

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)

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 07/01, 2007, and ending 06/30/2008

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C Name of organization: DEMOS: A NETWORK FOR IDEAS AND ACTION. D Employer identification number: 13-4105066. E Telephone number: (212) 633-1405. F Accounting method: Cash, Accrual.

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

G Website: WWW.DEMOS.ORG

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.

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? Yes No X. H(b) If "Yes," enter number of affiliates. H(c) Are all affiliates included? Yes No. H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No X. I Group Exemption Number. M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 7,186,855.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with 21 rows and 4 columns. Rows 1-12 are Revenue, 13-17 are Expenses, and 18-21 are Net Assets. Includes sub-rows for detailed categories like contributions, program service revenue, and special events.

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

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. (See the instructions.)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a 175,000.	155,317.	10,122.	9,561.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b			
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)	25c			
26 Salaries and wages of employees not included on lines 25a, b, and c	26 2,325,767.	2,064,176.	134,520.	127,071.
27 Pension plan contributions not included on lines 25a, b, and c	27 35,800.	31,773.	2,071.	1,956.
28 Employee benefits not included on lines 25a - 27	28 373,251.	331,270.	21,588.	20,393.
29 Payroll taxes	29 194,777.	172,869.	11,266.	10,642.
30 Professional fundraising fees	30			
31 Accounting fees	31 206,446.	180,721.	20,521.	5,204.
32 Legal fees	32			
33 Supplies	33 36,361.	25,439.	8,691.	2,231.
34 Telephone	34			
35 Postage and shipping	35 24,203.	18,674.	4,499.	1,030.
36 Occupancy	36 551,551.	454,295.	64,326.	32,930.
37 Equipment rental and maintenance	37 17,920.	11,313.	6,607.	
38 Printing and publications	38 99,237.	86,441.	9,995.	2,801.
39 Travel	39 284,885.	268,289.	12,056.	4,540.
40 Conferences, conventions, and meetings	40 115,443.	68,647.	10,647.	36,149.
41 Interest	41 10,195.	10,195.		
42 Depreciation, depletion, etc. (attach schedule)	42 13,698.	11,830.	1,173.	695.
43 Other expenses not covered above (itemize):	43a			
a UTILITIES	43a 37,584.	30,720.	3,761.	3,103.
b DUES AND SUBSCRIPTIONS	43b 52,131.	49,569.	2,117.	445.
c COMPUTER EXPENSE	43c 42,180.	34,956.	5,001.	2,223.
d COLLAB PUBLIC AND RESEARC	43d 115,000.	115,000.		
e PROF AND CONSULTING	43e 859,671.	761,829.	76,920.	20,922.
f TELECOMMUNICATIONS	43f 58,719.	48,783.	8,897.	1,039.
g OTHER	43g 86,675.	58,979.	23,793.	3,903.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	44 5,716,494.	4,991,085.	438,571.	286,838.

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 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	278,644.	45	546,994.
	46 Savings and temporary cash investments	101,374.	46	849,860.
	47a Accounts receivable	47a 288,512.		
	b Less: allowance for doubtful accounts	47b NONE	24,656.	47c 288,512.
	48a Pledges receivable	48a 1,903,719.		
	b Less: allowance for doubtful accounts	48b	1,987,864.	48c 1,903,719.
	49 Grants receivable		49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		3,693.	53 50,674.
	54a Investments - publicly-traded securities	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a
	b Investments - other securities (attach schedule)	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
	56 Investments - other (attach schedule)			56
	57a Land, buildings, and equipment: basis STMT 7	57a 320,862.		
b Less: accumulated depreciation (attach schedule)	57b 287,532.	38,148.	57c 33,330.	
58 Other assets, including program-related investments (describe ▶ STMT 8)		70,933.	58 70,933.	
59 Total assets (must equal line 74). Add lines 45 through 58		2,505,312.	59 3,744,022.	
Liabilities	60 Accounts payable and accrued expenses	284,079.	60	287,923.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	STMT 9	243,895.	64b NONE
	65 Other liabilities (describe ▶ STMT 10)		126,688.	65 161,944.
66 Total liabilities. Add lines 60 through 65		654,662.	66 449,867.	
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		-116,044.	67 -80,736.
	68 Temporarily restricted		1,966,694.	68 3,374,891.
	69 Permanently restricted			69
	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 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)		1,850,650.	73 3,294,155.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		2,505,312.	74 3,744,022.	

