

Return of Organization Exempt From Income Tax

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

2007

Open to Public Inspection

Form 990

Department of the Treasury Internal Revenue Service

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

A For the 2007 calendar year, or tax year beginning JUL 1, 2007 and ending JUN 30, 2008

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

C Name of organization SANTA BARBARA MUSEUM OF ART
Number and street (or P.O. box if mail is not delivered to street address) 1130 STATE STREET
City or town, state or country, and ZIP + 4 SANTA BARBARA, CA 93101

D Employer identification number 95-1664122
E Telephone number 805-884-6422
F Accounting method: Cash, Accrual

COPY

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? No
H(b) If "Yes," enter number of affiliates N/A
H(c) Are all affiliates included? No
H(d) Is this a separate return filed by an organization covered by a group ruling? No
I Group Exemption Number N/A

G Website: WWW.SBMA.NET

J Organization type (check only one) [X] 501(c) ( 3 ) (insert no.) 4947(a)(1) or 527

K Check here [ ] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 17,450,396.
M Check [ ] if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Table with columns for Revenue, Expenses, and Net Assets. Rows include contributions, program service revenue, membership dues, interest on savings, dividends, gross rents, other investment income, gross amount from sales of assets, special events, gross sales of inventory, other revenue, program services, management and general, fundraising, payments to affiliates, total expenses, and net assets at beginning and end of year.

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0, noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 0, noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	281,807.	0.	281,807.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	2,602,665.	2,068,723.	348,998.	184,944.
27 Pension plan contributions not included on lines 25a, b, and c	88,306.	63,335.	21,664.	3,307.
28 Employee benefits not included on lines 25a - 27	282,076.	234,235.	30,974.	16,867.
29 Payroll taxes	201,629.	147,233.	41,899.	12,497.
30 Professional fundraising fees				
31 Accounting fees	14,913.		14,913.	
32 Legal fees	15,154.		15,154.	
33 Supplies	127,251.	114,332.	11,622.	1,297.
34 Telephone	25,590.	7,919.	17,671.	
35 Postage and shipping	276,347.	243,628.	24,792.	7,927.
36 Occupancy				
37 Equipment rental and maintenance	45,202.	31,254.	4,137.	9,811.
38 Printing and publications	205,359.	157,416.	26,230.	21,713.
39 Travel	33,496.	33,496.		
40 Conferences, conventions, and meetings				
41 Interest	58,005.	2.	58,003.	
42 Depreciation, depletion, etc. (attach schedule)	679,045.	679,045.		
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 6	3,871,029.	3,567,520.	237,239.	66,270.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	8,807,874.	7,348,138.	1,135,103.	324,633.

Joint Costs. Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
<b>TO INTEGRATE ART INTO THE LIVES OF PEOPLE.</b>  All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
<b>a CURATORIAL - CURATED OVER 10 EXHIBITIONS. ACQUIRE, ACCEPT, MAINTAIN AND CONSERVE WORKS OF ART. RESEARCH FOR AND PUBLICATION OF CATALOGS. PRESENT SCHOLARLY SYMPOSIUMS AND LECTURES.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<b>5,132,915.</b>
<b>b EDUCATION - PROVIDE FREE IN-DEPTH, CURRICULUM-BASED DOCENT TOURS TO 15,000 STUDENTS, ART EDUCATION OUTREACH TO THE COMMUNITY, PROVIDE LECURES, POETRY READINGS, DOCENT TOURS AND ART ACTIVITIES FOR THE COMMUNITY.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<b>1,142,795.</b>
<b>c MEMBERSHIP - EXHIBITION OPENINGS, PREVIEWS, LECTURES AND EVENTS; BI-MONTHLY NEWSLETTER HIGHLIGHTING THE ACTIVITES OF THE MUSEUM; INTERNATIONAL TOURS HIGHLIGHTING THE ART OF DIFFERENT CULTURES.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<b>306,417.</b>
<b>d MEMBER TOURS - PROVIDE FIRST HAND EXPOSURE OT GREAT ART, ARCHITECTURE, GARDENS AND ARCHEOLOGICAL SITES FOR MEMBERS OUTSIDE THE CONFINES OF THE MESEUM. THESE TOURS PROVIDE A CONTEXTUAL REFERENCE FOR THE MUSEUM'S COLLECTION AND EXHIBITIONS.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<b>742,135.</b>
<b>e Other program services (attach schedule) SEE STATEMENT 7</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<b>23,876.</b>
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) ▶	<b>7,348,138.</b>

