

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2011

Department of the Treasury
Internal Revenue Service

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

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

A For the 2011 calendar year, or tax year beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
PACIFIC LEGAL FOUNDATION
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
930 G STREET
 City or town, state or country, and ZIP + 4
SACRAMENTO, CA 95814
 F Name and address of principal officer: **ROBIN L. RIVETT**
930 G STREET, SACRAMENTO, CA 95814

D Employer identification number
94-2197343

E Telephone number
916-419-7111

G Gross receipts \$ **14,169,702.**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

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

J Website: **PACIFICLEGAL.ORG**

K Form of organization: Corporation Trust Association Other **L** Year of formation: **1973** **M** State of legal domicile: **CA**

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: PUBLIC INTEREST LAW-PROVIDE LEGAL REPRESENTATION FOR CITIZENS ON MATTERS OF PUBLIC INTEREST AT	
	2	Check this box <input type="checkbox"/> 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)	22
	4	Number of independent voting members of the governing body (Part VI, line 1b)	22
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	59
	6	Total number of volunteers (estimate if necessary)	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
	7b	Net unrelated business taxable income from Form 990-T, line 34	0.
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 14,135,538. Current Year: 13,415,871.
	9	Program service revenue (Part VIII, line 2g)	157,688. 103,441.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	387,625. 596,032.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	14,431. -50,564.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,695,282. 14,064,780.
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)
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)	5,046,208. 5,546,156.
16a		Professional fundraising fees (Part IX, column (A), line 11e)	127,286. 130,455.
16b		Total fundraising expenses (Part IX, column (D), line 25)	1,859,781.
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	2,027,881. 2,362,053.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	7,201,375. 8,038,664.	
19	Revenue less expenses. Subtract line 18 from line 12	7,493,907. 6,026,116.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year: 27,203,311. End of Year: 31,901,170.
	21	Total liabilities (Part X, line 26)	2,058,276. 1,922,228.
	22	Net assets or fund balances. Subtract line 21 from line 20	25,145,035. 29,978,942.

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 **Robin Rivett** Date **8.6.2012**
ROBIN L. RIVETT, PRESIDENT & CEO
 Type or print name and title

Paid Preparer Use Only: Print/Type preparer's name **LINDA L. HOUSE, CPA** Preparer's signature **Linda L House** Date **8/6/12** Check self-employed PTIN **P00003225**
 Firm's name **CAMPBELL TAYLOR & COMPANY** Firm's EIN **68-0251243**
 Firm's address **3741 DOUGLAS BLVD, SUITE 350 ROSEVILLE, CA 95661** Phone no. **(916)929-3680**

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

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.

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning and ending

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization PACIFIC LEGAL FOUNDATION		D Employer identification number 94-2197343
	Doing Business As		E Telephone number 916-419-7111
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 14,169,702.
	930 G STREET		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or country, and ZIP + 4 SACRAMENTO, CA 95814		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
F Name and address of principal officer: ROBIN L. RIVETT 930 G STREET, SACRAMENTO, CA 95814		H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ PACIFICLEGAL.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1973 M State of legal domicile: CA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PUBLIC INTEREST LAW-PROVIDE LEGAL REPRESENTATION FOR CITIZENS ON MATTERS OF PUBLIC INTEREST AT		
	2 Check this box <input type="checkbox"/> 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	22
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	22
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	59
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 14,135,538.	Current Year 13,415,871.
	9 Program service revenue (Part VIII, line 2g)	157,688.	103,441.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	387,625.	596,032.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	14,431.	-50,564.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,695,282.	14,064,780.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.
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)		5,046,208.	5,546,156.
16a Professional fundraising fees (Part IX, column (A), line 11e)		127,286.	130,455.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,859,781.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		2,027,881.	2,362,053.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	7,201,375.	8,038,664.	
19 Revenue less expenses. Subtract line 18 from line 12	7,493,907.	6,026,116.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 27,203,311.	End of Year 31,901,170.
	21 Total liabilities (Part X, line 26)	2,058,276.	1,922,228.
	22 Net assets or fund balances. Subtract line 21 from line 20	25,145,035.	29,978,942.

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
	ROBIN L. RIVETT, PRESIDENT & CEO		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	LINDA L. HOUSE, CPA		
	Firm's name ▶ CAMPBELL TAYLOR & COMPANY	Firm's EIN ▶ 68-0251243	Check if self-employed <input type="checkbox"/>
	Firm's address ▶ 3741 DOUGLAS BLVD, SUITE 350 ROSEVILLE, CA 95661	Phone no. (916) 929-3680	PTIN P00003225

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission: PLF'S MISSION (ESTABLISHED IN 1973) IS TO BE AMERICA'S PREEMINENT DEFENDER OF FREEDOM IN COURTS THROUGHOUT THE NATION. PLF HAS A LONG TRADITION OF CONVERTING THE PHILANTHROPY OF EVERY DAY AMERICANS INTO LEGAL PRECEDENTS SAFEGUARDING THE FREEDOMS OF ALL AMERICANS. AS THEIR

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 [X] 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 [X] No If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured 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 \$ 4,277,312. including grants of \$) (Revenue \$ 121,331.)

LEGAL PROGRAM HIGHLIGHTS PACIFIC LEGAL FOUNDATION'S LEGAL PROGRAM HAS A SINGULAR MISSION: TO USE THE COURTS THROUGHOUT THE NATION TO PRESERVE, PROTECT AND DEFEND OUR LIBERTIES FROM OVERREACHING GOVERNMENT. WE LITIGATE TO PROTECT PROPERTY RIGHTS, PRESERVE ECONOMIC FREEDOMS, DEMAND A BALANCE IN ENVIRONMENTAL AND OTHER REGULATIONS, SUPPORT A SYSTEM OF LIMITED GOVERNMENT, AND ENSURE THAT GOVERNMENT TREATS ALL AMERICANS EQUALLY.

HERE ARE HIGHLIGHTS OF 2011 PROGRESS IN ALL OF THESE FOUR AREAS:

ARDENTLY DEFENDING PROPERTY RIGHTS: PACIFIC LEGAL FOUNDATION HAS EARNED A NATIONAL REPUTATION FOR FIGHTING

4b (Code:) (Expenses \$ 1,093,105. including grants of \$) (Revenue \$)

PUBLIC EDUCATION: PART III-4B

PUBLIC EDUCATION: IN 2011 PLF USED A COMPREHENSIVE PROGRAM OF FOCUSED MEDIA RELATIONS, WEB, AND DIRECT PUBLIC OUTREACH TO COMMUNICATE PLF'S KEY MESSAGES AND MISSION TO HELP PEOPLE UNDERSTAND HOW AND WHY OUR LITIGATION CHANGES PEOPLE'S LIVES. BELOW ARE SOME HIGHLIGHTS:

MEDIA RELATIONS: A VITAL ELEMENT OF PLF'S COMMUNICATIONS DEPARTMENT IS OUR OUTREACH TO THE NEWS MEDIA. 2011 HIGHLIGHTS INCLUDE:

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

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 5,370,417.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<input checked="" type="checkbox"/>	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	<input checked="" type="checkbox"/>	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule C, Part II</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule C, Part III</i>		<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule D, Part IV</i>		<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<input checked="" type="checkbox"/>	
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.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<input checked="" type="checkbox"/>	
b 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? <i>If "Yes," complete Schedule D, Part VII</i>	<input checked="" type="checkbox"/>	
c 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? <i>If "Yes," complete Schedule D, Part VIII</i>		<input checked="" type="checkbox"/>
d 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? <i>If "Yes," complete Schedule D, Part IX</i>	<input checked="" type="checkbox"/>	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<input checked="" type="checkbox"/>	
f 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)? <i>If "Yes," complete Schedule D, Part X</i>	<input checked="" type="checkbox"/>	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	<input checked="" type="checkbox"/>	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		<input checked="" type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?		<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule G, Part I</i>	<input checked="" type="checkbox"/>	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<input checked="" type="checkbox"/>	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		<input checked="" type="checkbox"/>
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		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? <i>If "Yes," complete Schedule I, Parts I and III</i>		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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
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? <i>If "Yes," complete Schedule L, Part I</i>		X
b 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? <i>If "Yes," complete Schedule L, Part I</i>		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? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		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? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		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? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 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
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 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
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? <i>If "Yes," complete Schedule R, Part I</i>		X
34 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
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. 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
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? <i>If "Yes," complete Schedule R, Part VI</i>		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	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