Part VI Other Information (continued)

Table with columns for question ID, question text, and Yes/No columns. Rows include questions 82a through 91a regarding organizational activities, dues, lobbying, and state filing.

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** Yes No
 If "Yes," enter the name of the foreign country ▶ _____

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) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies .					
94 Membership dues and assessments . . .					
95 Interest on savings and temporary cash investments .			14	8,486.	
96 Dividends and interest from securities . .					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	112,854.	
98 Net rental income or (loss) from personal property . .					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events .					
102 Gross profit or (loss) from sales of inventory . .					
103 Other revenue: a <u>STMT 14</u>					474,133.
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) . .				121,340.	474,133.
105 Total (add line 104, columns (B), (D), and (E)) ▶					595,473.

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).
▼	STMT 15

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
	%			
	%			
	%			
	%			

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).

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
N/A	

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

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
N/A	

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

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
N/A	

Please Sign Here

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.

_____ Date _____
 Signature of officer

 Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4	EIN		Phone no.

EISNER LLP
750 THIRD AVENUE
NEW YORK, NY 10017-2703

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No. 1545-0047

2007

Name of the organization

Employer identification number

DEMOS: A NETWORK FOR IDEAS AND ACTION

13-4105066

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
SEE STATEMENT 16				

Total number of other employees paid over \$50,000 . . ▶ **17**

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
SEE STATEMENT 17		

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
NONE		

Total number of other contractors receiving over \$50,000 for other services ▶

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 ▶ \$ NONE (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

1 X

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.

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)? STMT . 18

2d X

e Transfer of any part of its income or assets?

2e X

3a 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

4a 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 ▶

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the rights to provide advice on the distribution or investment of amounts in such funds or accounts ▶

NONE

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶

NONE

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ► _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III - Functionally Integrated Type III - Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total ►					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

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.

Table with columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines; e Public support (line 26c minus line 26d total); f Public support percentage; 27 Organizations described on line 12: a 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: NOT APPLICABLE; 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; c Add: Amounts from column (e) for lines; d Add: Line 27a total, and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test; g Public support percentage; h Investment income percentage.

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.

Part V Private School Questionnaire (See page 9 of the instructions.) **NOT APPLICABLE**
(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?	29	
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?	30	
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.) ----- ----- -----	31	
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
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?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
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?	34a	
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.	34b	
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	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.) (To be completed ONLY by an eligible organization that filed Form 5768) NOT APPLICABLE

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

Table with 3 columns: Line number, Description, and Amount. Section: Limits on Lobbying Expenditures. Includes lines 36-44 and a caution note.

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.)

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2007, (b) 2006, (c) 2005, (d) 2004, (e) Total. Section: Lobbying Expenditures During 4-Year Averaging Period. Includes lines 45-50.

Part VI-B Lobbying Activity by Nonelecting Public Charities NOT APPLICABLE (For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

Table with 3 columns: Description, Yes, No, Amount. Section: Lobbying Activity by Nonelecting Public Charities. Includes lines a-i and a note about attaching a statement.

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

FORM 8868

THE ORGANIZATION'S FORM 8868 APPLICATION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN WAS PAPER FILED.

FORM 990, PART I - EXCLUDED CONTRIBUTIONS

=====

DESCRIPTION	AMOUNT
-----	-----
REALIZING DEMOCRACY'S PROMISE EVENT	190,850.

TOTAL	190,850.
	=====

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

=====

DESCRIPTION -----	GROSS REVENUE -----	DIRECT EXPENSES -----
REALIZING DEMOCRACY'S PROMISE EVENT	26,856.	26,856.
TOTALS	26,856.	26,856.
	=====	=====

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

THE ORGANIZATION'S PRIMARY PURPOSE IS TO DEVELOP IDEAS AND PROMOTE
ACTION TO STRENGTHEN DEMOCRACY, CREATE MORE BROADLY SHARED ECONOMIC
PROSPERITY AND ENHANCE QUALITY OF LIFE.

FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS
=====

PROGRAM SERVICE ACCOMPLISHMENT A

DEMOCRACY PROJECT - WORKS TO STRENGTHEN DEMOCRACY IN THE UNITED STATES BY REDUCING BARRIERS TO VOTER PARTICIPATION AND ENCOURAGING CIVIC ENGAGEMENT. THE PROGRAM SUPPORTS STATE AND NATIONAL REFORM EFFORTS BY CONDUCTING RESEARCH ON CURRENT AND LONG-RANGE ISSUES; ADVANCING A BROAD AGENDA FOR ELECTION REFORM; PROVIDING ADVOCATES AND POLICYMAKERS WITH TECHNICAL SUPPORT; CONDUCTING LITIGATION; AND STRENGTHENING REFORM NETWORKS.

PROGRAM SERVICE ACCOMPLISHMENT D

PUBLIC WORKS - WORKS TO BUILD A NEW UNDERSTANDING AMONG AMERICANS OF OUR PUBLIC SYSTEMS AND STRUCTURES AND OF THEIR ROLE AS STEWARDS OF OUR NATION'S QUALITY OF LIFE. THE PROGRAM SEEKS TO SUPPORT A PUBLIC SECTOR THAT ACTS EFFECTIVELY FOR THE COMMON GOOD, THAT PLANS FOR OUR FUTURE, AND THAT BUILDS AND MAINTAINS THE STRUCTURES AND SYSTEMS NECESSARY TO CONFRONT THE CHALLENGES WE FACE TOGETHER AS A NATION.

FORM 990, PART III - OTHER PROGRAM SERVICES (LINE E)

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DESCRIPTION

GRANTS AND
ALLOCATIONS

EXPENSES

AFFILIATED PROGRAMS - DEMOS HAS AFFILITED PROGRAMS
AND PROJECTS WHICH SHARE IT'S MISSION AND VALUES.
EVENTS - DEMOS FORUM: IDEAS FOR CHANGE EVENT
SERIES FEATURES PROMINENT AUTHORS, JOURNALISTS,
ACTIVISTS, AND OTHERS. DEMOS ALSO PARTICIPATES IN
MANY OTHER EVENTS AROUND THE NATION AND IN OTHER
COUNTRIES.

877,128.

92,675.

TOTALS

969,803.

=====

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

=====

FIXED ASSET DETAIL

ACCUMULATED DEPRECIATION DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
		BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
FURNITURE AND FIXTB		48,610.			48,610.	47,807.	641.		48,448.
EQUIPMENT		139,859.			139,859.	109,802.	11,544.		121,346.
LEASEHOLD IMPROV		132,393.			132,393.	116,225.	1,513.		117,738.
TOTALS		320,862.			320,862.	273,834.			287,532.
		=====			=====	=====			=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
RENT SECURITY DEPOSIT	70,933.	70,933.
TOTALS	----- 70,933. =====	----- 70,933. =====

FORM 990, PART IV - MORTGAGES AND OTHER NOTES PAYABLE

=====

LENDER: BANK LINE OF CREDIT
 REPAYMENT TERMS: INT PAYABLE MONTHLY THROUGH MATURITY IN APRIL 2009
 SECURITY PROVIDED: UNSECURED \$500,000 LINE OF CREDIT

BEGINNING BALANCE DUE	243,895.
ENDING BALANCE DUE	NONE

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	243,895.
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TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	NONE
--	------

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FORM 990, PART IV - OTHER LIABILITIES

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DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
DEFERRED RENT	126,688.	161,944.
	-----	-----
TOTALS	126,688.	161,944.
	=====	=====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

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NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
BEN BINSWANGER 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
CHRISTINE CHEN 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
AMY HANAUER 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	SECRETARY 0.50	NONE	NONE	NONE
STEPHEN B HEINTZ 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	CHAIR 0.50	NONE	NONE	NONE
SANG JI 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
ERIC LIU 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
CLARISSA MARTINEZ DE CASTRO	TRUSTEE 0.50	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001				
ARNIE MILLER 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TREASURER 0.50	NONE	NONE	NONE
SPENCER OVERTON 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
WENDY PURIEFOY 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
MILES RAPOPORT 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	PRESIDENT 38.00	175,000.	6,003.	NONE
AMELIA WARREN TYAGI 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
RUTH WOODEN 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
VAN JONES 220 FIFTH AVENUE, 5TH FLOOR NEW YORK, NY 10001	TRUSTEE 0.50	NONE	NONE	NONE
GRAND TOTALS		175,000.	6,003.	NONE
		=====	=====	=====

