	4,500,661.
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	42,737.
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	4,543,398.
<b>5</b>	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)	<b>5</b>	0.
<b>6</b>	Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	4,543,398.

**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) N/A

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2007.				
a Enter amount for 2007 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008.				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e				
4 Qualifying distributions for 2008 from Part XII, line 4: ► \$ _____				
a Applied to 2007, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2008 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2008 (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				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
e Undistributed income for 2007. Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009				
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 2003 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

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

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling 08/30/1993  
**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) 2008	(b) 2007	(c) 2006	(d) 2005	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	17,685.	9,181.	2,166.	5,145.	34,177.
<b>b</b> 85% of line 2a	15,032.	7,804.	1,841.	4,373.	29,050.
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed	4,543,398.	3,978,391.	3,845,775.	3,180,660.	15,548,224.
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities	145,655.				145,655.
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	4,397,743.	3,978,391.	3,845,775.	3,180,660.	15,402,569.
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test—enter					
<b>(1)</b> Value of all assets					0.
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
<b>b</b> "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	11,790.	6,121.	10,531.	12,246.	40,688.
<b>c</b> "Support" alternative test—enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0.
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
<b>(3)</b> Largest amount of support from an exempt organization					0.
<b>(4)</b> 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 27 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).)  
 George W. Lucas, Jr.

**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.  
 N/A

**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.  
 N/A

**b** The form in which applications should be submitted and information and materials they should include  
 N/A

**c** Any submission deadlines  
 N/A

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors  
 N/A

**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
<b>a Paid during the year</b> Bellevue Schools Foundation PO Box 40644 Bellevue, WA 98015	N/A	501(c)(3)	Support of educational programs	91,670.
Stanford University Office of Sponsorship Research Stanford, CA 94305-6203	N/A	501(c)(3)	Support of educational programs	53,985.
<b>Total</b> ..... ▶ <b>3a</b>				145,655.
<b>b Approved for future payment</b> Bellevue Schools Foundation PO Box 40644 Bellevue, WA 98015	N/A	501(c)(3)	Support of educational programs	183,330.
<b>Total</b> ..... ▶ <b>3b</b>				183,330.





**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No 1545-0047

**2008**

Name of the organization

George Lucas Educational Foundation

Employer identification number

68-0065687

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

**General Rule**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ▶ \$ .....

**Caution.** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

<b>Name of organization</b> George Lucas Educational Foundation	<b>Employer identification number</b> 68-0065687
--	---

**Part I Contributors (see instructions)**

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Lucasfilm Foundation PO Box 29901 San Francisco, CA 94129	\$ 3,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	MacArthur Foundation 140 South Dearborn, Suite 1200 Chicago, IL 60603-5285	\$ 450,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	JWL Foundation c/o Howson & Simon LLP 101 Ygnacio Valley Rd. Suite 310 Walnut Creek, CA 94596-7018	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

The George Lucas Educational Foundation  
December 31, 2008  
E.I.N. 68-0065687

	<u>Amount</u>
<u>Statement 1 - Part I, line 1</u>	
Contributions, gifts, etc.:	
Gifts from Public - Cash	\$ 138,789
Grant Revenue - MacArthur Foundation	450,000
Gifts from Lucasfilm Foundation - Cash	3,500,000
Total Contributions, gifts, etc	<u>\$ 4,088,789</u>

Statement 1 - Part 1, line 11

Other Income:	
Edutopia Advertising Revenue	\$ 1,126,799
Subscription Revenue	4,504
Honorarium	4,750
Production Fees	65,670
Membership Revenue	43,355
Licensing Revenue	24,000
Royalty & Other	1,902
Total Other Income:	<u>\$ 1,270,980</u>



The George Lucas Educational Foundation  
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Statement 2 - Part 1, line 6a

Net gain or (loss) from sale of assets

Description	Date Acquired	Manner of Acquisition	Gross Sales Price	Cost	Date Sold/Retired	To Whom Sold	Expense of Sale/ Cost of Improvements	Depreciation Since Acquisition	Net gain or (loss)
EDP Equipment	Various	Purchase	0	35,067	7/31/2008	N/A	0	34,805	(262)
Automobile	6/15/2003	Purchase	7,000	40,244	10/31/2008	Baywest Automobiles, Inc	0	40,244	7,000
<b>Total</b>									<u><u>6,738</u></u>

Net gain

The George Lucas Educational Foundation  
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**Amount**

Statement 3 - Part I, line 16a

Adler & Colvin	27,247
Morrison & Foerster LLP	1,783
Cobalt LLP	5,453
Coplevitz & Canter LLC	2,297
<b>Total Legal Fees</b>	<b>\$ 36,780</b>

Statement 3 - Part I, line 16b

PricewaterhouseCoopers	50,570
BPA Worldwide	8,490
<b>Total Accounting Fees</b>	<b>\$ 59,060</b>