Main form area containing questions 1a through 14b with input fields and Yes/No columns.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 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?; 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[X] Own website [] Another's website [] Upon request
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
PACIFIC LEGAL FOUNDATION - 916-419-7111
930 G STREET, SACRAMENTO, CA 95814

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

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

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) ROBIN L. RIVETT PRESIDENT & CEO	37.50	X		X			263,283.	0.	44,707.	
(2) JAMES S BURLING DIRECTOR OF LITIGATION & A	37.50	X		X			192,056.	0.	26,419.	
(3) JAMES L. CLOUD TRUSTEE	1.00	X					0.	0.	0.	
(4) JOHN C. HARRIS CHAIR OF THE BOARD	1.00	X		X			0.	0.	0.	
(5) LEONARD S FRANK SECRETARY-TREASURER	1.00	X		X			0.	0.	0.	
(6) RICHARD R ALBRECHT TRUSTEE	1.00	X					0.	0.	0.	
(7) THOMAS G. BOST VICE CHAIR	1.00	X		X			0.	0.	0.	
(8) GREG M. EVANS TRUSTEE	1.00	X					0.	0.	0.	
(9) RICHARD GEARY TRUSTEE	1.00	X					0.	0.	0.	
(10) TIMOTHY R. HALL TRUSTEE	1.00	X					0.	0.	0.	
(11) GEORGE KIMBALL TRUSTEE	1.00	X					0.	0.	0.	
(12) LORRAINE O. LEGG TRUSTEE	1.00	X					0.	0.	0.	
(13) APRIL J MORRIS TRUSTEE	1.00	X					0.	0.	0.	
(14) JERRY W.P. SCHAUFFLER TRUSTEE	1.00	X					0.	0.	0.	
(15) BRUCE C. SMITH TRUSTEE	1.00	X					0.	0.	0.	
(16) CHARLES W. TRAINOR TRUSTEE	1.00	X					0.	0.	0.	
(17) RONALD E VAN BUSKIRK TRUSTEE	1.00	X					0.	0.	0.	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(18) DONALD JOE WILLIS TRUSTEE	1.00	X						0.	0.	0.
(19) H. DIXON MONTAGUE TRUSTEE	1.00	X						0.	0.	0.
(20) JEFFREY E. WARREN TRUSTEE	1.00	X						0.	0.	0.
(21) AMY B BOULRIS TRUSTEE	1.00	X						0.	0.	0.
(22) ROSS BORBA JR. TRUSTEE	1.00	X						0.	0.	0.
(23) BRIAN G. CARTWRIGHT TRUSTEE	1.00	X						0.	0.	0.
(24) ROBERT D. CONNORS TRUSTEE	1.00	X						0.	0.	0.
(25) SHARON L. BROWNE ATTORNEY	37.50				X			160,981.	0.	15,771.
(26) RICHARD P. GREEN CHIEF PHILANTHROPY OFFICER	37.50				X			182,830.	0.	8,416.
1b Sub-total								799,150.	0.	95,313.
c Total from continuation sheets to Part VII, Section A								706,569.	0.	90,743.
d Total (add lines 1b and 1c)								1,505,719.	0.	186,056.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 14

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
MORGAN MEREDITH & ASSOCIATES, 22780 INDIAN CREEK DRIVE #100, DULLES, VA 20166	PRINTING	242,980.
BLV AGRIBUSINESS, 2945 CANONITA DRIVE, FALLBROOK, CA 92028-8771	PUBLIC RELATIONS	130,455.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 2

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

			(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	1 a	Federated campaigns	1a	13,113,372.				
	b	Membership dues	1b					
	c	Fundraising events	1c	302,499.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f: \$		4766875.				
	h	Total. Add lines 1a-1f		13,415,871.				
	Program Service Revenue	2 a	COURT AWARDED ATTY FEE	Business Code 541100	103,441.	103,441.		
b								
c								
d								
e								
f		All other program service revenue						
g		Total. Add lines 2a-2f		103,441.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		596,032.			596,032.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real	(ii) Personal				
		Less: rental expenses						
		Rental income or (loss)						
		Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		Less: cost or other basis and sales expenses						
		Gain or (loss)						
		Net gain or (loss)						
	8 a	Gross income from fundraising events (not including \$ 302,499. of contributions reported on line 1c). See Part IV, line 18	a	36,468.				
		Less: direct expenses	b	104922.				
		Net income or (loss) from fundraising events			-68,454.			-68,454.
	9 a	Gross income from gaming activities. See Part IV, line 19	a					
Less: direct expenses		b						
Net income or (loss) from gaming activities								
10 a	Gross sales of inventory, less returns and allowances	a						
	Less: cost of goods sold	b						
	Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code					
11 a	OTHER INCOME	541100	17,890.	17,890.				
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d		17,890.					
12	Total revenue. See instructions.		14,064,780.	121,331.	0.	527,578.		

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).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(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 United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	455,339.	336,861.	39,492.	78,986.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,190,838.	3,168,977.	245,994.	775,867.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	174,180.	109,860.	29,975.	34,345.
9 Other employee benefits	392,182.	248,697.	68,179.	75,306.
10 Payroll taxes	333,617.	220,663.	48,755.	64,199.
11 Fees for services (non-employees):				
a Management				
b Legal	81,156.		81,156.	
c Accounting	65,786.		65,786.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	130,455.			130,455.
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	83,335.	16,942.	44,523.	21,870.
14 Information technology				
15 Royalties				
16 Occupancy	763,444.	576,068.	46,910.	140,466.
17 Travel	67,551.	29,434.	5,559.	32,558.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	9,966.	5,137.	1,600.	3,229.
20 Interest	2,279.	1,720.	140.	419.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	104,824.	79,096.	6,441.	19,287.
23 Insurance	69,971.	38,000.	29,783.	2,188.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PRINTING & PUBLICATIONS	400,433.	169,511.	392.	230,530.
b POSTAGE & SHIPPING	283,162.	61,823.	9,121.	212,218.
c LITIGATION EXPENSE	93,791.	93,791.		
d EQUIPMENT & RENTAL	89,303.	67,385.	5,487.	16,431.
e All other expenses	247,052.	146,452.	79,173.	21,427.
25 Total functional expenses. Add lines 1 through 24e	8,038,664.	5,370,417.	808,466.	1,859,781.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing	921,886.	1	1,226,772.	
	2 Savings and temporary cash investments	150,249.	2	132,055.	
	3 Pledges and grants receivable, net	984,795.	3	370,154.	
	4 Accounts receivable, net	123,375.	4	213,367.	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5		
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	96,746.	9	173,090.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,134,757.			
	b Less: accumulated depreciation	10b 758,466.	142,986.	10c 376,291.	
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11	21,025,785.	12	26,535,990.	
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	3,757,489.	15	2,873,451.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	27,203,311.	16	31,901,170.		
Liabilities	17 Accounts payable and accrued expenses	114,191.	17	53,139.	
	18 Grants payable		18		
	19 Deferred revenue		19		
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial 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 to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	1,944,085.	25	1,869,089.	
	26 Total liabilities. Add lines 17 through 25	2,058,276.	26	1,922,228.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	20,665,335.	27	26,291,074.	
	28 Temporarily restricted net assets	3,592,891.	28	2,837,989.	
	29 Permanently restricted net assets	886,809.	29	849,879.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	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 Total net assets or fund balances	25,145,035.	33	29,978,942.	
34 Total liabilities and net assets/fund balances	27,203,311.	34	31,901,170.		

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI [X]

Table with 6 rows and 2 columns. Row 1: Total revenue 14,064,780. Row 2: Total expenses 8,038,664. Row 3: Revenue less expenses 6,026,116. Row 4: Net assets at beginning 25,145,035. Row 5: Other changes -1,192,209. Row 6: Net assets at end 29,978,942.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII [X]

Table with 3 columns: Question, Yes, No. Row 1: Accounting method (Accrual checked). Row 2a: Financial statements compiled (No). Row 2b: Financial statements audited (Yes). Row 2c: Committee oversight (Yes). Row 3a: Federal award audit (No). Row 3b: Required audit (No).