**Part IV Balance Sheets** (See the instructions.)

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

		(A) Beginning of year		(B) End of year	
Assets	45	Cash - non-interest-bearing .....	462,240.	45	434,571.
	46	Savings and temporary cash investments .....	1,608,594.	46	963,485.
	47 a	Accounts receivable .....	21,923.		
	b	Less: allowance for doubtful accounts .....		47c	21,923.
	48 a	Pledges receivable .....	423,993.		
	b	Less: allowance for doubtful accounts .....		48c	423,993.
	49	Grants receivable .....		49	
	50 a	Receivables from current and former officers, directors, trustees, and key employees .....		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....		50b	
	51 a	Other notes and loans receivable .....		51c	
	b	Less: allowance for doubtful accounts .....			
	52	Inventories for sale or use .....	228,694.	52	269,076.
	53	Prepaid expenses and deferred charges .....	191,819.	53	290,335.
	54 a	Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a	
	b	Investments - other securities <b>STMT 9</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	67,941,419.	54b	64,837,713.
	55 a	Investments - land, buildings, and equipment: basis .....	21,381,074.		
	b	Less: accumulated depreciation .....	12,578,978.	55c	8,802,096.
	56	Investments - other .....		56	
	57 a	Land, buildings, and equipment: basis .....		57a	
b	Less: accumulated depreciation .....		57b		
58	Other assets, including program-related investments (describe <b>SEE STATEMENT 8</b> )	11,338,766.	58	11,650,245.	
59	<b>Total assets</b> (must equal line 74). Add lines 45 through 58	91,659,283.	59	87,693,437.	
Liabilities	60	Accounts payable and accrued expenses .....	672,405.	60	527,142.
	61	Grants payable .....		61	
	62	Deferred revenue .....	704,739.	62	374,472.
	63	Loans from officers, directors, trustees, and key employees .....		63	
	64 a	Tax-exempt bond liabilities .....		64a	
	b	Mortgages and other notes payable .....	1,000,000.	64b	1,896,297.
	65	Other liabilities (describe <b>FUTURE ANNUITIES PAYABLE</b> )	208,550.	65	197,598.
66	<b>Total liabilities.</b> Add lines 60 through 65	2,585,694.	66	2,995,509.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted .....	55,576,227.	67	50,540,616.
	68	Temporarily restricted .....	9,075,105.	68	9,342,800.
	69	Permanently restricted .....	24,422,257.	69	24,814,512.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds .....		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund .....		71	
	72	Retained earnings, endowment, accumulated income, or other funds .....		72	
73	<b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	89,073,589.	73	84,697,928.	
74	<b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	91,659,283.	74	87,693,437.	





Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? .....		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) .....	82b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications? .....	83a	X
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions? .....	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? .....	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? .....	84b	N/A
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? .....	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? .....	85b	N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members .....	85c	N/A
d	Section 162(e) lobbying and political expenditures .....	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices .....	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) .....	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? .....	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? .....	85h	N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 .....	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities .....	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders .....	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) .....	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX .....	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI .....	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0. ....		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction .....	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 .....		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization .....		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? .....	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? .....	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? .....	89g	X
90 a	List the states with which a copy of this return is filed ▶ CA		
b	Number of employees employed in the pay period that includes March 12, 2007 .....	90b	82
91 a	The books are in care of ▶ JAMES HUTCHINSON Telephone no. ▶ (805) 884-6422		
	Located at ▶ 1130 STATE STREET, SANTA BARBARA, CA ZIP + 4 ▶ 93101		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? .....	91b	X
	If "Yes," enter the name of the foreign country ▶ N/A		
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

**Part VI Other Information** (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c    
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here   
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a TOUR INCOME					795,755.
b EDUCATION PROGRAMS					349,260.
c EXHIBITION RELATED					184,162.
d ADMISSIONS					127,996.
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					542,411.
95 Interest on savings and temporary cash investments			14	667.	
96 Dividends and interest from securities			14	1,152,704.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	64,824.	
98 Net rental income or (loss) from personal property					
99 Other investment income			14	296,446.	
100 Gain or (loss) from sales of assets other than inventory			14	1,652,222.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					72,560.
103 Other revenue:					
a TRUST INCOME			14	232,167.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		3,399,030.	2,072,144.
105 Total (add line 104, columns (B), (D), and (E))					5,471,174.