FORM 990, PART VII - OTHER REVENUE

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DESCRIPTION -----	BUSINESS CODE ----	AMOUNT -----	EXCLUSION CODE ----	AMOUNT -----	RELATED OR EXEMPT FUNCTION INCOME -----
HONORARIUM REVENUE					68,172.
PARTICIPATION IN LAWSUIT SETTLEMENT					252,962.
OTHER REVENUE					152,999.
 TOTALS		-----		-----	-----
		=====		=====	=====

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

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LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
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103A	HONORARIUM REVENUE DERIVED FROM ACTIVITIES SUCH AS TRAINING COMMUNITY LEADERS ACROSS THE UNITED STATES TO RE-ENVISION THE ROLE OF GOVERNMENT AND TRAINING NON-PROFIT ORGANIZATIONS TO INTEGRATE SOCIAL JUSTICE PRINCIPLES INTO THEIR WORK AND STRENGTHEN THEIR ROLE AS CENTERS OF DEMOCRATIC PRACTICE.
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103B	REIMBURSEMENT OF LEGAL FEES INCURRED IN CONJUNCTION WITH THE ORGANIZATION'S PARTICIPATION IN PORTER V. BOWEN (C.D. CAL.) CONCERNING POLITICAL CONTRIBUTIONS TO REFERENDA QUESTIONS. THIS ACTIVITY ACTION ALIGNS WITH ITS MISSION TO REDUCE BARRIERS TO VOTER PARTICIPATION AND TO SUPPORT PRO-VOTER LITIGATION.
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103C	OTHER REVENUE DERIVED FROM ACTIVITIES IN CONJUNCTION WITH THE EXEMPT PURPOSES OF THE ORGANIZATION.
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SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

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NAME AND ADDRESS -----	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCOUNT -----
STUART COMSTOCK-GAY C/O DEMOS, 220 FIFTH AVE NEW YORK, NY 10001	PROGRAM DIRECTOR 38.00	127,500.	4,380.	NONE
MICHAEL LIPSKY C/O DEMOS, 220 FIFTH AVE. NEW YORK, NY 10001	SR. PROGRAM DIRECTOR 38.00	125,729.	4,335.	NONE
DIANNE STEWART C/O DEMOS, 220 FIFTH AVE. NEW YORK, NY 10001	PUB. WORKS DIRECTOR 38.00	117,679.	4,026.	NONE
BRENDA WRIGHT C/O DEMOS, 220 FIFTH AVE. NEW YORK, NY 10001	LEGAL DIRECTOR 38.00	95,000.	3,255.	NONE
TAMMY DRAUT C/O DEMOS, 220 FIFTH AVE. NEW YORK, NY 10001	PROGRAM DIRECTOR 38.00	94,781.	3,257.	NONE
	TOTAL COMPENSATION	----- 560,689. =====	----- 19,253. =====	----- NONE =====

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

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NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
BURCHMAN TERRIO QUIST LLC 80 BROAD ST, 15TH FLOOR NEW YORK, NY 10004	ACCTNG AND FIN SERV	206,446.
TOPOS PARTNERSHIP 1865 BROAD STREET PROVIDENCE, RI 02905	PROGRAM CONSULTANT	148,000.
MACRO INTERNATIONAL 15294 COLLECTION CENTER DRIVE CHICAGO, IL 60693	PROGRAM CONSULTANT	99,974.
LINDA TARR-WHEALAN 210 COTTON DIKE ROAD STREET HELENA ISLAND, SC 29920	WOMEN'S LEAD CONSULT	60,000.
TOTAL COMPENSATION		514,420.
		=====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D
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MILES RAPOPORT IS REIMBURSED FOR TRAVEL RELATED EXPENSES IN THE NORMAL COURSE OF PERFORMING HIS FUNCTIONS AS AN EMPLOYEE. SEE FORM 990, PART V FOR COMPENSATION.

SCHEDULE A, PART IV-A - OTHER INCOME

=====

DESCRIPTION -----	2006 ----	2005 ----	2004 ----	2003 ----	TOTAL -----
OTHER REVENUE	36,254.	15,328.	9,830.	7,255.	68,667.
TOTALS	36,254.	15,328.	9,830.	7,255.	68,667.
	=====	=====	=====	=====	=====