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)

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

For the 2010 calendar year, or tax year beginning _______ and ending _______.

Name of organization: San Diego Foundation for Change

Doing Business As: San Diego Foundation for Change

Number and street (or P.O. box if mail is not delivered to street address): 3758 30th Street

City or town, state or country, and ZIP: San Diego, CA 92104

Telephone number: 619-692-0527

Gross receipts $: 800,764

Tax-exempt status: 501(c)(3) 501(c) ( ) (insert no.) 4947(a)(1) or 527

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No

Website: www.foundation4change.org

Form: Foundation for Change

L Year of formation: 1983

M State of legal domicile: CA

Part I

Summary

1. Briefly describe the organization's mission or most significant activities: To fund, train and support community-led efforts which promote social equality, economic justice, and environmental sustainability in San Diego County and the Tijuana (Mexico) border region.

2. Check this box [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets.

3. Number of voting members of the governing body (Part VI, line 1a): 3

4. Number of independent voting members of the governing body (Part VI, line 1b): 4

5. Total number of individuals employed in calendar year 2010 (Part V, line 2a): 5

6. Total number of volunteers (estimate if necessary): 6

7. Total unrelated business revenue from Part VIII, column (C), line 12: 7a. Net unrelated business income from Form 990-T, line 34: 7b. 0 0

8. Contributions and grants (Part VIII, line 1h): 565,066 799,584

9. Program service revenue (Part VIII, line 2g): 8,282 0

10. Investment income (Part VIII, column (A), lines 3, 4, and 7c): 1,841 1,180

11. Other revenue (Part VIII, column (A), lines 5, 6d, 6e, 9c, 10c, and 11e): 0 0

12. Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12): 574,991 800,764

13. Grants and similar amounts paid (Part IX, column (A), lines 1-3): 237,763 86,722

14. Benefits paid to or for members (Part IX, column (A), line 4): 0 0

15. Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10): 187,286 223,669

16. Professional fundraising fees (Part IX, column (A), line 11e): 5,000 0

17. Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f): 93,667 175,679

18. Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25): 523,716 486,360

19. Revenue less expenses. Subtract line 18 from line 12: 51,275 314,404

20. Total assets (Part X, line 16): 253,358 432,832

21. Total liabilities (Part X, line 26): 136,562 1,632

22. Net assets or fund balances. Subtract line 21 from line 20: 116,796 431,200

Part II

Signature Block

John Fanestil

Type or print name and title:

Executive Director

Paid Preparer's Use Only

Preparer's name: Leonard Sonnenberg

Preparer's signature: [Signature]

Date: 7/26/2011

Check [ ] if self-employed

PTIN: P00287561

Firm's name: Sonnenberg & Company, CPAs

Firm's address: 5180 Governor Dr, Ste. 201, San Diego, CA 92122

Firm's EIN: [ ]

Phone no.: (619) 457-5262

Yes [X] No 

May the IRS discuss this return with the preparer shown above? (see instructions)

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)
Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
To fund, train and support community-led efforts which promote social equity, economic justice, and environmental stability in the San Diego County and Tijuana (Mexico) border region.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:       ) (Expenses $339,612 including grants of $86,722, ) (Revenue $0)

Grantmaking: SDFC offers grantwriting workshops as well as grants to groups which meet the SDFC's criteria as determined by an application process. For 2009, SDFC awarded 23 grants for a total of $237,763. SDFC also offers training programs and leadership development opportunities to its grantees.

4b (Code:       ) (Expenses $0 including grants of $0, ) (Revenue $0)

4c (Code:       ) (Expenses $0 including grants of $0, ) (Revenue $0)

4d Other program services. (Describe in Schedule O.)

(Expenses $0 including grants of $0 ) (Revenue $0 )

4e Total program service expenses 339,612
Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A .

2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions).

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I.

4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II.

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III.

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I.

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II.

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III.

9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV.

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V.

11 If the organization’s answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.

11a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.

11b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.

11c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.

11d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.

11e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.

11f Did the organization’s separate or consolidated financial statements for the tax year include a footnote that addresses the organization’s liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI.

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

12b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.

14a Did the organization maintain an office, employees, or agents outside of the United States?

14b Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV.

15 Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV.

16 Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV.

17 Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions).

18 Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 5a? If "Yes," complete Schedule G, Part II.

19 Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III.

