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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)

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2010 calendar year, or tax year beginning and ending

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

C Name of organization
JUDICIAL WATCH, INC.
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
425 3RD STREET, SW 800
 City or town, state or country, and ZIP + 4
WASHINGTON, DC 20024

D Employer identification number
52-1885088

E Telephone number
202-646-5172

G Gross receipts \$ **17,220,424.**

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

F Name and address of principal officer **THOMAS FITTON**
SAME AS C ABOVE

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

J Website: **WWW.JUDICIALWATCH.ORG**

K Form of organization: Corporation Trust Association Other

L Year of formation: **1994** **M State of legal domicile:** **DC**

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	SEE SCHEDULE O	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	33
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	10,978,152.	13,226,653.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	32,000.	80,198.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<55,539.>	638,067.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	392,732.	372,391.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	11,347,345.	14,317,309.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	2,446,124.	2,736,790.
	b	Total fundraising expenses (Part IX, column (D), line 25)	273,000.	161,821.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	4,287,080.	
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	6,741,087.	8,398,519.
	19	Revenue less expenses Subtract line 18 from line 12	9,460,211.	11,297,130.
Assets or Fund Balances	20	Total assets (Part X, line 16)	1,887,134.	3,020,179.
	21	Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
	22	Net assets or fund balances Subtract line 21 from line 20	13,000,659.	18,219,800.
		540,658.	1,900,870.	
		12,460,001.	16,318,930.	

Part II Signature Block

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

Signature of officer: *Thomas Fitton* Date: **7/10/11**

Name and title: **THOMAS FITTON, PRESIDENT**

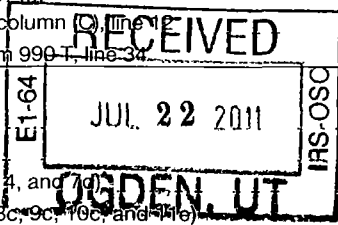
Print/Type preparer's name: **Glenn Woodson** Date: **6/28/11** Check if self-employed PTIN

Firm's name: **CALIBRE CPA GROUP PLLC** Firm's EIN

Firm's address: **1850 K STREET, N.W. WASHINGTON, DC 20006** Phone no. **(202) 331-9880**

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

SCANNED AUG 6 2011



10P

Part III Statement of Program Service Accomplishments

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

Input box for Schedule O check

1 Briefly describe the organization's mission

TO PROMOTE INTEGRITY, TRANSPARENCY AND ACCOUNTABILITY IN GOVERNMENT AND FIDELITY TO THE RULE OF LAW THROUGH PUBLIC ADVOCACY, LITIGATION AND MONITORING AND INVESTIGATING FEDERAL, STATE AND LOCAL GOVERNMENT ENTITIES AND OFFICIALS, AMONG OTHER ACTIVITIES.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No (X) No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No (X) No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 3,761,628. including grants of \$) (Revenue \$)

PUBLIC EDUCATION - JUDICIAL WATCH FULFILLS ITS EDUCATIONAL MISSION BY DISSEMINATING INFORMATION ABOUT ITS PUBLIC ADVOCACY, LITIGATION, MONITORING AND INVESTIGATIONS, AND OTHER ACTIVITIES, TO THE PUBLIC THROUGH ITS WEBSITE, MONTHLY NEWSLETTER, AND EMAIL UPDATES AND BLOGS, AS WELL AS REGULAR MAILINGS, PERIODIC SPECIAL REPORTS AND OTHER PUBLIC OUTREACH EFFORTS.

4b (Code) (Expenses \$ 1,028,186. including grants of \$) (Revenue \$ 80,198.)

LITIGATION - JUDICIAL WATCH PROSECUTES NUMEROUS LAWSUITS, TYPICALLY ON ITS OWN BEHALF BUT ALSO ON BEHALF OF LIKE-MINDED INDIVIDUALS OR ENTITIES, TO PROMOTE INTEGRITY, TRANSPARENCY AND ACCOUNTABILITY IN GOVERNMENT AND FIDELITY TO THE RULE OF LAW. SINCE ITS INCEPTION IN 1994, JUDICIAL WATCH HAS PROSECUTED OR DEFENDED HUNDREDS OF LAWSUITS IN FURTHERANCE OF ITS PUBLIC INTEREST MISSION AND OBTAINED MANY NOTEWORTHY SUCCESSES.

