

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year **2008**, or tax year beginning **2008**, and ending **20**

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: **THE BRAINERD FOUNDATION**

Number and street (or P O box number if mail is not delivered to street address): **1601 SECOND AVE, SUITE 610**

Room/suite: _____

City or town, state, and ZIP code: **SEATTLE, WA 98101-1541**

A Employer identification number: **91-1675591**

B Telephone number (see page 10 of the instructions): () -

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ **30,216,336.**

J Accounting method: Cash Accrual
 Other (specify) _____ (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule) if the foundation is not required to attach Sch. B.				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B.				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	1,413,255.	1,411,215.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-1,077,919.			
	b Gross sales price for all assets on line 6a	9,274,575.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications			40,500.	
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	-10,921,074.	11,961.		STMT 1	
12 Total. Add lines 1 through 11	-10,585,738.	1,423,176.	40,500.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	147,953.	7,398.		140,555.
	14 Other employee salaries and wages	244,809.	12,240.		232,569.
	15 Pension plans, employee benefits	103,431.	5,172.		98,259.
	16a Legal fees (attach schedule) STMT 2	4,033.	202.	NONE	3,831.
	b Accounting fees (attach schedule) STMT 3	28,241.	13,639.	NONE	14,602.
	c Other professional fees (attach schedule) STMT 4	371,711.	180,079.		191,632.
	17 Interest	109,136.	105,304.		
	18 Taxes (attach schedule) (see page 14 of the instructions) *	106,934.	23,884.		947.
	19 Depreciation (attach schedule) and depletion	10,837.	542.		
	20 Occupancy	109,107.	25,507.		83,600.
	21 Travel, conferences, and meetings	70,231.	2,751.		59,374.
	22 Printing and publications	1,049.	52.		997.
	23 Other expenses (attach schedule) STMT 7	270,049.	225,089.		39,811.
	24 Total operating and administrative expenses. Add lines 13 through 23	1,577,521.	601,859.	NONE	866,177.
	25 Contributions, gifts, grants paid	3,194,855.			3,194,855.
26 Total expenses and disbursements. Add lines 24 and 25	4,772,376.	601,859.	NONE	4,061,032.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-15,358,114.				
b Net investment income (if negative, enter -0-)		821,317.			
c Adjusted net income (if negative, enter -0-)			40,500.		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	5,093,303.	2,405,276.	2,405,276.	
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)				
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule) STMT 8	40,366,769.	27,745,762.	27,745,762.	
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶	247,290. 187,557.	64,827. 59,733.	59,733.	
15	Other assets (describe ▶ STMT 9)	8,613.	5,565.	5,565.		
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	45,533,512.	30,216,336.	30,216,336.		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶ STMT 10)	3,735.	4,173.		
23	Total liabilities (add lines 17 through 22)	3,735.	4,173.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	45,529,777.	30,212,163.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
28	Paid-in or capital surplus, or land, bldg, and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds					
30	Total net assets or fund balances (see page 17 of the instructions)	45,529,777.	30,212,163.			
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	45,533,512.	30,216,336.			

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 45,529,777.
2	Enter amount from Part I, line 27a	2 -15,358,114.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 11	3 40,500.
4	Add lines 1, 2, and 3	4 30,212,163.
5	Decreases not included in line 2 (itemize) ▶	5
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 30,212,163.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)
1a SEE PART IV SCHEDULE			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	-1,075,129.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8.		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	3,401,750.	45,249,059.	0.075178
2006	2,763,311.	43,545,231.	0.063458
2005	2,711,483.	41,339,987.	0.065590
2004	2,943,379.	39,428,028.	0.074652
2003	3,046,655.	35,744,942.	0.085233

2 Total of line 1, column (d)	2	0.364111
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.072822
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	39,301,774.
5 Multiply line 4 by line 3	5	2,862,034.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,213.
7 Add lines 5 and 6	7	2,870,247.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18	8	4,069,138.