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
16	SEE STATEMENT 16

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No  
 (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13). **N/A**

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

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

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

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

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

COPY

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_  
**JAMES HUTCHINSON, CFO**  
 Type or print name and title

Paid Preparer's Use Only

Preparer's signature: *John V. Mc* Date: **5/8/09** Check if self-employed:  Preparer's SSN or PTIN (See Gen. Inst. X) \_\_\_\_\_  
 Firm's name (or yours if self-employed), address, and ZIP + 4: **MCGOWAN GUNTERMANN**  
**509 E. MONTECITO ST., 2ND FLOOR**  
**SANTA BARBARA, CA 93103-3293** EIN: \_\_\_\_\_  
 Phone no.: **(805) 962-9175**

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Organization Exempt Under Section 501(c)(3)**

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**2007**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information-(See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **SANTA BARBARA MUSEUM OF ART** Employer identification number **95 1664122**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>KRISTI WALLACE</u> 1130 STATE STREET, SANTA BARBARA, CA	DEVELOPMENT DIRECTOR 35.00	93,225.	5,878.	
<u>JILL FINSTEIN</u> 1130 STATE STREET, SANTA BARBARA, CA	DIRECTOR EDUCATION 35.00	89,798.	8,869.	
<u>SUSAN TAI</u> 1130 STATE STREET, SANTA BARBARA, CA	CURATOR OF ASIAN ART 35.00	73,258.	11,615.	
<u>JOE PRICE</u> 1130 STATE STREET, SANTA BARBARA, CA	IT MANAGER 40.00	72,903.	7,064.	
<u>JOHN COPLIN</u> 1130 STATE STREET, SANTA BARBARA, CA	FACILITIES MANAGER 35.00	72,198.	10,543.	
Total number of other employees paid over \$50,000 ▶	12			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>V3 PRINTING COMPANY</u> 200 N. ELEVAR ST, OXNARD, CA 93030	PRINTING	59,373.
<u>DUO CATERING</u> 110 SANTA BARBARA ST, SANTA BARBARA, CA 93101	CATERING	57,554.
<u>TOWER ROOFING</u> 5276 HOLLISTER AVE #407, SANTA BARBARA, CA 93111	ROOFING	55,110.
<u>MUNIZ AND MCNEIL</u> 1069 MASSELIN AVE, LOS ANGELES, CA 90019	EXHIBITION AND DESIGN CO.	54,483.
Total number of others receiving over \$50,000 for professional services ▶	0	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>NONE</u>		
Total number of other contractors receiving over \$50,000 for other services ▶	0	

**Part III Statements About Activities** (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property? .....	2a	X
b	Lending of money or other extension of credit? .....	2b	X
c	Furnishing of goods, services, or facilities? .....	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <b>SEE PART V-A, FORM 990</b> .....	2d	X
e	Transfer of any part of its income or assets? .....	2e	X
3	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) .....	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees? .....	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement .....	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? .....	3d	X
4	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g .....	4a	X
b	Did the organization make any taxable distributions under section 4966? .....	4b	N/A
c	Did the organization make a distribution to a donor, donor advisor, or related person? .....	4c	N/A
d	Enter the total number of donor advised funds owned at the end of the tax year .....		0
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year .....		0.
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts .....		0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year .....		0.



