

# Return of Organization Exempt From Income Tax

# 2008

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

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

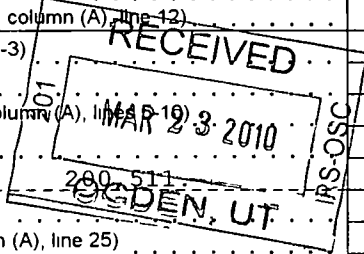
The organization may have to use a copy of this return to satisfy state reporting requirements

**A For the 2008 calendar year, or tax year beginning** 07/01, 2008, and ending 06/30, 2009

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	<b>C Name of organization</b> CLIMATE ACTION RESERVE		<b>D Employer identification number</b> 68-0477330
		Doing Business As		<b>E Telephone number</b> (213) 891-444
		Number and street (or P O box if mail is not delivered to street address) Room/suite 523 WEST 6TH ST 428		<b>G Gross receipts \$</b> 3,456,619.
		City or town, state or country, and ZIP + 4 LOS ANGELES, CA 90014		<b>H(a) Is this a group return for affiliates?</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>H(b) Are all affiliates included?</b> Yes <input type="checkbox"/> No <input type="checkbox"/> If "No," attach a list (see instructions)
<b>F Name and address of principal officer</b> GARY GERO SAME AS "C" ABOVE		<b>H(c) Group exemption number</b>		
<b>I Tax-exempt status</b> <input checked="" type="checkbox"/> 501(c) ( 3 ) (Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>L Year of formation</b> 2001 <b>M State of legal domicile</b> CA		
<b>J Website</b> WWW.CLIMATEACTIONRESERVE.ORG				
<b>K Type of organization</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other				

## Part I Summary

Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities <u>TO ENSURE ENVIRONMENTAL BENEFIT, INTEGRITY AND TRANSPARENCY IN GREEN-HOUSE GAS (GHG) EMISSIONS INVENTORY AND REDUCTION ACCOUNTING, AS WELL AS PROGRESSIVE MOVEMENT IN CLIMATE CHANGE POLICY.</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	14
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	14
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	31
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	NONE
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>7a</b>	NONE
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	NONE	
Revenue	<b>8</b> Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	2,227,383.	920,000.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	747,472.	2,526,860.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	39,689.	9,759.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,023,534.	3,456,619.
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)		NONE
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		NONE
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), line 5)	1,349,549.	1,847,101.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	34,898.	NONE
	<b>b</b> Total fundraising expenses, Part IX, column (D), line 25		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,334,587.	1,664,454.
	<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	2,719,034.	3,511,555.
<b>19</b> Revenue less expenses Subtract line 18 from line 12	304,500.	-54,936.	
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)	Beginning of Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)	2,141,871.	1,935,830.
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20	117,672.	550,757.
		2,024,199.	1,385,073.



## Part II Signature Block

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

**Sign Here** Signature of officer Date 3/16/10

**GARY GERO, PRESIDENT**  
Type or print name and title

Paid Preparer's Use Only	Preparer's signature	Date 3-12-10	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) P00366852
	Firm's name (or yours if self-employed), address, and ZIP + 4	MAGINNIS KNECHTEL & MCINTYRE LLP 950 SOUTH ARROYO PARKWAY PASADENA, CA 91105		EIN 95-2746188 Phone no 626-449-3466

May the IRS discuss this return with the preparer shown above? (See instructions)  Yes  No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

616 9

SCANNED WITH CamScanner

**Part III** Statement of Program Service Accomplishments (see instructions)

**1** Briefly describe the organization's mission

SEE STATEMENT 1

**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 \$ 1,153,416. including grants of \$ \_\_\_\_\_) (Revenue \$ 1,336,624.)

SEE STATEMENT 2

**4b** (Code \_\_\_\_\_) (Expenses \$ 627,358. including grants of \$ \_\_\_\_\_) (Revenue \$ 990,785.)

SEE STATEMENT 2

**4c** (Code \_\_\_\_\_) (Expenses \$ 309,698. including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

SEE STATEMENT 3

**4d** Other program services (Describe in Schedule O) SEE STATEMENT 4  
(Expenses \$ 23,547. including grants of \$ \_\_\_\_\_) (Revenue \$ 199,451.)