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1		
	Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	8,213.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	8,213.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	8,213.
6	Credits/Payments		
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	101,042.
b	Exempt foreign organizations-tax withheld at source	6b	NONE
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	101,042.
8	Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	92,829.
11	Enter the amount of line 10 to be Credited to 2009 estimated tax <input type="checkbox"/> 92,829. Refunded <input type="checkbox"/>	11	

Part VII-A **Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		X
<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation ▶ \$ _____ (2) On foundation managers ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
<i>If "Yes," attach a detailed description of the activities</i>		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
<i>If "Yes," attach the statement required by General Instruction T.</i>		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(3)? If "Yes," attach schedule (see page 20 of the instructions)	X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	X

Website address **WWW.BRAINERD.ORG**

14 The books are in care of **CRYSTAL ANDERSON** Telephone no **206-448-0676**
 Located at **1601 SECOND AVENUE SEATTLE, WA** ZIP + 4 **98101**

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here **N/A** and enter the amount of tax-exempt interest received or accrued during the year **15**

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <input type="checkbox"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Yes No **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No **N/A**

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No **6b** X

If you answered "Yes" to 6b, also file Form 8870

** 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **7b** N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		147,953.	14,795.	NONE

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If 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 and deferred compensation	(e) Expense account, other allowances
JAMES OWENS 1601 2ND AVE, STE 610, SEATTLE	PROG OFFICER	101,724.	NONE	NONE
CRYSTAL ANDERSON 1601 2ND AVE, STE 610, SEATTLE	CONTROLLER	69,062.	NONE	NONE

Total number of other employees paid over \$50,000 Yes No **NONE**

** SEE FORMS 8886 ATTACHED. THE FOUNDATION HAS AN INVESTMENT IN DORCHESTER CAPITAL PARTNERS, L.P. WHICH HAS MADE VARIOUS PROTECTIVE DISCLOSURES RELATING TO ITS INVESTMENTS.

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 13		257,336.
Total number of others receiving over \$50,000 for professional services		NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	36,008,481.
b	Average of monthly cash balances	1b	3,883,599.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	8,198.
d	Total (add lines 1a, b, and c)	1d	39,900,278.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	39,900,278.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	598,504.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	39,301,774.
6	Minimum investment return. Enter 5% of line 5	6	1,965,089.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,965,089.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	8,213.
b	Income tax for 2008 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	8,213.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,956,876.
4	Recoveries of amounts treated as qualifying distributions	4	40,500.
5	Add lines 3 and 4	5	1,997,376.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,997,376.

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	4,061,032.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	8,106.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	4,069,138.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	8,213.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,060,925.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				1,997,376.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only				
b Total for prior years 20__ 20__ 20__				
3 Excess distributions carryover, if any, to 2008:				
a From 2003	1,276,528.			
b From 2004	1,017,558.			
c From 2005	761,321.			
d From 2006	741,375.			
e From 2007	1,214,249.			
f Total of lines 3a through e	5,011,031.			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ \$ <u>4,069,138.</u>				
a Applied to 2007, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2008 distributable amount				1,997,376.
e Remaining amount distributed out of corpus	2,071,762.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	7,082,793.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)	1,276,528.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	5,806,265.			
10 Analysis of line 9				
a Excess from 2004	1,017,558.			
b Excess from 2005	761,321.			
c Excess from 2006	741,375.			
d Excess from 2007	1,214,249.			
e Excess from 2008	2,071,762.			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A. question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with 5 columns: (a) 2008, (b) 2007, (c) 2006, (d) 2005, (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions from Part XII), 2d (Amounts included in line 2c not used directly for active conduct of exempt activities), 2e (Qualifying distributions made directly for active conduct of exempt activities), 3 (Complete 3a, b, or c for the alternative test relied upon), 3a (Assets alternative test), 3b (Endowment alternative test), 3c (Support alternative test).

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

PAUL BRAINERD

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here [] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed SEE STATEMENT 14

b The form in which applications should be submitted and information and materials they should include SEE THE WEBSITE WWW.BRAINERD.ORG FOR THE APPLICATION

c Any submission deadlines APPLICATIONS ARE ACCEPTED THROUGHOUT THE YEAR

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors SEE STATEMENT 15

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>SEE STATEMENT 16</p>				
<p>Total ▶ 3a</p>				<p>3,194,855.</p>
<p>b Approved for future payment</p> <p>SEE STATEMENT 18</p>				
<p>Total ▶ 3b</p>				<p>705,000.</p>

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, and (e) Related or exempt function income. Rows include categories like Program service revenue, Membership dues, Dividends, and Subtotal.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No. and Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of (1) Cash (2) Other assets b Other transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A' in columns (b) and (d).