20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H.

20b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions).
Part IV Checklist of Required Schedules (continued)

21 Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II.   
   Yes  No
   21  X

22 Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III.   
   22  X

23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J.   
   23  X

24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.   
   24a  X

24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?   
   24b

24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?   
   24c

24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?   
   24d

25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I.   
   25a  X

25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I.   
   25b  X

26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II.   
   26  X

27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III.   
   27  X

28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):   
   a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.   
       28a  X

   b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV.   
       28b  X

   c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV.   
       28c  X

29 Did the organization receive more than $25,000 in non-cash contributions? If "Yes," complete Schedule M.   
   29  X

30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M.   
   30  X

31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I.   
   31  X

32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II.   
   32  X

33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I.   
   33  X

34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.   
   34  X

35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?   
   a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2.   
       Yes  No
       35  X

36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2.   
   36  X

37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI.   
   37  X

38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.   
   38  X
Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

b) Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.

c) Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?

1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.

1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.

2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?

Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)

3a Did the organization have unrelated business gross income of $1,000 or more during the year?

3b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.

4a 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)?

4b If "Yes," enter the name of the foreign country.


5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?

5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?

5c Did the organization file Form 8886-T?

6a Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?

6b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?

7 Organizations that may receive deductible contributions under section 170(c).

7a Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?

7b Did the organization notify the donor of the value of the goods or services provided?

7c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?

7d If "Yes," indicate the number of Forms 8282 filed during the year.

7e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

7f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

7g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?

7h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?

8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?

9 Sponsoring organizations maintaining donor advised funds.

9a Did the organization make any taxable distributions under section 4966?

9b Did the organization make a distribution to a donor, donor advisor, or related person?

10 Section 501(c)(7) organizations. Enter:

10a Initiation fees and capital contributions included on Part VIII, line 12.

10b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.

11 Section 501(c)(12) organizations. Enter:

11a Gross income from members or shareholders.

11b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due received from them.)

12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?

12b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.

13 Section 501(c)(29) qualified nonprofit health insurance issuers.

13a Is the organization licensed to issue qualified health plans in more than one state?

Note: See the instructions for additional information the organization must report on Schedule O.

13b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.

13c Enter the amount of reserves on hand.

14a Did the organization receive any payments for indoor tanning services during the tax year?

14b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.
Section A. Governing Body and Management

1a. Enter the number of voting members of the governing body at the end of the tax year. 
1a. 16

2. Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 
2. No

3. Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? 
3. No

4. Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 
4. No

5. Did the organization become aware during the year of a significant diversion of the organization’s assets? 
5. No

6. Does the organization have members or stockholders? 
6. No

7a. Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? 
7a. No

8. Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:
8a. The governing body? 
8a. No

8b. Each committee with authority to act on behalf of the governing body? 
8b. No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

10a. Does the organization have local chapters, branches, or affiliates? 
10a. No

10b. If “Yes,” does the organization have written policies and procedures governing the activities of such chapters, branches, and affiliates, and procedures to ensure their operations are consistent with those of the organization? 
10b. No

11a. Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? 
11a. No

11b. Describe in Schedule O the process, if any, used by the organization to review this Form 990. 
11b. No

12a. Does the organization have a written conflict of interest policy? If “No,” go to line 13.
12a. No

12b. Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 
12b. No

12c. Does the organization regularly and consistently monitor and enforce compliance with the policy? If “Yes,” describe in Schedule O how this is done. 
12c. No

13. Does the organization have a written whistleblower policy? 
13. No

14. Does the organization have a written document retention and destruction policy? 
14. No

15. Did the process for determining compensation of the following persons include a review and approval by independent persons, comparable data, and contemporaneous substantiation of the deliberation and decision? 
15a. The organization’s CEO, Executive Director, or top management official. 
15a. No

15b. Other officers or key employees of the organization 
15b. No

16a. Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 
16a. No

16b. If “Yes,” has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization’s exempt status with respect to such arrangements? 
16b. No

Section C. Disclosure

17. List the states with which a copy of this Form 990 is required to be filed 
17. CA

18. Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)’s only) available for public inspection. Indicate how you make these available. Check all that apply.

[ ] Own website [ ] Another’s website [ ] Upon request

19. Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20. State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

John Fanestil 
3758 30th Street, San Diego, CA 92104
(619) 692-0527

Form 990 (2010)