**4e** Total program service expenses ► \$ 2,114,019. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Question text, and Yes/No response columns. Contains 27 numbered questions regarding organizational compliance with various IRS sections.

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
<b>28</b>	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
<b>a</b>	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>b</b>	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>c</b>	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		X
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .		X
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .		X
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		X
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .		X
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .		X
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .		X
<b>35</b>	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		X
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		X
<b>37</b>	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? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question numbers (1a-12b), Yes/No checkboxes, and numerical answers (e.g., 21, NONE, 31, X). Includes questions about Form 1096, Form W-2G, Form W-3, and various tax compliance requirements.

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include questions about voting members, family relationships, management control, organizational changes, and meeting documentation.

Section B. Policies

Table with 3 columns: Question, Yes, No. Rows include questions about conflict of interest policies, whistleblower policies, retention policies, and joint ventures.

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include questions about filing states, public inspection availability, and organizational contact information.

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
LINDA ADAMS BOARD CHAIR	1.	X					NONE	NONE	NONE	
KATHLEEN BROWN BOARD SECRETARY	1.	X					NONE	NONE	NONE	
JEFFREY KIGHTLINGER BOARD TREASURER	1.	X					NONE	NONE	NONE	
JAN SCHORI BOARD MEMBER	1.	X					NONE	NONE	NONE	
RANDY ARMSTRONG BOARD MEMBER	1.	X					NONE	NONE	NONE	
STEVE CORNELI BOARD MEMBER	1.	X					NONE	NONE	NONE	
ADRIAN FERNANDEZ BREMAUNTZ BOARD MEMBER	1.	X					NONE	NONE	NONE	
PETER LIU BOARD MEMBER	1.	X					NONE	NONE	NONE	
NANCY MCFADDEN BOARD MEMBER	1.	X					NONE	NONE	NONE	
PETER M MILLER BOARD MEMBER	1.	X					NONE	NONE	NONE	
FABIAN NUNEZ BOARD MEMBER	1.	X					NONE	NONE	NONE	
CARL ZICHELLA BOARD MEMBER	1.	X					NONE	NONE	NONE	
DIANNE WITTENBERG BOARD MEMBER	1.	X					NONE	NONE	NONE	
WILLIAM SPURGEON BOARD MEMBER	1.	X					NONE	NONE	NONE	
GARY GERO PRESIDENT	40.				X		166,055.	NONE	NONE	
HENDRIK J BOREKHOFF VP POLICY	40.					X	106,102.	NONE	NONE	