Form 990 (2011)

Public Inspection Copy

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization **PACIFIC LEGAL FOUNDATION** Employer identification number **94-2197343**

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2011

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	7,286,951.	8,421,307.	10,449,939.	14,208,074.	13,347,417.	53,713,688.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	7,286,951.	8,421,307.	10,449,939.	14,208,074.	13,347,417.	53,713,688.
5 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)						14,088,029.
6 Public support. Subtract line 5 from line 4.						39,625,659.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	7,286,951.	8,421,307.	10,449,939.	14,208,074.	13,347,417.	53,713,688.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	400,468.	278,561.	285,127.	387,625.	596,032.	1,947,813.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	43,565.	54,079.	182,367.	29,246.	17,890.	327,147.
11 Total support. Add lines 7 through 10						55,988,648.
12 Gross receipts from related activities, etc. (see instructions)					12	2,867,838.
13 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	<input type="checkbox"/>					

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	70.77 %
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	80.05 %
16a 33 1/3% support test - 2011. 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 33 1/3% support test - 2010. 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"/>	
17a 10% -facts-and-circumstances test - 2011. 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 "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 10% -facts-and-circumstances test - 2010. 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"/>	
18 Private foundation. 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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
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

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2011. 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

b 33 1/3% support tests - 2010. 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)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**

▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

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.

	(a) Donor advised funds	(b) Funds and other accounts
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 and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

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

- 3 Using the organization's acquisition, 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 Escrow and Custodial Arrangements. Complete if the 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 the 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	20,423,282.	11,060,311.	4,880,134.	5,696,799.	
b Contributions	6,349,015.	8,334,807.	5,210,277.	733,778.	
c Net investment earnings, gains, and losses	-71,948.	1,826,579.	1,195,879.	-1,274,821.	
d Grants or scholarships					
e Other expenditures for facilities and programs	1,498,713.	798,415.	225,979.	275,622.	
f Administrative expenses					
g End of year balance	25,201,636.	20,423,282.	11,060,311.	4,880,134.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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)		X
3a(ii)		X
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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		1,134,757.	758,466.	376,291.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				376,291.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) MUTUAL FUNDS PRIMARILY		
(B) INVESTED IN DEBT & EQUITY		
(C) SECURITIES	22,371,959.	END-OF-YEAR MARKET VALUE
(D) MONEY MARKET ACCOUNTS	3,542,601.	END-OF-YEAR MARKET VALUE
(E) CORPORATE BONDS	339,457.	END-OF-YEAR MARKET VALUE
(F) GOVERNMENTAL BONDS &		
(G) SECURITIES	281,973.	END-OF-YEAR MARKET VALUE
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	26,535,990.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) CSV LIFE INSURANCE	28,485.
(2) DEPOSITS, STOCK RECEIVABLE & MISC.	74,155.
(3) CHARITABLE REMAINDER TRUST ASSETS	1,823,699.
(4) OTHER TRUST ASSETS	947,112.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	2,873,451.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) OTHER LIABILITIES	98,004.
(3) PENSION PLAN ACCRUAL	530,826.
(4) ACCRUED EXPENSES	399,313.
(5) LIABILITY UNDER UNITRUST	558,503.
(6) LEASES PAYABLE	42,986.
(7) OTHER LIABILITIES	239,457.
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	1,869,089.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	14,064,780.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	8,038,664.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	6,026,116.
4	Net unrealized gains (losses) on investments	4	-780,635.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-411,574.
9	Total adjustments (net). Add lines 4 through 8	9	-1,192,209.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	4,833,907.

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

1	Total revenue, gains, and other support per audited financial statements	1	12,883,653.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	-780,635.
b	Donated services and use of facilities	2b	11,082.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	-411,574.
e	Add lines 2a through 2d	2e	-1,181,127.
3	Subtract line 2e from line 1	3	14,064,780.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	14,064,780.

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

1	Total expenses and losses per audited financial statements	1	8,049,746.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	11,082.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	11,082.
3	Subtract line 2e from line 1	3	8,038,664.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	8,038,664.

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, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2: THE FOUNDATION HAS IMPLEMENTED THE AMENDED ACCOUNTING

PRINCIPLES RELATED TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES AND HAS DETERMINED THAT THERE IS NO MATERIAL IMPACT ON THE FINANCIAL STATEMENTS.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS -411,574.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

Part XIV Supplemental Information (continued)

CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS

-411,574.

Public Inspection
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SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

OMB No. 1545-0047

2011

**Open To Public
Inspection**

**Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

Name of the organization **PACIFIC LEGAL FOUNDATION** Employer identification number **94-2197343**

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
BLV AGRIBUSINESS CONSULTANTS - 2945 CANONITA DRIVE,	PERSONAL CONTACT WITH INDIVIDUALS		<input checked="" type="checkbox"/>	1,133,569.	130,455.	1,003,114.
Total				1,133,569.	130,455.	1,003,114.

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

AL, AK, AZ, AR, CA, CO, CT, DE, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY, DC

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		SACRAMENTO (MEESE)	MOZART	NONE	
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts	181,817.	157,150.		338,967.
	2 Less: Charitable contributions	160,397.	142,102.		302,499.
	3 Gross income (line 1 minus line 2)	21,420.	15,048.		36,468.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	44,474.	60,448.		104,922.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(104,922)
	11 Net income summary. Combine line 3, column (d), and line 10				-68,454.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				(_____)	
8 Net gaming income summary. Combine line 1, column d, and line 7					

9 Enter the state(s) in which the organization operates gaming activities: _____
a Is the organization licensed to operate gaming activities in each of these states? Yes No
b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
b If "Yes," explain: _____

- 11** Does the organization operate gaming activities with nonmembers? Yes No
- 12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13** Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____
 Address ▶ _____

- 15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c** If "Yes," enter name and address of the third party:

Name ▶ _____
 Address ▶ _____

16 Gaming manager information:

Name ▶ _____
 Gaming manager compensation ▶ \$ _____
 Description of services provided ▶ _____

- Director/officer Employee Independent contractor

17 Mandatory distributions:

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: BLV AGRIBUSINESS CONSULTANTS
 (I) ADDRESS OF FUNDRAISER: 2945 CANONITA DRIVE, FALLBROOK, CA 92028-8771

SCHEDULE G, PART I, LINE 2B, COLUMN (V): CONTRACTED AT AN HOURLY RATE FOR SERVICES UP TO A MAXIMUM CHARGE IN ANY ONE MONTH. MISCELLANEOUS COSTS WILL BE REIMBURSED.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

Part I Questions Regarding Compensation

	Yes	No
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"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are 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	1b	
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?	2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III. <input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input type="checkbox"/> Compensation survey or study <input 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, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
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.	4c	X
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
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?	5a	X
b Any related organization? If "Yes" to line 5a or 5b, describe in Part III.	5b	X
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?	6a	X
b Any related organization? If "Yes" to line 6a or 6b, describe in Part III.	6b	X
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	7	X
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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2011

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 ROBIN L. RIVETT	(i)	263,283.	0.	0.	30,558.	14,149.	307,990.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 JAMES S BURLING	(i)	192,056.	0.	0.	7,464.	18,955.	218,475.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 SHARON L. BROWNE	(i)	160,981.	0.	0.	5,846.	9,925.	176,752.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 RICHARD P. GREEN	(i)	182,830.	0.	0.	0.	8,416.	191,246.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 M. REED HOPPER	(i)	142,155.	0.	0.	5,371.	12,557.	160,083.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 MERIEM HUBBARD	(i)	138,527.	0.	0.	5,306.	15,709.	159,542.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 R. S. RADFORD	(i)	154,527.	0.	0.	5,599.	12,075.	172,201.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 ALAN E. DESERIO	(i)	140,355.	0.	0.	5,292.	15,414.	161,061.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 4B: ROBIN RIVETT, PRESIDENT & CEO, SUPPLEMENTAL LIFE

INSURANCE \$1,600 AND SUPPLEMENTAL PENSION OF \$20,920.