4c (Code) (Expenses \$ 538,145. including grants of \$) (Revenue \$)

MONITOR/RESEARCH - JUDICIAL WATCH MONITORS AND INVESTIGATES THE ACTIONS OF FEDERAL, STATE AND LOCAL GOVERNMENT ENTITIES AND PUBLIC OFFICIALS, TYPICALLY USING OPEN RECORDS LAWS SUCH AS THE FREEDOM OF INFORMATION ACT. SINCE ITS INCEPTION IN 1994, JUDICIAL WATCH HAS SERVED THOUSANDS OF OPEN RECORDS REQUESTS AND SECURED THE RELEASE OF HUNDREDS OF THOUSANDS OF PREVIOUSLY UNDISCLOSED GOVERNMENT RECORDS INTO THE PUBLIC DOMAIN. JUDICIAL WATCH ALSO MAINTAINS DATABASES OF THE RECORDS IT OBTAINS AND MAKES THESE RECORDS AVAILABLE TO THE PUBLIC.

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses 5,327,959.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	N/A	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 17		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 33		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
	If "Yes," enter the name of the foreign country: <u>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</u>		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting N/A organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966? N/A		
9b	Did the organization make a distribution to a donor, donor advisor, or related person? N/A		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12 N/A		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders N/A		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? N/A Note. See the instructions for additional information the organization must report on Schedule O		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
10b	b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	a The organization's CEO, Executive Director, or top management official	X	
15b	b Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **AL, AK, AZ, AR, CA, CT, FL, GA, IL, KS, KY, LA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization **▶ PAUL J. ORFANEDES - 202-646-5172**
425 3RD STREET, SW, WASHINGTON, DC 20024

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

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

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

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

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

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
PAUL J. ORFANEDES DIRECTOR, SECRETARY-TREASURER	50.00	X		X				222,814.	0.	14,490.
THOMAS J. FITTON DIRECTOR, PRESIDENT	40.00	X		X				168,889.	0.	25,244.
CHRISTOPHER FARRELL DIRECTOR	40.00	X						140,613.	0.	13,334.
STEVEN C. ANDERSEN DIRECTOR OF DEVELOPMENT	40.00					X		140,899.	0.	24,992.
SUSAN E. PRYTHERCH CHIEF OF STAFF	40.00					X		165,427.	0.	13,538.
JOHN ALBERTELLA DIRECTOR OF DIRECT MARKETING	40.00					X		118,689.	0.	18,853.
JAMES PETERSON ATTORNEY	40.00					X		100,744.	0.	10,699.