**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	7,256,019.	6,428,466.	3,671,182.	4,684,038.	22,039,705.
<b>16</b> Membership fees received	593,434.	569,068.	395,318.	594,652.	2,152,472.
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	3,048,558.	1,107,309.	1,356,420.	1,369,520.	6,881,807.
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1,421,097.	1,233,092.	812,143.	913,776.	4,380,108.
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	500,000.	675,000.	675,000.	675,000.	2,525,000.
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets		66,539.	20,413.	49,582.	136,534.
<b>23</b> Total of lines 15 through 22	12,819,108.	10,079,474.	6,930,476.	8,286,568.	38,115,626.
<b>24</b> Line 23 minus line 17	9,770,550.	8,972,165.	5,574,056.	6,917,048.	31,233,819.
<b>25</b> Enter 1% of line 23	128,191.	100,795.	69,305.	82,866.	
<b>26</b> Organizations described on lines 10 or 11: <b>a</b> Enter 2% of amount in column (e), line 24					26a 624,676.
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 5,246,057.
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 31,233,819.
<b>d</b> Add: Amounts from column (e) for lines: 18 4,380,108. 19 22 136,534. 26b 5,246,057.					26d 9,762,699.
<b>e</b> Public support (line 26c minus line 26d total)					26e 21,471,120.
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 68.7432%
<b>27</b> Organizations described on line 12: <b>a</b> For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2006) (2005) (2004) (2003)					
<b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2006) (2005) (2004) (2003)					
<b>c</b> Add: Amounts from column (e) for lines: 15 16 17 20 21					27c N/A
<b>d</b> Add: Line 27a total and line 27b total					27d N/A
<b>e</b> Public support (line 27c total minus line 27d total)					27e N/A
<b>f</b> Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f N/A
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

**Part V Private School Questionnaire** (See page 9 of the instructions.)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....		
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? .....		
b	Admissions policies? .....		
c	Employment of faculty or administrative staff? .....		
d	Scholarships or other financial assistance? .....		
e	Educational policies? .....		
f	Use of facilities? .....		
g	Athletic programs? .....		
h	Other extracurricular activities? .....		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34 a	Does the organization receive any financial aid or assistance from a governmental agency? .....		
b	Has the organization's right to such aid ever been revoked or suspended? .....		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation .....		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)

**N/A**

(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a**  if the organization belongs to an affiliated group. Check **b**  if you checked "a" and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		<b>N/A</b>	
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures .....	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>	
<b>41</b>	Lobbying nontaxable amount. Enter the amount from the following table -		
	<b>If the amount on line 40 is -</b>		
	<b>The lobbying nontaxable amount is -</b>		
	Not over \$500,000 .....	20% of the amount on line 40 .....	
	Over \$500,000 but not over \$1,000,000 .....	\$100,000 plus 15% of the excess over \$500,000 .....	
	Over \$1,000,000 but not over \$1,500,000 .....	\$175,000 plus 10% of the excess over \$1,000,000 .....	<b>41</b>
	Over \$1,500,000 but not over \$17,000,000 .....	\$225,000 plus 5% of the excess over \$1,500,000 .....	
	Over \$17,000,000 .....	\$1,000,000 .....	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>	

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount .....					0.
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					0.
<b>47</b> Total lobbying expenditures .....					0.
<b>48</b> Grassroots nontaxable amount .....					0.
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					0.
<b>50</b> Grassroots lobbying expenditures .....					0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

**N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
<b>a</b> Volunteers .....			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) .....			
<b>c</b> Media advertisements .....			
<b>d</b> Mailings to members, legislators, or the public .....			
<b>e</b> Publications, or published or broadcast statements .....			
<b>f</b> Grants to other organizations for lobbying purposes .....			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body .....			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....			
<b>i</b> Total lobbying expenditures (Add lines c through h.) .....			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.



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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

**2007**

Name of organization

Employer identification number

SANTA BARBARA MUSEUM OF ART

95-1664122

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

**General Rule-**

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

**Special Rules-**

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

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

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

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization

Employer identification number

**SANTA BARBARA MUSEUM OF ART**

**95-1664122**

**Part II Noncash Property** (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	ARTWORK	\$ 550,000.	01/01/08
3	ARTWORK	\$ 300,000.	01/01/08
7	ARTWORK	\$ 100,000.	01/01/08
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

FORM 990	RENTAL INCOME	STATEMENT	1
KIND AND LOCATION OF PROPERTY		ACTIVITY NUMBER	GROSS RENTAL INCOME
		1	64,824.
TOTAL TO FORM 990, PART I, LINE 6A			64,824.

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	2
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
PUBLICLY TRADED SECURITIES	9,228,713.	7,293,473.	283,018.	1,652,222.	
TO FORM 990, PART I, LINE 8	9,228,713.	7,293,473.	283,018.	1,652,222.	