**Part VIII Statement of Revenue**

68-0477330

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . . .					
	b	Membership dues . . . . .					
	c	Fundraising events . . . . .					
	d	Related organizations . . . . .					
	e	Government grants (contributions) . . . . .					
	f	All other contributions, gifts, grants, and similar amounts not included above . . . . .	920,000.				
	g	Noncash contributions included in lines 1a-1f \$ . . . . .					
<b>h Total Add lines 1a-1f . . . . .</b>			920,000.				
Program Service Revenue			<b>Business Code</b>				
	2a	CONTRACT INCOME	1,336,624.	1,336,624.			
	b	MEMBERSHIP INCOME	990,785.	990,785.			
	c	WORKSHOP INCOME	89,940.	89,940.			
	d	MEMBER OUTREACH	105,730.	105,730.			
	e	OTHER INCOME	3,781.	3,781.			
	g	<b>Total Add lines 2a-2f . . . . .</b>	2,526,860.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	9,759.			9,759.	
	4	Income from investment of tax-exempt bond proceeds . . . . .	NONE				
	5	Royalties . . . . .	NONE				
			(i) Real      (ii) Personal				
	6a	Gross Rents . . . . .					
	b	Less rental expenses . . . . .					
	c	Rental income or (loss) . . . . .					
	d	Net rental income or (loss) . . . . .		NONE			
			(i) Securities      (ii) Other				
	7a	Gross amount from sales of assets other than inventory . . . . .					
	b	Less cost or other basis and sales expenses . . . . .					
	d	Net gain or (loss) . . . . .		NONE			
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a					
b	Less direct expenses . . . . .	b					
c	Net income or (loss) from fundraising events . . . . .		NONE				
9a	Gross income from gaming activities See Part IV, line 19 . . . . .	a					
b	Less direct expenses . . . . .	b					
c	Net income or (loss) from gaming activities . . . . .		NONE				
10a	Gross sales of inventory, less returns and allowances . . . . .	a					
b	Less cost of goods sold . . . . .	b					
c	Net income or (loss) from sales of inventory . . . . .		NONE				
Miscellaneous Revenue			Business Code				
11a	_____						
b	_____						
c	_____						
d	All other revenue . . . . .						
e	<b>Total Add lines 11a-11d . . . . .</b>		NONE				
12	<b>Total Revenue Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .</b>		3,456,619.	2,526,860		9,759	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the US See Part IV, line 21 . . . . .	NONE			
2 Grants and other assistance to individuals in the US See Part IV, line 22 . . . . .	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the US See Part IV, lines 15 and 16 . . . . .	NONE			
4 Benefits paid to or for members . . . . .	NONE			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	472,182.	285,360.	164,210.	22,612.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	NONE			
7 Other salaries and wages . . . . .	1,074,120.	713,916.	299,189.	61,015.
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . . . . .	NONE			
9 Other employee benefits . . . . .	182,808.		182,808.	
10 Payroll taxes . . . . .	117,991.		117,991.	
11 Fees for services (non-employees)				
a Management . . . . .	NONE			
b Legal . . . . .	2,432.		2,432.	
c Accounting . . . . .	21,500.		21,500.	
d Lobbying . . . . .	NONE			
e Professional fundraising services See Part IV, line 17 . . . . .	NONE			
f Investment management fees . . . . .	NONE			
g Other . . . . .	671,304.	544,298.	75,742.	51,264.
12 Advertising and promotion . . . . .	32,766.	18,492.	1,508.	12,766.
13 Office expenses . . . . .	74,692.	27,522.	22,366.	24,804.
14 Information technology . . . . .	123,644.	64,000.	58,117.	1,527.
15 Royalties . . . . .	NONE			
16 Occupancy . . . . .	218,552.	59,431.	159,121.	
17 Travel . . . . .	143,694.	116,003.	3,105.	24,586.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	NONE			
19 Conferences, conventions, and meetings . . . . .	258,364.	257,734.	630.	
20 Interest . . . . .	NONE			
21 Payments to affiliates . . . . .	NONE			
22 Depreciation, depletion, and amortization . . . . .	44,132.	NONE	44,132.	NONE
23 Insurance . . . . .	9,019.		9,019.	
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a TELEPHONE & TELECON/IT CONN . . . . .	44,214.	23,486.	19,826.	902.
b OTHER EXPENSES . . . . .	977.	412.	565.	
c STAFF RECRUITMENT/TRAINING . . . . .	3,743.	1,894.	1,034.	815.
d DUES & FEES . . . . .	10,300.	573.	9,507.	220.
e ORGANIZATIONAL EXPENSE . . . . .	5,121.	898.	4,223.	
f All other expenses . . . . .				
25 Total functional expenses Add lines 1 through 24f . . . . .	3,511,555.	2,114,019.	1,197,025.	200,511.
26 Joint Costs Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing . . . . .	135.	1	100.
	2	Savings and temporary cash investments . . . . .	1,147,066.	2	1,104,958.
	3	Pledges and grants receivable, net . . . . .		3	
	4	Accounts receivable, net . . . . .	850,747.	4	676,887.
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties Complete Part II of Schedule L . . . . .		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L . . . . .		6	
	7	Notes and loans receivable, net . . . . .		7	
	8	Inventories for sales or use . . . . .		8	
	9	Prepaid expenses and deferred charges . . . . .	32,579.	9	64,114.
	10a	Land, buildings, and equipment cost basis . . . . .	10a 205,447.		
	b	Less accumulated depreciation Complete Part VI of Schedule D . . . . .	10b 115,676.	10c	89,771.
	11	Investments - publicly traded securities . . . . .		11	
	12	Investments - other securities See Part IV, line 11 . . . . .		12	
	13	Investments - program-related See Part IV, line 11 . . . . .		13	
	14	Intangible assets . . . . .		14	
	15	Other assets See Part IV, line 11 . . . . .		15	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	2,141,871.	16	1,935,830.	
Liabilities	17	Accounts payable and accrued expenses . . . . .	54,385.	17	142,040.
	18	Grants payable . . . . .		18	
	19	Deferred revenue . . . . . SFMT: 6 . . . . .	NONE	19	377,766.
	20	Tax-exempt bond liabilities . . . . .		20	
	21	Escrow account liability Complete Part IV of Schedule D . . . . .		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		22	
	23	Secured mortgages and notes payable to unrelated third parties . . . . .		23	
	24	Unsecured notes and loans payable . . . . .		24	
	25	Other liabilities Complete Part X of Schedule D . . . . .	63,287.	25	30,951.
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .	117,672.	26	550,757.
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets . . . . .	2,024,199.	27	1,385,073.
	28	Temporarily restricted net assets . . . . .		28	
	29	Permanently restricted net assets . . . . .		29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	30	Capital stock or trust principal, or current funds . . . . .		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
33	<b>Total net assets or fund balances . . . . .</b>	2,024,199.	33	1,385,073.	
34	<b>Total liabilities and net assets/fund balances . . . . .</b>	2,141,871.	34	1,935,830.	