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns					
	b	Membership dues					
	c	Fundraising events					
	d	Related organizations					
	e	Government grants (contributions)					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 13226653.				
	g	Noncash contributions included in lines 1a-1f \$	18,099.				
h Total. Add lines 1a-1f			13226653.				
Program Service Revenue	2 a	REIMB ATTORNEY FEES	Business Code 900099	80,198.	80,198.		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g Total. Add lines 2a-2f			80,198.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		367,517.		367,517.	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties		417,205.		417,205.	
	6 a	Gross Rents	(i) Real 369,915.				
		b Less rental expenses	414,749.				
		c Rental income or (loss)	<44,834.>				
		d Net rental income or (loss)		<44,834.>		<44,834.>	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities 2748366.	(ii) Other 10,550.			
		b Less cost or other basis and sales expenses	2487680.	686.			
		c Gain or (loss)	260,686.	9,864.			
		d Net gain or (loss)			270,550.		270,550.
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
	b	Less direct expenses					
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities See Part IV, line 19					
b	Less direct expenses						
c	Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances						
b	Less cost of goods sold						
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11 a	OTHER INCOME	900099	20.			20.	
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		20.				
12	Total revenue See instructions.		14317309.	80,198.	0.	1010458.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	585,876.	299,499.	137,154.	149,223.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,767,929.	903,765.	413,872.	450,292.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	44,465.	22,731.	10,409.	11,325.
9 Other employee benefits	180,522.	92,283.	42,260.	45,979.
10 Payroll taxes	157,998.	80,769.	36,987.	40,242.
11 Fees for services (non-employees)				
a Management				
b Legal	108,177.	75,978.	20,921.	11,278.
c Accounting	28,265.		28,265.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	161,821.			161,821.
f Investment management fees	66,464.		56,464.	10,000.
g Other	2,420,376.	825,298.	196,907.	1,398,171.
12 Advertising and promotion				
13 Office expenses	93,209.	26,428.	54,243.	12,538.
14 Information technology				
15 Royalties				
16 Occupancy	364,675.	186,422.	85,370.	92,883.
17 Travel	55,888.	37,401.	5,027.	13,460.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	29,662.	27,870.	1,752.	40.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	173,998.	88,930.	40,760.	44,308.
23 Insurance	112,890.	81,345.	31,545.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a <u>POSTAGE AND DELIVERY</u>	2,473,076.	1,285,751.	239,535.	947,790.
b <u>PRINTING AND COPYING</u>	2,226,132.	1,173,687.	214,537.	837,908.
c <u>BANK AND CREDIT CARD FE</u>	80,564.	0.	24,965.	55,599.
d <u>RESEARCH</u>	63,190.	63,190.	0.	0.
e _____				
f All other expenses _____	101,953.	56,612.	41,118.	4,223.
25 Total functional expenses. Add lines 1 through 24f	11,297,130.	5,327,959.	1,682,091.	4,287,080.
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	3,867,363.	2,918,496.	530,170.	418,697.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	<3,060.>	1 <5,698.>
	2	Savings and temporary cash investments	2,837,722.	2 2,031,162.
	3	Pledges and grants receivable, net	590,363.	3 811,722.
	4	Accounts receivable, net	15.	4 15.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6
	7	Notes and loans receivable, net		7
	8	Inventories for sale or use		8
	9	Prepaid expenses and deferred charges	247,612.	9 357,356.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 2,149,785.	
	b	Less accumulated depreciation	10b 836,134.	10c 1,313,651.
	11	Investments - publicly traded securities	9,172,754.	11 13,631,301.
	12	Investments - other securities See Part IV, line 11		12
	13	Investments - program-related See Part IV, line 11		13
	14	Intangible assets		14
	15	Other assets See Part IV, line 11	50,962.	15 80,291.
16	Total assets. Add lines 1 through 15 (must equal line 34)	13,000,659.	16 18,219,800.	
Liabilities	17	Accounts payable and accrued expenses	263,488.	17 464,885.
	18	Grants payable		18
	19	Deferred revenue		19
	20	Tax-exempt bond liabilities		20
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22
	23	Secured mortgages and notes payable to unrelated third parties		23
	24	Unsecured notes and loans payable to unrelated third parties		24
	25	Other liabilities Complete Part X of Schedule D	277,170.	25 1,435,985.
	26	Total liabilities. Add lines 17 through 25	540,658.	26 1,900,870.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	10,954,864.	27 14,813,793.
	28	Temporarily restricted net assets	1,505,137.	28 1,505,137.
	29	Permanently restricted net assets		29
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building, or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
	33	Total net assets or fund balances	12,460,001.	33 16,318,930.
	34	Total liabilities and net assets/fund balances	13,000,659.	34 18,219,800.

Form 990 (2010)

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	14,317,309.
2	Total expenses (must equal Part IX, column (A), line 25)	2	11,297,130.
3	Revenue less expenses Subtract line 2 from line 1	3	3,020,179.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	12,460,001.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	838,750.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	16,318,930.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2010)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	9359850.	6851573.	8976943.	10984343.	13226653.	49399362.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	9359850.	6851573.	8976943.	10984343.	13226653.	49399362.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						49399362.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	9359850.	6851573.	8976943.	10984343.	13226653.	49399362.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	484,392.	582,037.	544,888.	612,819.	1154637.	3378773.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	432.					432.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	74,664.	6,996.	10,001.			91,661.
11 Total support. Add lines 7 through 10						52870228.
12 Gross receipts from related activities, etc. (see instructions)					12	186,443.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	93.44 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	94.13 %
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input checked="" type="checkbox"/>		
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

JUDICIAL WATCH, INC.