FORM 990

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS . . . . .	767,340	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		767,340
4. COST OF GOODS SOLD (LINE 13) . . . . .	694,780	
5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . .		72,560

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR . . . . .		
7. MERCHANDISE PURCHASED . . . . .		
8. COST OF LABOR . . . . .		
9. MATERIALS AND SUPPLIES . . . . .		
10. OTHER COSTS . . . . .	694,780	
11. ADD LINES 6 THROUGH 10 . . . . .		694,780
12. INVENTORY AT END OF YEAR . . . . .		
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12). . . . .		694,780

FORM 990	COST OF GOODS SOLD - OTHER COSTS	STATEMENT	4
DESCRIPTION		AMOUNT	
COST OF SALES		694,780.	
TOTAL INCLUDED ON FORM 990, PART I, LINE 10B		694,780.	

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	5
DESCRIPTION		AMOUNT	
CHANGE IN VALUE OF TRUSTS		367,949.	
CHANGE IN UNREALIZED GAINS		<5,114,861.>	
TOTAL TO FORM 990, PART I, LINE 20		<4,746,912.>	

FORM 990	OTHER EXPENSES				STATEMENT	6
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING		
STAFF PROFESSIONAL EXPENSE	41,202.	24,707.	11,258.	5,237.		
ADVERTISING AND PROMOTIONAL PROFESSIONAL SERVICES	117,493.	117,493.				
REPAIRS AND MAINTENANCE	413,700.	325,885.	72,928.	14,887.		
UTILITIES	242,355.	215,353.	27,002.			
INSURANCE	225,693.	224,593.	1,100.			
DUES AND SUBSCRIPTIONS	169,437.	99,485.	69,952.			
MISCELLANEOUS	32,021.	13,816.	17,459.	746.		
COMPUTER SUPPLIES	14,753.	11,102.	<223.>	3,874.		
EVENT AND PROGRAMING	37,995.	16,505.	21,490.			
PHOTOGRAPHY	213,229.	158,627.	16,273.	38,329.		
STORAGE	49,995.	47,336.		2,659.		
ART PURCHASES	21,931.	21,393.		538.		
ARTWORK ACQUIRED THROUGH DONATION	554,090.	554,090.				
TOUR EXPENSES, INCLUDING TRAVEL AGENCIES	995,000.	995,000.				
TOTAL TO FM 990, LN 43	742,135.	742,135.	237,239.	66,270.		
	3,871,029.	3,567,520.	237,239.	66,270.		

FORM 990 OTHER PROGRAM SERVICES STATEMENT 7

DESCRIPTION OF OTHER PROGRAM SERVICES	GRANTS AND ALLOCATIONS	EXPENSES
ACTIVITIES - 6 LOW-FEE HIGH-QUALITY CONCERTS AND 3 SPECIAL LECTURES.	0.	23,876.
TOTAL TO FORM 990, PART III, LINE E		23,876.

FORM 990 OTHER ASSETS STATEMENT 8

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
FMV OF ASSETS HELD UNDER CRTS	4,270,320.	4,778,583.
GIFT ANNUITY ASSETS	148,673.	122,015.
PERPETUAL INCOME INTEREST IN TRUSTS	6,869,619.	6,747,425.
DUE FROM AFFILIATE	50,154.	2,222.
TOTAL TO FORM 990, PART IV, LINE 58	11,338,766.	11,650,245.

FORM 990 OTHER SECURITIES STATEMENT 9

SECURITY DESCRIPTION	COST/FMV	OTHER SECURITIES
VARIOUS	FMV	64,837,713.
TO FORM 990, LINE 54B, COL B		64,837,713.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 10

DESCRIPTION	AMOUNT
AMOUNT REPORTED ON SUPPORT GROUP RETURN	226,658.
CHANGE IN VALUE OF CHARITABLE TRUSTS	367,949.
TOTAL TO FORM 990, PART IV-A	594,607.

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FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 11
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DESCRIPTION	AMOUNT
AMOUNT REPORTED ON SUPPORT GROUP RETURN	47,119.
TOTAL TO FORM 990, PART IV-B	47,119.

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FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 12
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DESCRIPTION	AMOUNT
TOUR EXPENSES	742,135.
GIFTS OF ARTWORK	995,000.
TOTAL TO FORM 990, PART IV-A	1,737,135.