**Part XI Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .	2a	X
b	Were the organization's financial statements audited by an independent accountant? . . . . .	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . .	2c	X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .	3a	X
b	If "Yes," did the organization undergo the required audit or audits? . . . . .	3b	



**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") . . . . .	1,133,243.	1,037,840.	2,092,156.	2,227,383.	920,000.	7,410,622.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4</b> Total Add lines 1-3 . . . . .	1,133,243.	1,037,840.	2,092,156.	2,227,383.	920,000.	7,410,622.
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						410,305.
<b>6</b> Public support Subtract line 5 from line 4 . . . . .						7,000,317.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
<b>7</b> Amounts from line 4. . . . .	1,133,243.	1,037,840.	2,092,156.	2,227,383.	920,000.	7,410,622.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	152.	914.	18,332.	39,689.	9,759.	68,846.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV) . . . . .	91.	1,090.	941.	3,170.		5,292.
<b>11</b> Total support Add lines 7 through 10 . . . . .						7,484,760.
<b>12</b> Gross receipts from related activities, etc (See instructions) . . . . .					12	4,228,808.
<b>13</b> First five years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here . . . . . ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	93.53 %
<b>15</b> Public support percentage from 2007 Schedule A, Part IV-A, line 26f . . . . .	<b>15</b>	76.41 %
<b>16a 33 1/3% support test - 2008.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . . ▶ <input checked="" type="checkbox"/>		
<b>b 33 1/3% support test - 2007.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization . . . . . ▶ <input type="checkbox"/>		
<b>17a 10%-facts-and-circumstances test - 2008.</b> If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization . . . . . ▶ <input type="checkbox"/>		
<b>b 10%-facts-and-circumstances test - 2007.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . . . ▶ <input type="checkbox"/>		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ▶ <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total Add lines 1-5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income Do not include gain or loss from the sale of capital assets; 13 Total support (Add lines 9, 10c, 11, and 12).

14 First five years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows: 15 Public support percentage for 2008; 16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows: 17 Investment income percentage for 2008; 18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.

19a 33 1/3% support tests - 2008 If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here The organization qualifies as a publicly supported organization.
19b 33 1/3% support tests - 2007 If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here The organization qualifies as a publicly supported organization.
20 Private foundation If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.



SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047 2008 Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors... Yes No, 6 Did the organization inform all grantees... Yes No.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes checkboxes for: Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of certified historic structure. Includes a table for 'Held at the End of the Year' with rows 2a, 2b, 2c, 2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions 1a, 1b, 2, a, b regarding revenues and assets.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . .  Yes  No

**Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.**

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance . . . . .	1c
d Additions during the year . . . . .	1d
e Distributions during the year . . . . .	1e
f Ending balance . . . . .	1f

2a Did the organization include an amount on Form 990, Part X, line 21? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XIV

**Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.**

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .					
b Contributions . . . . .					
c Investment earnings or losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
- b Permanent endowment ▶ \_\_\_\_\_ %
- c Term endowment ▶ \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations . . . . .
- (ii) related organizations . . . . .

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

4 Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.**

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .		10,277.	6,627.	3,650.
d Equipment . . . . .				
e Other . . . . .		195,170.	109,049.	86,121.
<b>Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c)) . . . . .</b>				<b>89,771.</b>



Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

Table with 10 rows for reconciliation of net assets. Line 1: Total revenue (3,456,619). Line 2: Total expenses (3,511,555). Line 3: Excess or (deficit) for the year (-54,936). Lines 4-8: Adjustments. Line 10: Total excess or (deficit) for the year (-54,936).

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for revenue reconciliation. Line 1: Total revenue (3,882,711). Line 2: Amounts included on line 1 but not on Form 990 (426,092). Line 3: Subtract line 2e from line 1 (3,456,619). Line 4: Amounts included on Form 990 but not on line 1. Line 5: Total revenue (3,456,619).

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for expense reconciliation. Line 1: Total expenses (3,937,647). Line 2: Amounts included on line 1 but not on Form 990 (426,092). Line 3: Subtract line 2e from line 1 (3,511,555). Line 4: Amounts included on Form 990 but not on line 1. Line 5: Total expenses (3,511,555).

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Series of horizontal dashed lines provided for entering supplemental information.



**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

▶ Attach to Form 990. To be completed by organizations  
that answered "Yes" to Form 990, Part IV, line 23.

Name of the organization

CLIMATE ACTION RESERVE

Employer identification number

68-0477330

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? . . . . .

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |  |   |
|--|---|
| <input type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                               |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a

**a** Receive a severance payment or change of control payment? . . . . .

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .

**c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

**a** The organization? . . . . .

**b** Any related organization? . . . . .

If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

**a** The organization? . . . . .

**b** Any related organization? . . . . .

If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III . . . . .

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008



**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

**SCHEDULE O  
(Form 990)**

**Supplemental Information to Form 990**

OMB No 1545-0047

**2008**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

SIGNIFICANT PROGRAM SERVICES

990 PART III LINE 2

THE CLIMATE ACTION RESERVE (THE RESERVE) HAS BECOME THE SUCCESSOR  
ORGANIZATION TO THE CALIFORNIA CLIMATE ACTION REGISTRY (THE CALIFORNIA  
REGISTRY) AS THE FINAL STEP IN THE PROCESS OF TRANSITIONING OUT OF GHG  
EMISSIONS INVENTORY REPORTING. THE CALIFORNIA REGISTRY WILL CONTINUE  
OPERATING AS A PROGRAM UNDER THE RESERVE THAT SUPPORTS ITS MEMBERS AND  
REPRESENTS THEM TO THE STATE OF CALIFORNIA. IN ADDITION TO THE  
CALIFORNIA REGISTRY, TWO OTHER PROGRAMS BELONG TO THE CLIMATE ACTION  
RESERVE. THE CENTER FOR CLIMATE ACTION PROGRAM OPERATES UNDER THE  
MISSION OF ADVANCING CLIMATE POLICY. THE CLIMATE ACTION RESERVE PROGRAM  
WAS LAUNCHED IN MAY 2008 AND IS THE PREMIERE CARBON OFFSET REGISTRY FOR  
THE U.S. CARBON MARKET.

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

SIGNIFICANT CHANGES IN PROGRAM SERVICES

990 PART III LINE 3

AS IDENTIFIED AT SCHEDULE O (990 PART III LINE 2), THE CALIFORNIA

REGISTRY PROGRAM IS TRANSITIONING OUT OF GHG EMISSIONS INVENTORY

REPORTING. THE PROGRAM WILL CONTINUE OPERATING AS A PROGRAM UNDER THE

RESERVE THAT SUPPORTS ITS MEMBERS AND REPRESENTS THEM TO THE STATE OF

CALIFORNIA.