Statement 3 - Part I, line 16c

James E. Benjamin	Ad Sales Commission	\$ 24,000
Bloomsday Marketing, Inc.	Ad Sales Commission	29,949
Boldsource	Website Consulting	400
Digital Learning Group, Inc.	Fundraising Consulting	18,711
Gott Advertising LLC	Advertising Consulting	4,660
The Idea Cooperative	Advertising Consulting	7,500
Mary Kadera	Operations Consulting	7,540
Marigold Web LLC	Programming Consulting	2,067
Next Steps Marketing, Inc.	Magazine Circulation Consulting	65,924
Barbara Pierce	Fundraising Consulting	12,488
Thompson Tax & Associates LLC	Tax Consulting-Memberships	7,669
Watershed Company, Inc.	Online Membership Program Consulting	105,500
Winter Advertising Group	Advertising Consulting	11,503
<b>Total Other Professional Fees</b>		<b>\$ 297,911</b>

The George Lucas Educational Foundation  
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Statement 4 - Part I, line 18 - Taxes

	<u>Amount</u>
Registry of Charitable Trusts - 2007 Form RRF-1	\$ 150
CA Franchise Tax Board - 2007 Form 199 Extension	10
	<hr/>
Total Taxes Paid	<u>\$ 160</u>

The George Lucas Educational Foundation  
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Statement 5 - Part I, line 19

Depreciation

Description	Date Acquired	Cost	Accumulated Depreciation	Method	Life	Current Year Depreciation
Machinery & Equipment	Various	\$ 128,448	\$ (111,359)	SL	5 Yr.	\$ 4,042
EDP Equipment	Various	262,333	(220,983)	SL	5 Yr.	23,181
Software	Various	11,542	(11,362)	SL	5 Yr.	909
Automotive Equipment	Various	44,182	(8,591)	SL	5 Yr.	8,591
Total		<u>\$ 446,505</u>	<u>\$ (352,295)</u>			<u>\$ 36,723</u>

Amount per  
 Page 1, Line 19(a)

Amount of depreciation included in Cost of Goods Sold, not included on Page 1, line 19 (a):

\$ -

The George Lucas Educational Foundation  
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<u>Statement 6 - Page 1 line 23</u>	Col. (a) Amount	Col. (c) Amount	Col. (d) Amount
Other Expenses			
TEMPORARY AGENTS	4,529	0	4,529
OPERATING MATERIALS & SUPPLIES	27,760	2,792	10,011
FURNISHINGS & EQUIPMENT	12,839	805	6,630
REFERENCE MATERIALS	973	19	240
SOFTWARE	13,773	72	805
CONTRACTORS	241,584	96,069	145,515
EMPLOYEE RECRUITING	6,794	233	352
PUBLICITY	2,828	1,125	1,703
PROMOTION/ADVERTISING	6,209	275	1,363
TRADE SHOWS	58,979	23,454	35,525
ADVERTISING MATERIALS	51,779	20,591	31,188
MEDIA KIT	56,808	22,590	34,218
OTHER OUTSIDE SERV	452,994	25,751	427,243
COMMISSION EXPENSE	51,905	20,641	31,264
R&M MACHINERY & EQUIP	3,326	59	932
TELEPHONE	10,495	1,457	4,576
MARKET RESEARCH	19,574	764	1,157
PROPERTY INSURANCE	31,665	0	0
DUES & SUBSCRIPTIONS	28,272	7,613	14,207
FREIGHT & DELIVERY	24,617	7,260	12,871
POSTAGE	221,326	84,013	127,255
AUTO OPERATING COSTS	2,314	0	0
EMPLOYEE EDUCATION	4,054	831	2,974
EMPLOYEE RELOCATION	18,996	0	0
OTHER FRINGE BENEFIT	2,260	0	0
BAD DEBTS	39,095	15,481	23,614
PRODUCTION-TAPE STOCK	2,084	0	2,084
PROD-CREW SALARIES CAMERA	16,486	0	16,486
PROD-CREW SALARIES SOUND	7,895	0	7,895
PROD-CAMERA PACKAGE	11,445	0	11,445
PROD-SOUND	2,750	0	2,750
PROD-SERVICE CHARGE (EP@ 2 5%)	187	0	187
PROD-TRANSCRIPTION SERVICES	1,541	0	1,541
PROD-DUPLICATION/DUBBING	1,489	0	1,489
PROD-TALENT (VOICE/NARRATOR)	2,200	0	2,200
PROD-CREW SALARIES ASSOCIATE PRODUCER	4,955	0	4,955
BANK CHARGES	5,629	1,277	2,180
REIMB EXP-OTHER	91	0	91
	<u>\$ 1,452,500</u>	<u>\$ 333,172</u>	<u>\$ 971,475</u>

The George Lucas Educational Foundation  
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Statement 7 - Part VIII, Line 1