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FORM 990	OTHER EXPENSES INCLUDED ON FORM 990	STATEMENT 13
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DESCRIPTION	AMOUNT
ART PURCHASES	554,090.
ARTWORK ACQUIRED THROUGH DONATION	995,000.
TOUR EXPENSES	742,135.
TOTAL TO FORM 990, PART IV-B	2,291,225.

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 FORM 990      PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS,      STATEMENT 14  
 TRUSTEES AND KEY EMPLOYEES
 

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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PHILLIP JOHNSTON 1130 STATE STREET SANTA BARBARA, CA 93108	DIRECTOR 35.00	75,910.	8,936.	20,336.
LARRY FEINBERG 1130 STATE STREET SANTA BARBARA, CA 93108	DIRECTOR/CEO 35.00	58,620.	1,965.	6,528.
DIANE WONDOLOWSKI 1130 STATE STREET SANTA BARBARA, CA 93108	CFO 35.00	100,250.	9,239.	24.
MARSHALL C. MILLIAGAN 1130 STATE STREET SANTA BARBARA, CA 93108	CHAIRMAN 5.00	0.	0.	0.
KEN ANDERSON 1130 STATE STREET SANTA BARBARA, CA 93108	SECRETARY 5.00	0.	0.	0.
JUDITH HOPKINSON 1130 STATE STREET SANTA BARBARA, CA 93108	VICE CHAIR 5.00	0.	0.	0.
HUBERT VOS 1130 STATE STREET SANTA BARBARA, CA 93108	TREASURER 5.00	0.	0.	0.
PATRICIA BLAKE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
ANNE HARTE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
KATE GURA 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
GREGG HACKETHAL 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.

## SANTA BARBARA MUSEUM OF ART

95-1664122

MICHAEL HEALY 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
GREG FOWLER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
CYNDEE HOWARD 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
JUDITH LITTLE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
ANNE LUTHER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
DEANNA MAJOR 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
JANE TUCKER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
AMANDA MCINTYRE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
SHEILA MCGINITY 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
ART MEROVICK 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
AUDREY H. FISHER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
GERALD B. PARENT 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
H. SMITH RICHARDSON, III 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.

LESLIE RIDLEY-TREE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
PAUL SELWYN 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
LAURA SHELBURNE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
ELAINE STEPANEK 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
SUSAN SWEETLAND 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
JANE GOTTLIEB 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
LISA WOLF 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		234,780.	20,140.	26,888.

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FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS STATEMENT 15  
PART VI, LINE 80B

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NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
SANTA BARBARA MUSEUM OF ART SUPPORT GROUPS	X	

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FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO STATEMENT 16  
ACCOMPLISHMENT OF EXEMPT PURPOSES

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LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	TOURS EXTEND THE EDUCATIONAL OPPORTUNITIES OUTSIDE THE CONFINES OF THE MUSEUM, HIGHLIGHTING THE ART OF DIFFERENT CULTURES AND PROVIDING MORE KNOWLEDGE THROUGH READING AND EXPERIENTIAL LEARNING.
93B	EDUCATE AND EXPOSE PEOPLE, PRIMARILY CHILDREN, ABOUT AND TO ART.
93C	SHARING THE ART OF THE SBMA WITH OTHER MUSEUMS AND COMMUNITIES
93D	VISITORS VIEW AND EXPERIENCE A VARIETY OF FINE ART.
94	EDUCATE AND INFORM PEOPLE ABOUT ART, ART EXHIBITS AND EVENTS.

102 THE STORE IS WHERE THE MISSION OF INTEGRATING ART INTO THE LIVES OF  
PEOPLE BECOMES A REALITY.

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SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 17  
PART III, LINE 3A

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SCHOLARSHIPS ARE AWARDED FOR EDUCATIONAL PROGRAMS BASED ON DEMONSTRATED  
STUDENT NEED AND TEACHER REFERRALS.

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SCHEDULE A OTHER INCOME STATEMENT 18

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DESCRIPTION	2006 AMOUNT	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT
MISCELLANEOUS	0.	66,539.	20,413.	49,582.
TOTAL TO SCHEDULE A, LINE 22	0.	66,539.	20,413.	49,582.

# California Return



**Part II** Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts - complete Part II or furnish substitute information. See Specific Line Instructions.