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

CHANGES IN ORGANIZATIONAL DOCUMENTS

990 PART VI LINE 4

THE ORGANIZATION CHANGED ITS NAME FROM THE CALIFORNIA CLIMATE ACTION  
 REGISTRY TO THE CLIMATE ACTION RESERVE AND ADOPTED NEW ARTICLES OF  
 INCORPORATION AND REVISED AND AMENDED BYLAWS. THE ONLY CHANGE TO THE  
 ARTICLES OF INCORPORATION WAS AN AMENDMENT FOR THE NAME CHANGE FROM THE  
 CALIFORNIA CLIMATE ACTION REGISTRY TO THE CLIMATE ACTION RESERVE. A COPY  
 OF THE AMENDED ARTICLES OF INCORPORATION ARE ATTACHED AS REQUIRED.

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

FORM 990 REVIEW PROCESS

990 PART VI LINE 10

IT IS THE CLIMATE ACTION RESERVE'S POLICY THAT THE AUDIT COMMITTEE REVIEW

THE FORM 990 THIRTY DAYS BEFORE FILING WITH THE IRS. A BOARD RESOLUTION

IS NOT REQUIRED IN ORDER FOR THE FORM 990 TO BE FILED. THE MEANS OF

DELIVERY SHALL BE VIA EMAIL TO EACH AUDIT COMMITTEE MEMBER

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

CONFLICT OF INTEREST POLICY

990 PART VI LINE 12(C)

THE CLIMATE ACTION RESERVE HAS SCHEDULED MEETINGS TO REVIEW POLICY AND PROCEDURES AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE POLICIES DURING THE REVIEW PROCESS. THE ORGANIZATION HAS FULL BOARD MEETINGS, AUDIT COMMITTEE MEETINGS, NOMINATING COMMITTEE MEETINGS AND EXECUTIVE COMMITTEE MEETINGS. DURING THE REPORTING PERIOD, THE EXECUTIVE COMMITTEE GATHERED FIVE TIMES TO REVIEW POLICY AND PROCEDURES TO ENFORCE COMPLIANCE.

Name of the organization

Employer identification number

CLIMATE ACTION RESERVE

68-0477330

PROCESS FOR DETERMINING COMPENSATION

990 PART VI LINE 15(A)

AT SCHEDULED MEETINGS, THE BOARD OF DIRECTORS REVIEWS AND MAKES DECISIONS

ON COMPENSATION FOR THE PRESIDENT AND VP STAFF. THE PROCESS IS DONE IN

CLOSED SESSION AND DECISIONS ARE FORWARDED TO THE PRESIDENT VIA

ELECTRONIC MAIL, THEN REVIEWED BY THE OPERATIONS DIRECTOR, AND FINALLY

FORWARDED TO THE CONTROLLER FOR PROCESSING.

Name of the organization

CLIMATE ACTION RESERVE

Employer identification number

68-0477330

PUBLIC DISCLOSURE

990 PART VI LINE 19

PUBLIC DOCUMENTS AS DETERMINED BY THE ORGANIZATION ARE AVAILABLE UPON

WRITTEN REQUEST. COPIES OF THE ORGANIZATION'S FINANCIAL STATEMENTS AND

FORMS 990 ARE ALSO AVAILABLE BY EMAIL REQUEST THROUGH A LINK AT THE

ORGANIZATION'S WEBSITE.

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION  
=====

THE CLIMATE ACTION RESERVE IS A NATIONAL OFFSET PROGRAM WORKING TO ENSURE INTEGRITY, TRANSPARENCY AND FINANCIAL VALUE IN THE U.S. CARBON MARKET. IT DOES THIS BY ESTABLISHING REGULATORY-QUALITY STANDARDS FOR THE DEVELOPMENT, QUANTIFICATION AND VERIFICATION OF GREENHOUSE GAS (GHG) EMISSIONS REDUCTION PROJECTS IN NORTH AMERICA; ISSUING CARBON OFFSET CREDITS KNOWN AS CLIMATE RESERVE TONNERS (CRT) GENERATED FROM SUCH PROJECTS; AND TRACKING THE TRANSACTION OF CREDITS OVER TIME IN A TRANSPARENT, PUBLICLY-ACCESSIBLE SYSTEM.