Public Inspection
Copy

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

Name of the organization **PACIFIC LEGAL FOUNDATION** Employer identification number **94-2197343**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	20	4,766,875.	NYSE MARKET VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2011)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization

PACIFIC LEGAL FOUNDATION

Employer identification number

94-2197343

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ALL LEVELS OF THE ADMINISTRATIVE AND JUDICIAL PROCESS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

LEGAL ADVOCATE IN THE COURTS, PLF VIGOROUSLY DEFENDS PROPERTY RIGHTS,
INDIVIDUAL AND ECONOMIC LIBERTIES, AND THE CONSTITUTIONAL GUARANTEES OF
LIMITED GOVERNMENT. WHEN GOVERNMENT-AT ANY LEVEL, EXCEEDS ITS
ENUMERATED POWERS AND ABRIDGES THE CONSTITUTIONAL RIGHTS OF CITIZENS,
PLF COMES TO THEIR AID. LITIGATING FOR PRINCIPLE, NOT PROFIT, PLF
RESTORES PEOPLE'S INDIVIDUAL RIGHTS, AND SETS LASTING LEGAL PRECEDENTS
TO RESTORE GOVERNMENT TO ITS PROPER ROLE.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

AND WINNING MAJOR PROPERTY RIGHTS VICTORIES, INCLUDING SEVERAL AT THE
U.S. SUPREME COURT. PLF CHALLENGES REGULATORY SHAKEDOWNS, ZONING
SCHEMES, AND EMINENT DOMAIN AND COASTAL LAND RIGHTS ABUSES. PLF'S
LITIGATION HAS BECOME MORE ESSENTIAL IN RECENT YEARS BECAUSE OF A
DISTURBING AND DANGEROUS TREND: COURTS FREQUENTLY TREAT PROPERTY AS A
"THING" THAT IS SUBJECT TO REDUCTION AND THE OWNER'S ASSOCIATED RIGHTS
IN THAT PROPERTY AS ENTITLEMENTS SUBJECT TO GOVERNMENT LIMITATION.

SEVERANCE V. PATTERSON - A MAJOR VICTORY FOR CAROL SEVERANCE AND OTHER
COASTAL LANDOWNERS IN TEXAS WAS ACHIEVED WHEN A DECISION BY THE FIFTH
CIRCUIT COURT OF APPEALS LEFT IN PLACE A FAVORABLE RULING BY THE TEXAS
SUPREME COURT REJECTING THE STATE'S CLAIM THAT BEACH EASEMENTS "ROLL"
WITH THE VEGETATION LINE. THIS CASE WAS A MAJOR TEST OF THE TEXAS OPEN

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2011)

132211
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BEACHES ACT - A 50-YEAR-OLD LAW - TO SEIZE PRIVATE BEACH LAND AND HOMES FOR A "PUBLIC" BEACH WHEN STORMS BLOW AWAY THE VEGETATION OR MOVE THE VEGETATION LINE LANDWARD.

STERLING V. CALIFORNIA COASTAL COMMISSION - PLF TWICE DEFEATED THE CALIFORNIA COASTAL COMMISSION'S ATTEMPT TO IMPOSE ILLEGAL CONDITIONS ON DAN AND DENISE STERLING'S PLAN TO BUILD A HOME ON THEIR PROPERTY NEAR HALF MOON BAY. THE SAN MATEO COUNTY SUPERIOR COURT RULED THE COMMISSION'S ATTEMPT TO REQUIRE THE STERLINGS TO DEDICATE AN AGRICULTURAL EASEMENT TO THE STATE, REQUIRING 143 ACRES OF THEIR LAND TO BE FARMED FOREVER, CONSTITUTED AN UNCONSTITUTIONAL TAKING. WHEN REGULATORS TRIED TO IMPOSE A BROAD OPEN SPACE DEED RESTRICTION ON THE STERLINGS, PLF SUCCESSFULLY CONVINCED THE COURT THAT THE COMMISSION'S DEMANDS WERE UNCONSTITUTIONAL.

SDS FAMILY TRUST V. CALIFORNIA COASTAL COMMISSION - THE CALIFORNIA COASTAL COMMISSION'S MOTION FOR SUMMARY JUDGMENT IN THIS IMPORTANT PROPERTY RIGHTS CASE WAS DENIED, SO THE CASE WILL PROCEED TO TRIAL. PLF ATTORNEYS REPRESENT THREE SISTERS WHO OWN LAND THROUGH A FAMILY TRUST ESTABLISHED BY THEIR LATE FATHER. THEY SEEK PERMISSION FOR SOME BASIC REPAIR WORK ON THEIR PROPERTY NEAR CAYUCOS IN AN UNINCORPORATED AREA OF SAN LUIS OBISPO COUNTY, BUT THE COMMISSION IS WITHHOLDING PERMIT APPROVAL UNTIL THE SISTERS AGREE TO GIVE THE STATE A PUBLIC EASEMENT 25 TO 50 FEET WIDE RUNNING THE ENTIRE LENGTH OF THE PROPERTY.

ROBERT MERRILL, TRUSTEE, AND HOMER TAFT V. STATE OF OHIO - THE OHIO SUPREME COURT RULED FOR LAKE ERIE'S LAKEFRONT PROPERTY OWNERS AND

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SOUNDLY REJECTED A BID BY ENVIRONMENTAL ACTIVISTS AND THE STATE OF OHIO TO GRAB SHORELINE PROPERTY UNDER THE PUBLIC TRUST DOCTRINE. IN RECENT YEARS THE OHIO DEPARTMENT OF NATURAL RESOURCES HAS BEGUN ASSERTING THAT THE STRIP OF LAND ALONG LAKE ERIE, BETWEEN THE WATER'S EDGE AND THE HIGH-WATER MARK, IS NOT PRIVATE LAND AS HAS ALWAYS BEEN UNDERSTOOD. INSTEAD, THE STATE ASSERTS THAT THE STRIP OF LAND IS PART OF A PUBLIC TRUST, WHICH CAME INTO EXISTENCE WHEN OHIO ENTERED THE UNION. THE LANDOWNERS FILED A CLASS ACTION SUIT IN 2004, SEEKING DECLARATORY RELIEF. THEY RECEIVED A FAVORABLE JUDGMENT IN THE COURT OF COMMON PLEAS AND THE DECISION WAS UPHELD BY AN OHIO APPELLATE COURT. PLF FILED AN AMICUS AT THE OHIO STATE SUPREME COURT IN SUPPORT OF THE PROPERTY OWNERS. THE SUPREME COURT REACHED THE CONCLUSION THAT STATE OWNERSHIP OF THE LAKE EXTENDS ONLY TO THE POINT WHERE THE WATER NORMALLY TOUCHES THE SHORE.

TOMCZAK V. WASHINGTON STATE DEPT. OF ECOLOGY - DOUG TOMCZAK FINALLY OBTAINED A PERMIT TO MOOR HIS SEAPLANE AT HIS PRIVATE DOCK ON LAKE WHATCOM. HIS PERMIT WAS INITIALLY REVOKED WHEN THE DEPARTMENT OF ECOLOGY DECIDED THAT, DESPITE THE LAKE'S LONG HISTORY AS A SEAPLANE BASE, TOMCZAK'S PLANE MIGHT INTRODUCE INVASIVE ZEBRA MUSSELS INTO THE LAKE. PLF ATTORNEYS REPRESENTED THE WASHINGTON SEAPLANE PILOTS ASSOCIATION AS INTERVENERS IN THE RESULTING LITIGATION, AND HELPED NEGOTIATE THE SETTLEMENT THAT RESULTED IN TOMCZAK'S PERMIT.

LUHRS V. WHATCOM COUNTY - A DECADE-LONG STRUGGLE BY LUMMI ISLAND RESIDENT VICKI LUHRS ENDED IN EARLY 2011 WITH A SETTLEMENT WITH THE COUNTY THAT ALLOWED HER TO BUILD A REVETMENT TO PROTECT HER HOME AGAINST SHORELINE EROSION. PLF ATTORNEYS CAME TO HER DEFENSE AND WON A

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MAJOR VICTORY AT THE WASHINGTON COURT OF APPEALS IN SEPTEMBER, 2009.