Employer identification number

52-1885088

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

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

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

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

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

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

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

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

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

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

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

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

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

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

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

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

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

	Amount
1c	
1d	
1e	
1f	

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

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

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

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

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

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

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

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

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		1,495,134.	567,152.	927,982.
d Equipment		654,651.	268,982.	385,669.
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,313,651.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

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

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

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) DEFERRED RENT	1,175,036.
(3) LIABILITY UNDER CHARITABLE GIFT	
(4) ANNUITIES	260,949.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	
1,435,985.	

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

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	14,317,309.
2	Total expenses (Form 990, Part IX, column (A), line 25)	11,297,130.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3,020,179.
4	Net unrealized gains (losses) on investments	850,827.
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV.)	<12,077.>
9	Total adjustments (net) Add lines 4 through 8	838,750.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	3,858,929.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	15,570,808.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments	850,827.
b	Donated services and use of facilities	
c	Recoveries of prior year grants	
d	Other (Describe in Part XIV)	402,672.
e	Add lines 2a through 2d	1,253,499.
3	Subtract line 2e from line 1	14,317,309.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b	
b	Other (Describe in Part XIV)	
c	Add lines 4a and 4b	0.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	14,317,309.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	11,711,879.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities	
b	Prior year adjustments	
c	Other losses	
d	Other (Describe in Part XIV)	414,749.
e	Add lines 2a through 2d	414,749.
3	Subtract line 2e from line 1	11,297,130.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b	
b	Other (Describe in Part XIV)	
c	Add lines 4a and 4b	0.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	11,297,130.

Part XIV Supplemental Information

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

PART XI, LINE 8 - OTHER ADJUSTMENTS:
 CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -12,077.

PART XII, LINE 2D - OTHER ADJUSTMENTS:
 CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -12,077.
 RENTAL EXPENSES 414,749.
 TOTAL TO SCHEDULE D, PART XII, LINE 2D 402,672.

Part XIV Supplemental Information *(continued)*

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

RENTAL EXPENSES 414,749.

Multiple horizontal lines for supplemental information.

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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		(event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts			
	2	Less Charitable contributions			
	3	Gross income (line 1 minus line 2)			
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses			
	10	Direct expense summary Add lines 4 through 9 in column (d)			
	11	Net income summary Combine line 3, column (d), and line 10			

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

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

9 Enter the state(s) in which the organization operates gaming activities. _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If "Yes," explain _____

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

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

Name ▶ _____

Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____

c If "Yes," enter name and address of the third party

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

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

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

(I) NAME OF FUNDRAISER: MDS COMMUNICATIONS CORPORATION

(I) ADDRESS OF FUNDRAISER: 545 W. JUANITA AVENUE, MESA, AZ 85210

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

JUDICIAL WATCH, INC.

Employer identification number

52-1885088

Part I Questions Regarding Compensation

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

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

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

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

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

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

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?
 If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

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

- a** The organization?
b Any related organization?

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

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

- a** The organization?
b Any related organization?

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

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

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

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		X
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2010

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

	(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	PAUL J. ORFANEDES	(i) 221,243.	(ii) 101.	(iii) 1,470.	6,644.	7,846.	237,304.	0.
		(ii) 0.	0.	0.	0.	0.	0.	0.
2	THOMAS J. FITTON	(i) 167,435.	(ii) 101.	(iii) 1,353.	5,419.	19,825.	194,133.	0.
		(ii) 0.	0.	0.	0.	0.	0.	0.
3	CHRISTOPHER FARRELL	(i) 139,387.	(ii) 101.	(iii) 1,125.	4,269.	9,065.	153,947.	0.
		(ii) 0.	0.	0.	0.	0.	0.	0.
4	STEVEN C. ANDERSEN	(i) 139,608.	(ii) 101.	(iii) 1,190.	4,593.	20,399.	165,891.	0.
		(ii) 0.	0.	0.	0.	0.	0.	0.
5	SUSAN E. PRYTHERCH	(i) 164,061.	(ii) 101.	(iii) 1,265.	4,975.	8,563.	178,965.	0.
		(ii) 0.	0.	0.	0.	0.	0.	0.
6		(i) 0.						
		(ii) 0.						
7		(i) 0.						
		(ii) 0.						
8		(i) 0.						
		(ii) 0.						
9		(i) 0.						
		(ii) 0.						
10		(i) 0.						
		(ii) 0.						
11		(i) 0.						
		(ii) 0.						
12		(i) 0.						
		(ii) 0.						
13		(i) 0.						
		(ii) 0.						
14		(i) 0.						
		(ii) 0.						
15		(i) 0.						
		(ii) 0.						
16		(i) 0.						
		(ii) 0.						