FORM 990, PART III - PROGRAM SERVICES  
=====4A PROGRAM SERVICE  
-----

THE CLIMATE ACTION RESERVE PROGRAM IS A NATIONAL OFFSETS PROGRAM WORKING TO ENSURE INTEGRITY, TRANSPARENCY AND FINANCIAL VALUE IN THE U.S. CARBON MARKET. IT DOES THIS BY ESTABLISHING REGULATORY-QUALITY STANDARDS FOR THE DEVELOPMENT, QUANTIFICATION AND VERIFICATION OF GREENHOUSE GAS (GHG) EMISSIONS REDUCTION PROJECTS IN NORTH AMERICA; ISSUING CARBON OFFSET CREDITS KNOWN AS CLIMATE RESERVE TONNES (CRTS) GENERATED FROM SUCH PROJECTS; AND TRACKING THE TRANSACTION OF CREDITS OVER TIME IN A TRANSPARENT, PUBLICLY-ACCESSIBLE SYSTEM. ADHERENCE TO THE RESERVE'S HIGH STANDARDS ENSURES THAT EMISSIONS REDUCTIONS ASSOCIATED WITH PROJECTS ARE REAL, PERMANENT AND ADDITIONAL, THEREBY INSTILLING CONFIDENCE IN THE ENVIRONMENTAL BENEFIT, CREDIBILITY, AND EFFICIENCY OF THE U.S. CARBON MARKET. THE RESERVE CUMULATIVELY REGISTERED 1.3 MILLION CRTS BY JUNE 30, 2009 AND ADOPTED THREE NEW OR SIGNIFICANTLY UPDATED/EXPANDED PROTOCOLS. THE RESERVE ALSO IMPLEMENTED AN ISO BASED VERIFICATION BODY PROCESS TO STREAMLINE ACCREDITATION ACROSS GHG PROGRAMS AND DEVELOPED AND IMPLEMENTED A COMPREHENSIVE COMMUNICATIONS PLAN TO BRAND AND ENHANCE THE RECOGNITION OF THE RESERVE.

4B PROGRAM SERVICE  
-----

THE CALIFORNIA CLIMATE ACTION REGISTRY IS A PROGRAM OF THE CLIMATE ACTION RESERVE AND SERVES AS A VOLUNTARY GREENHOUSE GAS (GHG) REGISTRY TO PROTECT AND PROMOTE EARLY ACTIONS TO REDUCE GHG EMISSIONS BY ORGANIZATIONS. THE CALIFORNIA REGISTRY PROVIDES LEADERSHIP ON CLIMATE CHANGE BY DEVELOPING AND PROMOTING CREDIBLE, ACCURATE, AND CONSISTENT GHG REPORTING STANDARDS AND TOOLS FOR ORGANIZATIONS TO MEASURE, MONITOR, THIRD-PARTY VERIFY AND REDUCE THEIR GHG EMISSIONS CONSISTENTLY ACROSS INDUSTRY SECTORS AND GEOGRAPHICAL BORDERS. THE REGISTRY WILL CEASE TO EXIST BY DECEMBER 2011 AND STOPPED ACCEPTING NEW MEMBERS AS OF NOVEMBER 2008. PROGRAM ACHIEVEMENTS DURING THE CURRENT FISCAL YEAR INCLUDE THE TRANSFER OF DATA FROM CARROT TO CRISIS AS THE PROGRAM TRANSITIONS OUT OF GHG EMISSIONS INVENTORY REPORTING. NEARLY 100 MEMBERS HAVE BECOME MEMBERS OF THE PROGRAM'S SUCCESSOR INVENTORY REPORTING ORGANIZATION AND STARTED TRANSITIONING TO REPORT THEIR EMISSIONS TO THAT ORGANIZATION.