(a) Name & Address	(b) Title & average hours per week devoted to position	(c) Compensation	(d) Contributions to Employee Benefit Plans	(e) Expense account & other Allowances
George W. Lucas, Jr c/o Lucasfilm Ltd P O Box 2009 San Rafael, CA 94912	Chairman 1 Hour	\$0	\$0	\$0
Stephen D. Arnold c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Vice-Chair/CFO 3 Hours	\$0	\$0	\$0
Milton Chen c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Executive Director/Secretary 40 Hours	\$220,876	\$19,847	\$11,961
Marshall Turner c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Director 1 Hour	\$0	\$0	\$0
Micheline Chau c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Director 1 Hour	\$0	\$0	\$0
Kim Meredith c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Director 1 Hour	\$0	\$0	\$0
Kate Nyegaard c/o The George Lucas Educational Foundation P O Box 3494 San Rafael, CA 94912	Director 1 Hour	\$0	\$0	\$0

The George Lucas Educational Foundation  
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Statement 8 - Part VIII, Line 2

Compensation of five highest-paid employees

	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans and deferred compensation	Expense account, other allowances
Cynthia Johanson Irish	Chief Operating Officer 40 hours	180,178	22,758	0
Charles Fresko	Sr. Director, Ad Sales and Strategic Alliances 40 hours	136,019	14,097	0
Kenneth Ellis	Executive Producer, Video 40 hours	115,352	15,042	0
Caroline Joy	General Manager, Web 40 hours	96,379	12,173	0
Geoffrey Butterfield	Sr. Technical Web Producer 40 hours	91,500	18,122	0
		<u>619,428</u>	<u>82,192</u>	<u>0</u>

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Statement 9 - Part IX-A

**Summary of Direct Charitable Activities**

**Expenses**

The Foundation inspires, informs and stimulates education reform and culture by documenting, disseminating and enabling others to adapt and replicate real-world examples of what works in K-12 education. The diverse and innovative media resources available from the Foundation include

- \* Edutopia.org and Edutopia e-newsletter: An in-depth and interactive resource for change agents in education, Edutopia.org offers practical, hands-on advice, real-world examples, lively contributions from practitioners, and invaluable tips and tools. The site is refreshed weekly with daily posts from bloggers and users. The newsletter is distributed 50 times per year \$ 2,231,003
  
- \* Edutopia video: Through an extensive offering of documentaries, Edutopia video is a catalyst for innovation by helping educators and parents, as well as business and community leaders, see and understand pioneering best practices. The videos are distributed on the Foundation's Web site, DVDs, and through distribution through strategic alliances \$ 977,841
  
- \* Edutopia magazine: The preeminent publication for promoting positive change in education, Edutopia magazine presents a continual flow of fresh ideas and inspiring success stories. Published six times per year with average circulation of 100,000. \$ 1,741,818

\$ 4,950,662



The George Lucas Educational Foundation  
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Statement 10 - Part I, line 20  
- Part VIIB 1(a) (3)

Due to generally accepted accounting principles, the books of the foundation reflect occupancy/rent expense of \$ 487,374. This represents the value of the foundation's occupancy at its location in Nicasio, California.  
No actual outlay of funds occurred for occupancy/rent.

The George Lucas Educational Foundation  
December 31, 2008  
E I N 68-0065687

Statement 11 Part XVI-B

Relationship of Activities to the Accomplishment of Exempt Purposes

Line 1 The Foundation offers subscriptions to its magazine, <i>Edutopia</i> that shares best practices and inspirational stories and articles related to education in the 21st century	\$ 4,504
Line 2 The Foundation began its dues paying membership program to expand <i>Edutopia</i> outreach to the educational community and continues to offer members an opportunity to support GLEF and its mission	\$ 43,355
Line 10 The Foundation provides research, production and dissemination for a video documentary as a catalyst for innovation by helping educators and parents as well as business and community leaders see and understand pioneering best practices	\$ (9,349)
Line 11(a) GLEF staff contracts to present at conferences, workshops and seminars to speak about GLEF, its mission and school change	\$ 4,750
Line 11(b) The Foundation prepares documentanes that are on vanous topics in education reform The Foundation's main focus in the documentanes is on programs going on in classrooms, schools, or distncts and professional development for teachers The documentanes are available through the Foundation's website, and iTunes DVD's	\$ 65,670
Line 11(c) The Foundation licensed its educational video clips to another educational website	\$ 24,000
Line 11(d) The Foundation received royalties on a book it published titled "Powerful Learning" that summanzes much of what we know about effective teaching and learning strategies	\$ 1,902
	<u>\$ 134,832</u>

The George Lucas Educational Foundation  
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Statement 12 Part 1, Line 10c

	<u>Gross Sales</u>	<u>Cost of Good Sold</u>	<u>Gross Profit/(Loss)</u>
Books and DVD Inventory	<u>12,454</u>	<u>(21,803)</u>	<u>(9,349)</u>