Part III Supplemental Information

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

PART I, LINE 1A: THE ORGANIZATION PROVIDES TAX GROSS-UP PAYMENTS TO ALL EMPLOYEES WHO CONTRIBUTE TO THE COST OF THEIR OWN DISABILITY INSURANCE. THIS BENEFIT IS AVAILABLE TO ALL EMPLOYEES REGARDLESS OF POSITION WITH THE ORGANIZATION OR COMPENSATION LEVEL.

PART I, LINE 1B: JUDICIAL WATCH DOES NOT HAVE A WRITTEN POLICY REGARDING THIS BENEFIT; RATHER, IT IS A PRACTICE THAT IS APPLIED UNIFORMLY TO ALL EMPLOYEES.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public
Inspection

Employer identification number
52-1885088

JUDICIAL WATCH, INC.

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

JUDICIAL WATCH, INC., A CONSERVATIVE, NON-PARTISAN EDUCATIONAL
FOUNDATION, PROMOTES TRANSPARENCY, ACCOUNTABILITY AND INTEGRITY IN
GOVERNMENT, POLITICS AND THE LAW. THROUGH ITS EDUCATIONAL ENDEAVORS,
JUDICIAL WATCH ADVOCATES HIGH STANDARDS OF ETHICS AND MORALITY IN OUR
NATION'S PUBLIC LIFE AND SEEKS TO ENSURE THAT POLITICAL AND JUDICIAL
OFFICIALS DO NOT ABUSE THE POWERS ENTRUSTED TO THEM BY THE AMERICAN
PEOPLE. JUDICIAL WATCH FULFILLS ITS EDUCATIONAL MISSION THROUGH
LITIGATION, INVESTIGATIONS, AND PUBLIC OUTREACH.

FORM 990, PART VI, SECTION B, LINE 11: COPIES OF THE DRAFT FORM 990 ARE
PROVIDED TO THE MEMBERS OF THE BOARD AND THE AUDIT COMMITTEE. ANY ISSUES OF
NOTE ARE HIGHLIGHTED FOR THE BOARD. A DEADLINE IS GIVEN FOR COMMENTS. ANY
MEMBER WHO DOES NOT RESPOND BY DATE IS CONTACTED TO DETERMINE IF THERE ARE
ANY COMMENTS. AS APPROPRIATE, COMMENTS ARE SHARED WITH BOARD MEMBERS AND A
DETERMINATION IS MADE AS TO WHETHER A REVIEW MEETING NEEDS TO BE HELD.

FORM 990, PART VI, SECTION B, LINE 12C: WHEN THE POLICY WAS REVISED, ALL
EMPLOYEES RECEIVED THE POLICY AND WERE REQUIRED TO COMPLETELY READ IT AND
COMPLETE THE CONFLICT FORM. EACH NEW EMPLOYEE RECEIVES A COPY OF THE POLICY
AND IS REQUIRED TO COMPLETE AND SIGN A FORM. AS THE NEED ARISES, EMPLOYEES
UPDATE THEIR CONFLICT FORM. THE BOARD REVIEWS THE CONFLICT FORMS AND
DETERMINES THE APPROPRIATE ACTION SUCH AS SEGREGATING CERTAIN JOB FUNCTIONS
AND DECISION MAKING THAT MAY GIVE RISE TO THE CONFLICT. ALL EMPLOYEES ARE
REQUIRED ANNUALLY TO UPDATE AND SIGN A CONFLICT OF INTEREST FORM. THOSE
FORMS ARE REVIEWED BY THE CHIEF OF STAFF AND THE OFFICERS.