HER CASE WAS REMANDED BACK TO THE TRIAL COURT WITH AN ORDER THAT LUHRS BE ALLOWED TO DEMONSTRATE HER CONTENTION THAT SHE NEEDS A ROCK REVETMENT TO PROTECT HER HOME. WITH THE SETTLEMENT, LUHRS FINALLY COMPLETED CONSTRUCTION OF HER REVETMENT, STOPPING A DECADE OF EROSION THAT CONSUMED SEVERAL FEET OF HER PROPERTY.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

IN FRIENDS OF THE SAN JUANS V. HUGHES, AN ENVIRONMENTAL GROUP TRIED TO STOP PROPERTY OWNER CHRIS HUGHES FROM BUILDING A SINGLE-FAMILY DOCK AT HIS PROPERTY ON PEARL ISLAND, WASHINGTON. THE GROUP ALLEGED THAT HUGHES' DOCK WOULD DESTROY EELGRASS BEDS, YET FRIENDS WAS UNABLE TO PRESENT CONCLUSIVE EVIDENCE SHOWING THE EXTENT OF EELGRASS DECLINE THAT THE DOCK WOULD CAUSE. NEVERTHELESS, THE SHORELINES HEARINGS BOARD VACATED HUGHES' PERMIT TO CONSTRUCT THE DOCK. PLF SUBMITTED AN AMICUS BRIEF IN THE WASHINGTON COURT OF APPEALS ARGUING THAT IT WAS UNLAWFUL FOR THE BOARD TO VACATE HUGHES' PERMIT BASED ON INSUFFICIENT EVIDENCE OF SPECULATIVE HARM. IN OUR VIEW, THE BOARD HAD INAPPROPRIATELY SHIFTED THE BURDEN OF PROOF, REQUIRING HUGHES TO PROVE AN ABSENCE OF HARM, RATHER THAN REQUIRING FRIENDS TO PROVE THE HARM THEY ALLEGED. THE COURT AGREED WITH PLF'S ARGUMENTS, AND HUGHES NOW IS FREE TO BUILD HIS DOCK.

IN JUPITER INLET COLONY V. BONDAR, A FLORIDA CIRCUIT COURT RULED IN FAVOR OF PLF CLIENTS, ALEXANDER AND HOLLY BONDAR, WHO CONTESTED A SOUTH FLORIDA TOWN'S 2008 ZONING ORDINANCE THAT PROHIBITED THEM FROM USING THEIR HOME AS A SHORT-TERM RENTAL.

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CHALLENGING MISGUIDED ENVIRONMENTAL LAWS AND REGULATIONS:

ALL AMERICANS WANT CLEAN WATER, CLEAN AIR AND A HEALTHY ENVIRONMENT.

UNFORTUNATELY, GOVERNMENT HAS ENACTED ENVIRONMENTAL LAWS THAT TOO

FREQUENTLY RESULT IN VIOLATIONS OF INDIVIDUAL LIBERTIES AND

CONSTITUTIONALLY PROTECTED RIGHTS, IN PARTICULAR THE RIGHT TO USE AND

ENJOY PRIVATE PROPERTY.

PACIFIC LEGAL FOUNDATION IS THE NATION'S LEADING PUBLIC INTEREST LEGAL

ORGANIZATION FIGHTING FOR A SENSIBLE, COMMON SENSE, SCIENCE-BASED,

BALANCED APPROACH TO ENVIRONMENTAL REGULATION. PLF CHALLENGES

GOVERNMENT HUBRIS IN THE ENFORCEMENT OF STATE ENVIRONMENTAL REGULATIONS

AND FEDERAL LAWS SUCH AS THE ENDANGERED SPECIES ACT, CLEAN WATER ACT,

AND THE CLEAN AIR ACT TO PROTECT PRIVATE PROPERTY RIGHTS AND REDUCE THE

EVER-EXPANDING POWER OF GOVERNMENT.

IN 2011, PLF DELIVERED IMPORTANT RESULTS:

SACKETT V. EPA - PLF LITIGATED ON BEHALF OF IDAHO RESIDENTS, MIKE AND

CHANTELL SACKETT, ALL THE WAY TO THE U.S. SUPREME COURT WHERE ORAL

ARGUMENT IN THIS CASE WAS HELD ON JANUARY 9, 2012. THEIR SAGA BEGAN IN

2008 WHEN EPA AGENTS STORMED ONTO THEIR SMALL LOT IN IDAHO'S PANHANDLE

WHERE THEY HAD PLACED SOME GRAVEL TO PREPARE THE FOUNDATION FOR A NEW

HOME. BUREAUCRATS ISSUED A "COMPLIANCE ORDER" THAT ALLEGED THEY HAD

FILLED IN A WETLAND WITHOUT THEIR APPROVAL. AFTER THE FEDERAL DISTRICT

COURT IN IDAHO, AND THEN THE NINTH CIRCUIT COURT OF APPEALS TOLD THEM

THEY HAD NO LEGAL RECOURSE TO CHALLENGE THE EPA, YOU HELPED THEM GET

THEIR DAY IN COURT AT THE NATION'S HIGHEST COURT.

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STEWART & JASPER ORCHARDS V. SALAZAR - DISAPPOINTED BUT UNDAUNTED IS PLF'S REACTION TO THE UNITED STATES SUPREME COURT'S ANNOUNCEMENT THAT IT WILL NOT HEAR THE CONSTITUTIONALLY BASED CHALLENGE TO THE FEDERAL DELTA SMELT REGULATIONS THAT HAVE SEVERELY RATIONED WATER TO SAN JOAQUIN VALLEY FARMERS, RURAL TOWNS, AND URBAN CUSTOMERS IN SOUTHERN CALIFORNIA. PLF'S LAWSUIT, FILED ON BEHALF OF SEVERAL FAMILY FARMERS, SAID THAT THE FEDERAL GOVERNMENT HAS NO AUTHORITY TO ISSUE REGULATIONS RELATING TO THE SMELT, BECAUSE THE THREE-INCH FISH EXISTS ONLY IN ONE STATE - CALIFORNIA - AND IS NOT BOUGHT OR SOLD IN COMMERCE. THE BATTLE IS NOT OVER. THE LEGAL FIGHT AGAINST THOSE REGULATIONS CONTINUES AS PLF IS ACTIVE IN OTHER LITIGATION OVER THE FEDERAL BIOLOGICAL OPINIONS FOR THE DELTA SMELT AND OTHER SPECIES.

YOLO COUNTY FARM BUREAU V. U.S. FISH AND WILDLIFE SERVICE - RESPONDING TO A PLF LAWSUIT, FEDERAL REGULATORS DETERMINED IN AUGUST THAT DELISTING OF THE VALLEY ELDERBERRY LONGHORN BEETLE MAY BE WARRANTED. IN 2006, FEDERAL OFFICIALS DETERMINED THAT THE BEETLE NO LONGER REQUIRED PROTECTION UNDER THE ENDANGERED SPECIES ACT (ESA) BECAUSE THE SPECIES HAD RECOVERED, BUT NO ACTION WAS TAKEN. PLF ATTORNEYS SUED THE AGENCY IN APRIL FOR ITS FAILURE TO COMPLY WITH STATUTORY DEADLINES FOR DELISTING PETITIONS. THE BEETLE'S "THREATENED" STATUS UNDER THE ESA SINCE 1980 HAS HAMPERED THE PRODUCTIVE USE OF LAND, AND THE BUILDING AND MAINTENANCE OF FLOOD CONTROL LEVEES.

BARNUM TIMBER V. EPA - BARNUM TIMBER, A SMALL FAMILY-RUN TIMBER BUSINESS IN NORTHERN CALIFORNIA, RECEIVED A FAVORABLE DECISION AT THE NINTH CIRCUIT COURT OF APPEALS THAT IT HAS STANDING TO CHALLENGE THE DESIGNATION OF REDWOOD CREEK AS IMPAIRED. PLF REPRESENTS BARNUM IN A

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FEDERAL COURT CHALLENGE TO THE "IMPAIRED" DESIGNATION BY BOTH FEDERAL AND STATE OFFICIALS. THE DECISION IS AN IMPORTANT ONE FOR PROPERTY OWNERS THROUGHOUT THE WEST WHO NOW STAND A BETTER CHANCE OF GETTING A FEDERAL COURT TO HEAR THEIR CHALLENGES TO ONEROUS ENVIRONMENTAL REGULATIONS THAT REDUCE THE VALUE OF THEIR PROPERTY.