4C PROGRAM SERVICE  
-----

FORM 990, PART III - PROGRAM SERVICES  
=====

THE RESERVE IS ALSO ACTIVE IN THE DEVELOPMENT OF CLIMATE CHANGE POLICY AND HOSTS AN ANNUAL EDUCATIONAL CONFERENCE ON CLIMATE CHANGE POLICY. AS A NON-PARTISAN ORGANIZATION, THE REGISTRY WORKS TO BRING TOGETHER THOUGHT LEADERS ON CLIMATE CHANGE, INCLUDING POLICYMAKERS, BUSINESSES AND OTHERS TO ADVOCATE FOR GLOBALLY STANDARDIZED GREENHOUSE GAS REPORTING AND MEASUREMENT STANDARDS. THE CENTER FOR CLIMATE ACTION WAS LAUNCHED IN APRIL 2009 TO PROVIDE PROGRAMS, SERVICES, AND RESOURCES TO ADVANCE CLIMATE ACTION. THE RESERVE ALSO PARTICIPATED AS A PARTNER IN THE OFFSET QUALITY INITIATIVE, PRESENTED TESTIMONY TO THE U.S. CONGRESS ON ENSURING THE INTEGRITY OF OFFSETS PROGRAMS, AND REGULARLY INCLUDED OFFSET QUALITY CRITERIA IN PUBLIC WORKSHOPS, SEMINARS, AND PRESENTATIONS.

FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

DESCRIPTION	GRANTS	EXPENSES	REVENUE
OTHER PROGRAM SERVICES		23,547.	199,451.
TOTALS		23,547.	199,451.

FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INTEREST INCOME	9,759.			9,759.
TOTALS	9,759.			9,759.

FORM 990, PART X - DEFERRED REVENUE

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
DEFERRED REVENUE	NONE	377,766.
TOTALS	NONE	377,766.



Application for Extension of Time To File an Exempt Organization Return

File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form)
Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only.

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits

Table with 3 columns: Type or print, Name of Exempt Organization, Employer identification number. Includes address: CLIMATE ACTION RESERVE, 320 W. FOURTH STREET, LOS ANGELES, CA 90013.

Check type of return to be filed (file a separate application for each return)

Grid of checkboxes for return types: Form 990 (checked), Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T (corporation), Form 990-T (sec 401(a) or 408(a) trust), Form 990-T (trust other than above), Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870.

The books are in the care of DIANE WITTENBERG
Telephone No 626 278-4059 FAX No

- If the organization does not have an office or place of business in the United States, check this box
If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box. If it is for part of the group, check this box. and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for

calendar year or tax year beginning 07/01, 2008, and ending 06/30, 2009

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

Table with 3 rows (3a, 3b, 3c) and 2 columns (description, amount). 3a: tentative tax, less any nonrefundable credits. 3b: refundable credits and estimated tax payments made. 3c: Balance Due.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box

**Note:** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

**Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).**

Type or print  File by the extended due date for filing the return. See instructions	Name of Exempt Organization	Employer identification number
	CLIMATE ACTION RESERVE	68-0477330
	Number, street, and room or suite no. If a P O box, see instructions	For IRS use only
	320 W. FOURTH STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	LOS ANGELES, CA 90013	

Check type of return to be filed (File a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

• The books are in the care of  DIANE WITTENBERG

Telephone No  626 278-4059 FAX No  \_\_\_\_\_

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the whole group, check this box  If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until 05/15/2010
- 5 For calendar year \_\_\_\_\_, or other tax year beginning 07/01/2008, and ending 06/30/2009
- 6 If this tax year is for less than 12 months, check reason  Initial return  Final return  Change in accounting period
- 7 State in detail why you need the extension \_\_\_\_\_

**ALL OF THE INFORMATION REQUIRED TO COMPLETE THE RETURN IS NOT AVAILABLE AT THIS TIME.**

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	\$	
8b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	\$	NONE
8c	<b>Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	\$	

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature  VB Title  CPA Date  2-11-10

MAGINNIS KNECHTEL & MCINTYRE LLP  
950 SOUTH ARROYO PARKWAY  
PASADENA, CA 91105