728951/12-14-07

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	767,340.00
	2	Interest	2	667.00
	3	Dividends	3	1,152,704.00
	4	Gross rents	4	64,824.00
	5	Gross royalties	5	00
	6	Gross amount received from sale of assets	6	9,228,713.00
	7	Other income	7	1,985,786.00
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	13,200,034.00
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid	9	00
	10	Disbursements to or for members	10	00
	11	Compensation of officers, directors, and trustees	11	281,808.00
	12	Other salaries and wages	12	2,602,665.00
	13	Interest	13	58,005.00
	14	Taxes	14	201,629.00
	15	Rents	15	45,202.00
	16	Depreciation and depletion	16	679,045.00
	17	Other	17	4,939,521.00
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	8,807,875.00

**Schedule L Balance Sheets**

	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
<b>Assets</b>				
1 Cash		2,070,834.		1,398,056.
2 Net accounts receivable		78,253.		21,923.
3 Net notes receivable				
4 Inventories		228,694.		269,076.
5 Federal and state government obligations				
6 Investments in other bonds				
7 Investments in stock				
8 Mortgage loans (number of loans )				
9 Other investments	STMT 9	67,941,419.		64,837,713.
10 a Depreciable assets	21,010,363.		21,381,074.	
b Less accumulated depreciation	(11,899,933.)	9,110,430.	(12,578,978.)	8,802,096.
11 Land				
12 Other assets	STMT 10	12,229,653.		12,364,573.
13 Total assets		91,659,283.		87,693,437.
<b>Liabilities and net worth</b>				
14 Accounts payable		672,405.		527,142.
15 Contributions, gifts, or grants payable				
16 Bonds and notes payable				
17 Mortgages payable		1,000,000.		1,896,297.
18 Other liabilities	STMT 11	913,289.		572,070.
19 Capital stock or principle fund				
20 Paid-in or capital surplus. Attach reconciliation				
21 Retained earnings or income fund		89,073,589.		84,697,928.
22 Total liabilities and net worth		91,659,283.		87,693,437.

**Schedule M-1 Reconciliation of income per books with income per return**

Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000

1	Net income per books	371,250.	7	Income recorded on books this year not included in this return	
2	Federal income tax		8	Deductions in this return not charged against book income this year	
3	Excess of capital losses over capital gains		9	Total. Add line 7 and line 8	
4	Income not recorded on books this year		10	Net income per return.	
5	Expenses recorded on books this year not deducted in this return			Subtract line 9 from line 6	371,250.
6	Total.	371,250.			
	Add line 1 through line 5				

FORM 199

COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 5

STATEMENT 3

COST OF GOODS SOLD

1. INVENTORY AT BEGINNING OF YEAR . . . . .		
2. MERCHANDISE PURCHASED. . . . .		
3. COST OF LABOR. . . . .		
4. MATERIALS AND SUPPLIES . . . . .		
5. OTHER COSTS. . . . .	694,780	
6. ADD LINES 1 THROUGH 5 . . . . .		694,780
7. INVENTORY AT END OF YEAR . . . . .		
8. COST OF GOODS SOLD (LINE 6 LESS LINE 7) . .		694,780



FORM 199 GROSS AMOUNT FROM SALE OF ASSETS STATEMENT 5

DESCRIPTION	DATE	DATE	METHOD	
	ACQUIRED	SOLD	ACQUIRED	
PUBLICLY TRADED SECURITIES			PURCHASED	
	COST OR	DEPREC.	EXPENSE	GROSS
	OTHER BASIS		OF SALE	SALES PRICE
	7,293,473.	0.	283,018.	9,228,713.
TOTAL TO FORM 199, PAGE 2, LN 6	7,293,473.	0.	283,018.	9,228,713.

FORM 199 OTHER INCOME STATEMENT 6

DESCRIPTION	AMOUNT
TRUST INCOME	232,167.
TOUR INCOME	795,755.
EDUCATION PROGRAMS	349,260.
EXHIBITION RELATED	184,162.
ADMISSIONS	127,996.
VARIOUS	296,446.
TOTAL TO FORM 199, PART II, LINE 7	1,985,786.