Name of the organization

JUDICIAL WATCH, INC.

Employer identification number

52-1885088

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION IS SET BY THE MANAGEMENT TEAM AND REVIEWED AND APPROVED BY THE BOARD. INDIVIDUALS DO NOT SET THEIR OWN COMPENSATION OR PARTICIPATE IN DECISIONS REGARDING THEIR OWN COMPENSATION. ANNUALLY, THE ORGANIZATION PREPARES A SALARY SURVEY USING THE FORM 990S OF COMPARABLY ORGANIZED AND SITUATED 501(C)(3) ORGANIZATIONS. THIS REPORT IS DISTRIBUTED TO THE MANAGEMENT TEAM, THE BOARD AND THE CONTROLLER. THE CHIEF OF STAFF COLLECTS RELEVANT STATISTICS SUCH AS COLA, BUDGET INFORMATION AND CURRENT COMPENSATION FOR THE STAFF. THE MANAGEMENT TEAM THEN SETS AVERAGE RAISE AMOUNTS AND GUIDELINES. THESE AVERAGES/GUIDELINES ARE USED FOR ALL EMPLOYEES INCLUDING OFFICERS, TOP MANAGEMENT POSITIONS AND KEY EMPLOYEES. NO SPECIAL COMPENSATION PACKAGES/ARRANGEMENTS ARE MADE FOR TOP MANAGEMENT, KEY EMPLOYEES OR OFFICERS. THE BOARD'S DECISIONS REGARDING COMPENSATION FOR OFFICERS, TOP MANAGEMENT AND KEY EMPLOYEES ARE DOCUMENTED BY THE CORPORATE SECRETARY IN CORPORATE MINUTES.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:
AL, AK, AZ, AR, CA, CT, FL, GA, IL, KS, KY, LA, ME, MD, MA, MI, MN, MS, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WV, WI

FORM 990, PART VI, SECTION C, LINE 19: JUDICIAL WATCH IS REGISTERED IN ALL STATES AND DISTRICTS AS REQUIRED FOR FUND RAISING. DEPENDING ON THE VARIOUS REQUIREMENTS, DIFFERENT DOCUMENTS MAY BE MADE AVAILABLE TO THE PUBLIC THROUGH THOSE VARIOUS GOVERNING BODIES. THE ORGANIZATION DOES NOT DIRECTLY PROVIDE ACCESS TO ITS GOVERNING DOCUMENTS, POLICIES OR FINANCIAL STATEMENTS.

Name of the organization

JUDICIAL WATCH, INC.

Employer identification number

52-1885088

FORM 990, PART X, LINE 5

THE FORMER CHAIRMAN, TREASURER, AND GENERAL COUNSEL OF JUDICIAL WATCH (THE "EMPLOYEE"), WHOSE EMPLOYMENT CEASED IN SEPTEMBER 2003, ALSO WAS THE PRESIDENT OF KLAYMAN & ASSOCIATES, P.C., ("K&A"), A FOR-PROFIT PROFESSIONAL LAW FIRM. IN ORDER TO REDUCE OVERHEAD EXPENSES FOR BOTH ORGANIZATIONS, WHILE THE EMPLOYEE WAS EMPLOYED BY JUDICIAL WATCH, JUDICIAL WATCH AND K&A AGREED TO SHARE CERTAIN EMPLOYEES AND CERTAIN GENERAL AND ADMINISTRATIVE EXPENSES, SUCH AS RENT, TELEPHONE, POSTAGE AND DELIVERY, PHOTOCOPYING, AND SUPPLIES, ETC. THESE SHARED EXPENSES WERE ALLOCATED TO EACH ENTITY BASED ON ACTUAL INVOICES, OFFICE SPACE USAGE, AND EMPLOYEE TIME CHARGES.