IN JANUARY 2011, THE UNITED STATES FISH AND WILDLIFE SERVICE ISSUED A FINDING THAT PLF'S PETITION TO RECLASSIFY SIX SPECIES (ONE FISH SPECIES AND FIVE PLANT SPECIES IN CALIFORNIA) MAY BE WARRANTED. A SUCCESSFUL PLF LAWSUIT SEVERAL YEARS AGO COMPELLED THE AGENCY TO CONDUCT MANDATORY FIVE YEAR STATUS REVIEWS FOR MORE THAN 100 THREATENED OR ENDANGERED SPECIES IN THE STATE OF CALIFORNIA, BUT REGULATORS TOOK NO ACTION. ONLY WHEN PLF PRESSED ITS PETITION DID THE AGENCY RESPOND AND BEGIN A NEW REVIEW OF THE SPECIES.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

CONFRONTING GOVERNMENT PROGRAMS THAT DISCRIMINATE:

PLF CHALLENGES PROGRAMS COVERING PUBLIC CONTRACTING, PUBLIC EDUCATION, AND PUBLIC EMPLOYMENT THAT GRANT SPECIAL PREFERENCES TO A SELECT FEW ON THE BASIS OF SEX AND RACE. PLF LITIGATES TO ASSURE A COLOR-BLIND SOCIETY AND AGAINST ATTEMPTS THAT UNDERMINE THE EQUAL PROTECTION CLAUSE OF THE FOURTEENTH AMENDMENT TO THE UNITED STATES CONSTITUTION, CALIFORNIA'S LANDMARK 1996 ANTIDISCRIMINATION MEASURE PROPOSITION 209, AND SIMILAR MEASURES IN OTHER STATES.

HIGHLIGHTS OF PLF'S LITIGATION IN 2011 INCLUDE:

IN COALITION TO DEFEND AFFIRMATIVE ACTION V. SCHWARZENEGGER - SAN

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FRANCISCO BASED FEDERAL JUDGE SAMUEL CONTI DISMISSED A LAWSUIT BY ACTIVIST GROUPS THAT CHALLENGED THE CONSTITUTIONALITY OF PROPOSITION 209 AND SOUGHT TO REINTRODUCE RACE BASED PREFERENCES TO THE UNIVERSITY OF CALIFORNIA ADMISSIONS PROCESS. JUDGE CONTI SIDED WITH PLF ATTORNEYS, WHO INTERVENED IN THE CASE TO DEFEND PROPOSITION 209 ON BEHALF OF THE AMERICAN CIVIL RIGHTS FOUNDATION AS WELL AS SACRAMENTO BUSINESSMAN AND FORMER UC REGENT WARD CONNERLY, WHO LED THE 1996 CAMPAIGN THAT WON APPROVAL OF PROPOSITION 209 AT THE POLLS. THE CASE IS ON APPEAL IN THE NINTH CIRCUIT.

COALITION TO DEFEND AFFIRMATIVE ACTION V. GRANHOLM; CANTRELL V. GRANHOLM - THE FULL COURT OF THE SIXTH CIRCUIT COURT OF APPEALS AGREED TO REHEAR THIS CASE THAT WAS FILED BY THE ACTIVIST GROUP BAMN (BY ANY MEANS NECESSARY) AGAINST THE UNIVERSITY OF MICHIGAN. PLF IS USING A VIGOROUS DEFENSE OF THE MICHIGAN CIVIL RIGHTS INITIATIVE, THE SISTER INITIATIVE TO PROPOSITION 209, TO PREVENT RACIAL AND ETHNIC PREFERENCES FROM BEING REIMPOSED AT THE UNIVERSITY OF MICHIGAN. AN ADVERSE DECISION WAS ISSUED BY THE SIXTH CIRCUIT COURT OF APPEALS ON JUNE 29, 2011. THE ATTORNEY GENERAL FILED A PETITION FOR REHEARING EN BANC AND PLF FILED ITS AMICUS BRIEF IN SUPPORT OF IT ON AUGUST 5, 2011.

FISHER V. UNIVERSITY OF TEXAS AT AUSTIN - PLF FILED AN AMICUS BRIEF IN SUPPORT OF STUDENTS WHO WERE DENIED ADMISSION, ARGUING THAT THE UNIVERSITY'S RACE-CONSCIOUS ADMISSIONS POLICY VIOLATED THEIR RIGHTS TO EQUAL PROTECTION UNDER THE FOURTEENTH AMENDMENT. AN ADVERSE DECISION WAS ISSUED BY THE FIFTH CIRCUIT COURT OF APPEALS ON JANUARY 18, 2010, AND A PETITION FOR REHEARING WAS DENIED. PLF ATTORNEYS SUPPORTED A PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES SUPREME COURT,

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WHICH WAS JUST GRANTED.

AMERICAN SPORTS COUNCIL V. U.S. DEPARTMENT OF EDUCATION - PLF HAS SUED THE U.S. DEPARTMENT OF EDUCATION OVER DOE POLICY GUIDELINES THAT ACTIVISTS ARE USING TO PROMOTE SEX-BASED QUOTAS IN PUBLIC HIGH SCHOOL ATHLETIC PROGRAMS. TITLE IX DOES NOT REQUIRE SEX-BASED QUOTAS IN HIGH SCHOOL SPORTS, BUT IN RECENT YEARS, FEDERAL POLICY GUIDELINES ON TITLE IX HAVE MADE VAGUE REFERENCES TO HIGH SCHOOLS IN A WAY THAT ALLOWS PRO-QUOTA ACTIVISTS TO MISINTERPRET AND MISUSE TITLE IX AND WRONGLY DEMAND THAT HIGH SCHOOLS INSTITUTE QUOTA POLICIES. PLF ATTORNEYS REPRESENT THE AMERICAN SPORTS COUNCIL, A NATIONAL COALITION OF COACHES, ATHLETES, PARENTS, AND FANS DEVOTED TO PRESERVING AND PROMOTING THE STUDENT ATHLETE EXPERIENCE.

PROTECTING INDIVIDUAL RIGHTS AND ECONOMIC LIBERTIES:

PLF CHALLENGES LAWS AND REGULATIONS THAT UNFAIRLY RESTRICT ENTREPRENEURS' RIGHTS TO PURSUE THE OCCUPATION OF THEIR CHOICE AND CREATE A PROSPEROUS FUTURE FOR THEMSELVES AND THEIR FAMILIES.

LITIGATION HIGHLIGHTS IN 2011 INCLUDE:

GARCIA V. MEDVED CHEVROLET - THIS IS A CLASS ACTION ABUSE CASE OUT OF THE COLORADO SUPREME COURT, IN WHICH PLF PARTICIPATED AS AMICUS. THE PLAINTIFF CAR BUYERS SOUGHT TO CERTIFY A CLASS ACTION AGAINST A CHEVROLET DEALERSHIP UNDER THE STATE CONSUMER PROTECTION ACT, FOR THE DEALERSHIP'S USE OF ALLEGEDLY DECEPTIVE SALES DOCUMENTS. THEY ASKED THE TRIAL COURT TO PRESUME TWO ESSENTIAL ELEMENTS OF THEIR CLAIM THAT THE PLAINTIFFS RELIED ON THE SALES DOCUMENTS AND THAT THEY WERE

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INJURED. WITHOUT HOLDING AN EVIDENTIARY HEARING, THE TRIAL COURT CERTIFIED THE CLASS. THE COLORADO COURT OF APPEALS REVERSED, FINDING NO PRECEDENT IN COLORADO LAW FOR "PRESUMING RELIANCE." THE COLORADO SUPREME AFFIRMED, UNANIMOUSLY.

IMS HEALTH V. SORRELL - THE SUPREME COURT STRUCK DOWN A VERMONT LAW THAT DISCRIMINATED AGAINST THE FIRST AMENDMENT FREE SPEECH RIGHTS OF PHARMACEUTICAL AND INFORMATION COMPANIES. THE VERMONT LAW HAD PREVENTED THOSE COMPANIES - BUT NOT OTHER RESEARCHERS - FROM USING INFORMATION ABOUT DRUG PRESCRIPTIONS FOR THEIR MARKETING AND PROMOTIONAL PURPOSES. THE COURT WAS PARTICULARLY CONCERNED THAT THE LAW DISCRIMINATED AGAINST THE COMPANIES BASED ON THE CONTENT OF THE SPEECH AND THE PARTICULAR SPEAKERS - THE PHARMACEUTICAL COMPANIES. THE COURT EMPHASIZED THAT TO THE AVERAGE PERSON, THE FREE FLOW OF COMMERCIAL SPEECH CAN BE JUST AS IMPORTANT AS POLITICAL SPEECH - ESPECIALLY IN THE FIELDS OF MEDICINE AND PUBLIC HEALTH WHERE THE FREE FLOW OF INFORMATION CAN SAVE LIVES. FOR THAT REASON, RESTRICTIONS ON COMMERCIAL SPEECH, NO LESS THAN POLITICAL SPEECH, ARE ENTITLED TO CLOSE JUDICIAL REVIEW (HEIGHTENED SCRUTINY) TO ASSESS THEIR CONSTITUTIONALITY.