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 FORM 199      COMPENSATION OF OFFICERS, DIRECTORS AND TRUSTEES      STATEMENT      7
 

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NAME AND ADDRESS	TITLE AND AVERAGE HRS WORKED/WK	COMPENSATION
PHILLIP JOHNSTON 1130 STATE STREET SANTA BARBARA, CA 93108	DIRECTOR 35.00	105,182.
LARRY FEINBERG 1130 STATE STREET SANTA BARBARA, CA 93108	DIRECTOR/CEO 35.00	67,113.
DIANE WONDOLOWSKI 1130 STATE STREET SANTA BARBARA, CA 93108	CFO 35.00	109,513.
MARSHALL C. MILLIAGAN 1130 STATE STREET SANTA BARBARA, CA 93108	CHAIRMAN 5.00	0.
KEN ANDERSON 1130 STATE STREET SANTA BARBARA, CA 93108	SECRETARY 5.00	0.
JUDITH HOPKINSON 1130 STATE STREET SANTA BARBARA, CA 93108	VICE CHAIR 5.00	0.
HUBERT VOS 1130 STATE STREET SANTA BARBARA, CA 93108	TREASURER 5.00	0.
PATRICIA BLAKE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
ANNE HARTE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
KATE GURA 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
GREGG HACKETHAL 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.

MICHAEL HEALY 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
GREG FOWLER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
CYNDEE HOWARD 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
JUDITH LITTLE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
ANNE LUTHER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
DEANNA MAJOR 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
JANE TUCKER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
AMANDA MCINTYRE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
SHEILA MCGINITY 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
ART MEROVICK 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
AUDREY H. FISHER 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
GERALD B. PARENT 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
H. SMITH RICHARDSON, III 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.

LESLIE RIDLEY-TREE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
PAUL SELWYN 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
LAURA SHELBURNE 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
ELAINE STEPANEK 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
SUSAN SWEETLAND 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
JANE GOTTLIEB 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.
LISA WOLF 1130 STATE STREET SANTA BARBARA, CA 93108	TRUSTEE 5.00	0.

TOTAL TO FORM 199, PART II, LINE 11	281,808.
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FORM 199	OTHER EXPENSES	STATEMENT	8
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DESCRIPTION	AMOUNT
STAFF PROFESSIONAL EXPENSE	41,202.
ADVERTISING AND PROMOTIONAL	117,493.
PROFESSIONAL SERVICES	413,700.
REPAIRS AND MAINTENANCE	242,355.
UTILITIES	225,693.
INSURANCE	169,437.
DUES AND SUBSCRIPTIONS	32,021.
MISCELLANEOUS	14,753.
COMPUTER SUPPLIES	37,995.
EVENT AND PROGRAMING	213,229.
PHOTOGRAPHY	49,995.
STORAGE	21,931.
ART PURCHASES	554,090.
ARTWORK ACQUIRED THROUGH DONATION	995,000.
TOUR EXPENSES, INCLUDING TRAVEL AGENCIES	742,135.
PENSION PLAN CONTRIBUTIONS	88,306.

OTHER EMPLOYEE BENEFITS	282,076.
ACCOUNTING FEES	14,913.
LEGAL FEES	15,154.
SUPPLIES	127,251.
TELEPHONE	25,590.
POSTAGE AND SHIPPING	276,347.
PRINTING AND PUBLICATIONS	205,359.
TRAVEL	33,496.
TOTAL TO FORM 199, PART II, LINE 17	4,939,521.

FORM 199	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
VARIOUS	67,941,419.	64,837,713.
TOTAL TO FORM 199, SCHEDULE L, LINE 9	67,941,419.	64,837,713.

FORM 199	OTHER ASSETS	STATEMENT	10
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
PLEDGES RECEIVABLE	699,068.	423,993.
PREPAID EXPENSES AND DEFERRED CHARGES	191,819.	290,335.
FMV OF ASSETS HELD UNDER CRTS	4,270,320.	4,778,583.
GIFT ANNUITY ASSETS	148,673.	122,015.
PERPETUAL INCOME INTEREST IN TRUSTS	6,869,619.	6,747,425.
DUE FROM AFFILIATE	50,154.	2,222.
TOTAL TO FORM 199, SCHEDULE L, LINE 12	12,229,653.	12,364,573.

FORM 199	OTHER LIABILITIES	STATEMENT	11
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DESCRIPTION	BEG. OF YEAR	END OF YEAR
FUTURE ANNUITIES PAYABLE	208,550.	197,598.
DEFERRED REVENUE	704,739.	374,472.
TOTAL TO FORM 199, SCHEDULE L, LINE 18	913,289.	572,070.