AS OF DECEMBER 31, 2002, THE BALANCE DUE TO JUDICIAL WATCH FOR SHARED EXPENSES WAS \$78,810. THIS AMOUNT WAS TO BE PAID TO JUDICIAL WATCH BY MAY 15, 2004, TOGETHER WITH ACCRUED INTEREST AT A RATE OF 8% PER ANNUM. K&A DID NOT DISPUTE THAT IT OWED JUDICIAL WATCH \$78,810 PLUS INTEREST, BUT THIS AMOUNT REMAINS UNPAID. JUDICIAL WATCH ALSO ASSESSED ADDITIONAL SHARED EXPENSES IN THE AMOUNT OF \$41,501 TO K&A, REPRESENTING CHARGES ACCRUED AFTER DECEMBER 31, 2002. THE BALANCE DUE TO JUDICIAL WATCH FROM K&A AS OF DECEMBER 31, 2010, INCLUDING INTEREST OF \$114,052 CALCULATED MONTHLY AT A VARIABLE RATE, TOTALS \$234,363. HOWEVER, K&A NOW DISPUTES THE TOTAL AMOUNTS DESCRIBED HEREIN.

ALSO, JUDICIAL WATCH IDENTIFIED EXPENSES INCURRED BY THE EMPLOYEE DURING HIS EMPLOYMENT WITH THE ORGANIZATION FOR WHICH JUDICIAL WATCH SEEKS REIMBURSEMENT. AS OF DECEMBER 31, 2010, THESE EXPENSES INCLUDING INTEREST TOTAL \$86,595. THE EMPLOYEE DISPUTES THAT THESE EXPENSES ARE REIMBURSABLE. HOWEVER, IN JANUARY 2006, THE EMPLOYEE MADE A PAYMENT OF

Name of the organization

JUDICIAL WATCH, INC.

Employer identification number

52-1885088

\$4,573.

JUDICIAL WATCH BELIEVES ALL OF THE ABOVE RECEIVABLES ARE VALID, PROPER, AND DUE TO JUDICIAL WATCH WITHOUT ANY OFFSETS OR DEDUCTIONS. DUE TO LACK OF TIMELY PAYMENT AND UNCERTAINTY OF COLLECTION, JUDICIAL WATCH HAS RECORDED RESERVES AGAINST THESE RECEIVABLES IN THE FULL AMOUNTS OF \$234,363 AND \$86,595. THE ESTIMATED NET REALIZABLE AMOUNTS OF ZERO ARE REPORTED IN THE STATEMENTS OF FINANCIAL POSITION AS "DUE FROM RELATED PARTIES, NET."

IN APRIL 2006, THE EMPLOYEE FILED SUIT AGAINST JUDICIAL WATCH, ASSERTING VARIOUS CAUSES OF ACTION SEEKING DAMAGES AND OTHER REMEDIES. IN THE COURSE OF ASSERTING THESE CAUSES OF ACTION, THE EMPLOYEE DISPUTES THAT THE MONIES DUE FROM THE EMPLOYEE AND K&A ARE OWED. THE MANAGEMENT OF JUDICIAL WATCH BELIEVES THE ORGANIZATION WILL PREVAIL IN THIS MATTER AND CONTINUES TO PURSUE COLLECTION OF THE OUTSTANDING AMOUNTS AND WILL USE ALL LEGAL MEANS AVAILABLE TO DO SO.

THE COURT HAS ISSUED AN ORDER GRANTING PARTIAL SUMMARY JUDGMENT IN FAVOR OF JUDICIAL WATCH IN THE AMOUNT OF \$69,358 FOR EXPENSES INCURRED BY THE EMPLOYEE DURING HIS EMPLOYMENT WITH JUDICIAL WATCH. THE AMOUNT REPRESENTS THE PERSONAL DEBT WITHOUT INTEREST. AWARD OF PRE-JUDGMENT INTEREST IS STILL PENDING BEFORE THE COURT.

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

NET UNREALIZED GAINS ON INVESTMENTS: 850,827.

CHANGE IN VALUE OF SPLIT-INTEREST AGREEMENTS -12,077.

032212
01-24-11

Schedule O (Form 990 or 990-EZ) (2010)