IN AEP V. CONNECTICUT, THE SUPREME COURT ISSUED ITS DECISION IN THIS GLOBAL WARMING NUISANCE LAWSUIT THAT PRESENTED IMPORTANT QUESTIONS ON THE ROLE OF THE FEDERAL JUDICIARY IN GREENHOUSE GAS REGULATION. PLF FILED A BRIEF IN THE CASE ARGUING THAT THE FEDERAL JUDICIARY COULD NOT HEAR THE PLAINTIFFS' PUBLIC NUISANCE CLAIMS BROUGHT AGAINST SEVERAL POWER COMPANIES, BECAUSE THOSE PLAINTIFFS LACKED STANDING TO SUE, AND BECAUSE THE LAWSUITS BOILED DOWN TO A POLITICAL QUESTION. THE COURT

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RULED 8-0 THAT CONGRESS HAD "DISPLACED," THROUGH THE CLEAN AIR ACT, WHATEVER FEDERAL COMMON LAW OF PUBLIC NUISANCE GOVERNING GLOBAL WARMING THAT MIGHT OTHERWISE BE AVAILABLE TO THE PLAINTIFFS. THE COURT REMANDED THE CASE TO THE SECOND CIRCUIT FOR A DETERMINATION WHETHER THE PLAINTIFFS COULD PROCEED WITH THEIR STATE LAW PUBLIC NUISANCE CLAIMS.

THE SUPREME COURT'S DECISION IN DUKES V. WAL-MART MARKED A MAJOR VICTORY FOR WAL MART, FOR CONSUMERS, AND FOR THE MANY WOMEN WHO DEPEND ON WAL MART FOR JOBS AND A LIVELIHOOD. PLF FILED A FRIEND OF THE COURT BRIEF IN THE CASE AS IT ALSO DID IN THE NINTH CIRCUIT. THE CASE IS ABOUT THE RULES FOR CLASS ACTION LAWSUITS ALLEGING DISCRIMINATION. THE NINTH CIRCUIT ALLOWED THE CASE TO PROCEED AS ONE LAWSUIT EVEN THOUGH THE CLASS OF WOMEN PLAINTIFFS ALL ALLEGE VERY DIFFERENT INJURIES - AND EVEN THOUGH WAL MART DOESN'T HAVE ANY DISCRIMINATORY EMPLOYMENT POLICY. PLF ARGUED IN THE BRIEF THAT THERE ARE PERFECTLY GOOD REASONS FOR WAL MART TO NOT HAVE A SINGLE POLICY, BUT INSTEAD TO RELY ON THE DECISIONS OF LOCAL MANAGERS WHO KNOW THEIR STORES, CUSTOMERS, AND EMPLOYEES BETTER. THE SUPREME COURT AGREED WITH THAT VIEW.

THE WASHINGTON SUPREME COURT IN AN 8-1 DECISION IN ROE V. TELETECH HELD THAT A MEDICAL MARIJUANA PATIENT COULD NOT STATE A PRIVATE CAUSE OF ACTION FOR WRONGFUL TERMINATION IF SHE WAS FIRED FOR FAILING A DRUG TEST AT WORK. THE COURT HELD THAT THE MEDICAL MARIJUANA STATUTE, WHICH PROVIDES IMMUNITY FROM CRIMINAL PROSECUTION FOR POSSESSION AND USE OF MARIJUANA WITH A PRESCRIPTION, DOES NOT REQUIRE EMPLOYERS TO HIRE OR EMPLOY WORKERS WHO TEST POSITIVE FOR MARIJUANA, REGARDLESS OF THEIR LEGAL ACQUISITION OF THE DRUG UNDER THE STATUTE. PLF ATTORNEYS FILED AN AMICUS BRIEF, WHICH WAS QUOTED AT LENGTH BY THE COURT, ON THE

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QUESTION OF WHETHER THE STATUTORY LANGUAGE, WHICH EXPLICITLY SAYS THAT EMPLOYERS NEED NOT TOLERATE "ON SITE" MARIJUANA USE, IMPLIES THAT EMPLOYERS MUST TOLERATE OFF SITE USE.

AT&T MOBILITY V. CONCEPCION - THE UNITED STATES SUPREME COURT REVERSED A NINTH CIRCUIT RULING THAT APPLIED CALIFORNIA LAW TO VOID CONTRACTS REQUIRING CONSUMERS TO ARBITRATE THEIR DISPUTES ON AN INDIVIDUAL BASIS, RATHER THAN AS A "CLASS ARBITRATION" OR CLASS ACTION IN COURT, WHEN PURSUING CONSUMER COMPLAINTS. THE COURT HELD THAT THE FEDERAL ARBITRATION ACT CONTROLS IN SUCH CASES, SETTING FORTH A "NATIONAL POLICY FAVORING ARBITRATION." PLF ATTORNEYS CALLED THE RULING "... A GREAT DECISION FOR INDIVIDUAL CONSUMERS, BUSINESSES, AND THE ECONOMY AS A WHOLE. A FREE MARKET ECONOMY DEPENDS ON THE PRINCIPLE THAT BUSINESS AND CONSUMER AGREEMENTS, FREELY ENTERED INTO, WILL BE UPHELD ABSENT THE SITUATIONS THAT WOULD INVALIDATE ANY CONTRACT, SUCH AS FRAUD." PLF SUBMITTED AN AMICUS BRIEF SUPPORTING AT&T MOBILITY.

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

MUNIE V. SKOUBY - PLF ATTORNEYS REVIVED THEIR CHALLENGE TO MISSOURI'S LICENSING LAW IN MUNIE V. SKOUBY AFTER MISSOURI GOVERNOR JAY NIXON VETOED A BILL THAT WOULD HAVE ABOLISHED THE GOVERNMENT-PROTECTED CARTEL FOR MAJOR MOVING COMPANIES. PLF REPRESENTED MICHAEL MUNIE, OWNER OF ABC QUALITY MOVING, AN STABLED BUSINESS THAT HAD A LICENSE TO MOVE GOODS FROM HIS HOME BASE IN ST. LOUIS TO OTHER STATES, BUT A STATE LICENSING LAW REQUIRED MUNIE TO APPLY FOR A PERMIT TO MOVE GOODS WITHIN THE STATE. HIS APPLICATION WAS SUBJECT TO APPROVAL BY LARGE, EXISTING MOVING COMPANIES, SO PLF SUED THE STATE ON HIS BEHALF. THIS CASE

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PROMPTED STATE LAWMAKERS TO DRAFT CORRECTIVE LEGISLATION, BUT UNFORTUNATELY THE GOVERNOR VETOED THE BILL DUE TO PROVISIONS THAT WERE UNRELATED TO THE LICENSING RESTRICTIONS ISSUE.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

NATIONAL TELEVISION COVERAGE: PLF GAINED 15 TELEVISION INTERVIEWS IN 2011, INCLUDING 7 ON NATIONAL TELEVISION NETWORKS/CABLE CHANNELS. THE FOX NEWS CHANNEL'S FOX & FRIENDS SHOW COVERED OUR SACKETT V. EPA ON MULTIPLE BROADCASTS. FOX BUSINESS NETWORK: LOU DOBBS TONIGHT INTERVIEWED BOTH PLF AND OUR CLIENTS THREE TIMES, IN THE SACKETT V. EPA CASE. IN ADDITION, DOBBS COVERED OUR MISSISSIPPI LEVEE BOARD V. EPA CASE AND OUR CALIFORNIA ASSOCIATION FOR RECREATIONAL FISHING (CARF) V. CALIFORNIA DEPARTMENT OF FISH AND GAME CASE. CHRISTIAN BROADCAST NETWORK (CBN) INTERVIEWED ON A LIVE MORNING NEWS PROGRAM IN CBN'S WASHINGTON, D.C., STUDIOS, BOTH PLF AND OUR CLIENTS, IN THE SACKETT V EPA CASE. CNN CARRIED PLF'S CHALLENGE TO THE CALIFORNIA GNATCATCHER LISTING.

NATIONAL RADIO COVERAGE: WE HAD 33 RADIO INTERVIEWS, INCLUDING 7 ON NATIONAL RADIO OUTLETS. TOM SULLIVAN SHOW INTERVIEWED PLF ON THE WALMART RULING. NPR'S NINA TOTENBERG INTERVIEWED BOTH PLF AND OUR CLIENTS IN THE SACKETT V. EPA CASE, FOR AN UPCOMING SEGMENT ON OUR ORAL ARGUMENT AT THE U.S. SUPREME COURT. THE HUGH HEWITT SHOW INTERVIEWED PLF ATTORNEY ABOUT THE SACKETT CASE AND THE SEN. RAND PAUL FORUM.

NATIONAL PRINT OP-ED: IN THE WASHINGTON POST, GEORGE WILL REPORTED ON

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PLF'S MUNIE CASE AND FREE ENTERPRISE LITIGATION IN HIS COLUMN THAT RUNS NATIONWIDE.

NATIONAL NEWSPAPER REPORTING: THE NEW YORK TIMES COVERAGE OF THE SACKETT CASE EXPLICITLY SINGLED OUT PLF'S WORK: "THE SACKETTS WOULD LIKELY NOT HAVE MADE IT TO THE SUPREME COURT IF IT WEREN'T FOR THE PACIFIC LEGAL FOUNDATION."

NATIONAL MAGAZINE REPORTING: BUSINESS WEEK FEATURED THE SACKETT CASE IN A TWO PAGE SPREAD WITH PHOTOS.

-FOR 2011, A COMBINED SEARCH OF LEXIS, WESTLAW, AND GOOGLE NEWS TURNED UP MORE THAN 812 PRINT MEDIA REPORTS ON PLF.

-22 OP EDS ON PLF'S WORK WERE PUBLISHED IN 2011, IN FORUMS INCLUDING THE WASHINGTON EXAMINER, REAL CLEAR POLITICS, NATIONAL REVIEW ONLINE, REASON, THE NATIONAL LAW JOURNAL, GOVERNING MAGAZINE, PHILADELPHIA INQUIRER, NASHVILLE TENNESSEAN, CHARLOTTE OBSERVER, SAN FRANCISCO CHRONICLE, SACRAMENTO BEE, SAN DIEGO UNION TRIBUNE, SAN FRANCISCO DAILY JOURNAL, AND BAKERSFIELD CALIFORNIAN.

WE DISTRIBUTED 57 PRESS RELEASES AND NEWS ADVISORIES IN 2011.

WEB ANALYTICS: IN 2011, WE HAD 65,177 VISITS TO THE SITE FROM 46,262 UNIQUE VISITORS WITH 70.42% AS NEW VISITORS.

PLF DONOR COMMUNICATIONS: OUR DONOR COMMUNICATIONS INCLUDE TWO PRINT PUBLICATIONS (RESCUING LIBERTY AND AT ISSUE) AND THREE E-NEWSLETTERS (SENTRY, WATER ALERT, AND COASTAL GUARDIAN) TO KEEP DONORS AND

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NON-DONORS INFORMED. TWO OTHER E-NEWSLETTERS (ATLANTIC CENTER SENTRY AND NORTHWEST CENTER SENTRY) ARE DEVELOPED IN THE REGIONAL CENTERS. IN 2011, WE DISTRIBUTED 4 RESCUING LIBERTIES, 7 AT ISSUES, 31 SENTRIES, 28 PCG'S (PLF COASTAL GUARDIAN), 16 SAVE OUR WATER ALERT, 6 PNW (PACIFIC NORTHWEST) SENTRIES, AND 6 AC SENTRY (ATLANTIC CENTER).

WE DEVELOPED AN EBOOK THAT CHRONICLES THE VARIOUS LEGAL CHALLENGES TO THE NEW HEALTH CARE INDIVIDUAL MANDATE. WE'RE USING THE EBOOK AS A WAY TO HIGHLIGHT PLF'S LEADERSHIP AMICUS ROLE IN THE MORE THAN 10 CASES CHALLENGING THE LAW, AS WELL AS OUR OWN DIRECT CHALLENGE IN SISSEL V. U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES.

SOCIAL MEDIA: OUR SOCIAL MEDIA PROGRAM PRIMARILY CONSISTS OF FOUR WEB PLATFORMS: THE PLF LIBERTY BLOG, PLF'S TWITTER ACCOUNT, PLF'S FACEBOOK PAGE, AND PLF'S YOUTUBE CHANNEL.

TWITTER: FOR 2011, PLF POSTED 2,158 TWEETS, GAINED 660 ADDITIONAL FOLLOWERS, FOR A TOTAL OF 2,130 FOLLOWERS. FACEBOOK: FOR 2011, PLF GAINED 404 FANS, FOR A TOTAL OF 1,606 FANS, GARNERED 818,132 "POST VIEWS" (A "POST VIEW" REFERS SIMPLY TO THE NUMBER OF "IMPRESSIONS" - OR TIMES THE POST APPEARED ON A NEWSFEED). BLOG: FOR 2011, PLF POSTED 646 BLOG POSTS, GARNERED 85,752 PAGE VIEWS (THIS NUMBER INDICATES VIEWERS WHO ACCESSED THE BLOG).

HERE ARE THE 2011 HIGHLIGHTS OF THE PLF SPEAKER'S BUREAU:

PLF STAFF PARTICIPATED IN 63 EVENTS DURING THE YEAR, GIVING SPEECHES, PARTICIPATING IN DEBATES AND PANEL DISCUSSIONS SPEAKING ON DIVERSE

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SUBJECTS RELATED TO PLF'S MISSION AND LITIGATION. THESE PRESENTATIONS REACHED AN AUDIENCE OF MORE THAN 4,000 PEOPLE. IN ADDITION, PLF PARTICIPATED IN AN EXHIBIT AT WORLD AG EXPO FEBRUARY, 2011, TO PROVIDE NEWS AND INFORMATION ABOUT PLF'S CASES, INCLUDING OUR DELTA SMELT CHALLENGE AND APPEARED AS A GUEST ON THE RAY APPLETON SHOW (KMJ AM580) TO DISCUSS THE SMELT CASE.

FORM 990, PART VI, SECTION A, LINE 2: KEY EMPLOYEES R.S. RADFORD AND SHARON BROWNE ARE MARRIED.

FORM 990, PART VI, SECTION B, LINE 11: THE TAX PREPARER AND PLF FINANCIAL MANAGEMENT PROVIDE THE FORM 990 TO THE AUDIT COMMITTEE. ALONG WITH PROVIDING EACH TRUSTEE A COPY OF THE FORM 990, GIVING THEM THE OPPORTUNITY TO RAISE ANY CONCERNS AND/OR ASK QUESTIONS PRIOR TO THE FILING DATE. A DEADLINE IS GIVEN TO THE TRUSTEES TO INSURE TIMELY FILING OF THE TAX RETURN.

FORM 990, PART VI, SECTION B, LINE 12C: EACH TIME A NEW CASE COMES UP, PLF CHECKS FOR CONFLICTS. EACH DECISION MADE BY THE BOARD, IF SOMEONE HAS A CONFLICT, THE BOARD MEMBER WILL ABSTAIN FROM THE VOTE AND/OR DISCUSSION.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION COMMITTEE OF THE BOARD MEETS ANNUALLY AND USES COMPARABILITY DATA PROVIDED BY DIRECTOR OF HUMAN RESOURCES TO DETERMINE THAT THE COMPENSATION DOES NOT EXCEED THE LEVEL OF THE BENEFITS PROVIDED.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:

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CA, AK, AZ, FL, HI, IL, KS, MD, MA, MI, MN, NJ, NY, OH, OR, PA, SC, UT, VA, WA, AR, MO, NC, NH, AL
 CO, CT, GA, KY, LA, ME, MS, ND, NM, OK, TN, WV, WI, RI, DC

FORM 990, PART VI, SECTION C, LINE 19: COPIES ARE AVAILABLE ON THE
 ORGANIZATIONS WEBSITE

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED LOSSES ON INVESTMENTS:	-780,635.
SFAS NO.247 ADJUSTMENT FOR SPLIT INTEREST AGREEMENTS	-411,574.
TOTAL TO FORM 990, PART XI, LINE 5	-1,192,209.

FORM 990, PART XII, LINE 2C
 THERE WAS NO CHANGE IN THE OVERSIGHT PROCESS OR SELECTION PROCESS
 DURING THE REPORTING PERIOD.