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [] Yes [X] No

b If "Yes," complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All rows are empty.

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Sign Here section containing signature of Ann J. Krumholz, Preparer's signature of J. O. Liason, CPA, and firm name KING & OLIASON, P.S. 514 SECOND AVE. WEST SEATTLE, WA

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
159,440.		PASS THROUGH FROM TAXABLE FIXED INCOME PROPERTY TYPE: SECURITIES				P	VAR	VAR
						159,440.		
2,701,195.		PUBLICLY TRADED SECURITIES - SOUND SHORE PROPERTY TYPE: SECURITIES 3,157,137.				P	VAR	VAR
						-455,942.		
142,157.		PUBLICLY TRADED SECURITIES - REAL ESTATE PROPERTY TYPE: SECURITIES 224,387.				P	VAR	VAR
						-82,230.		
5,527.		GS #80706 - REAL ESTATE LTCG DISTRIBUTIO PROPERTY TYPE: SECURITIES				P	VAR	VAR
						5,527.		
460,823.		PUBLICLY TRADED SECURITIES - SNOW CAPITA PROPERTY TYPE: SECURITIES 644,365.				P	VAR	VAR
						-183,542.		
2,653,005.		PUBLICLY TRADED SECURITIES - OECHSLE PROPERTY TYPE: SECURITIES 2,435,521.				P	VAR	VAR
						217,484.		
1,714,713.		PUBLICLY TRADED SECURITIES - GARDNER LEW PROPERTY TYPE: SECURITIES 1,985,277.				P	VAR	VAR
						-270,564.		
1,708.		GS #80709 - GARDNER LEWIS LTCG DISTRIBUT PROPERTY TYPE: SECURITIES				P	VAR	VAR
						1,708.		
		PASS THROUGH FROM SPRUCEGROVE PROPERTY TYPE: SECURITIES 52,626.				P	VAR	VAR
						-52,626.		
798,088.		PUBLICLY TRADED SECURITIES - ALETHEIA PROPERTY TYPE: SECURITIES 854,263.				P	VAR	VAR
						-56,175.		
23.		GS #80711 - ALETHEIA LTCG DISTRIB PROPERTY TYPE: SECURITIES				P	VAR	VAR
						23.		

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
						P	VAR	VAR
							-75,102.	
						P	VAR	VAR
							-121,856.	
565,000.						P	VAR	VAR
							174,348.	
						P	VAR	VAR
25,139.							25,139.	
						P	VAR	VAR
17,795.							17,795.	
						P	VAR	VAR
2,575.							2,575.	
						P	VAR	VAR
285.							285.	
						P	VAR	VAR
							-258,503.	
						P	VAR	VAR
27,102.							27,102.	
						P	VAR	VAR
							-150,015.	

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
TOTAL GAIN (LOSS)							----- -1075129. =====	

FORM 990PF, PART I - OTHER INCOME

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
UNREALIZED G/L ON INVESTMENTS	-7,618,322.	
PASS THROUGH FROM P'SHIP- OTHER INC	-33,989.	-33,989.
GROSS RENTS	21,107.	21,107.
NON-TAXABLE PARTNERSHIP INCOME	-3,286,177.	
PASS THROUGH FROM P'SHIP-RENTAL LOSS	-6,700.	21,836.
PASS THROUGH FROM P'SHIP-ORD INCOME	-111,239.	-111,239.
PASS THROUGH FROM P'SHIP-SEC 988 INC	105,895.	105,895.
RETURN OF CAPITAL	8,351.	8,351.
	-----	-----
TOTALS	-10,921,074.	11,961.
	=====	=====

FORM 990PF, PART I - LEGAL FEES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
-----	-----	-----	-----	-----
DAVIS WRIGHT TREMAINE	3,735.	187.		3,548.
RIDDELL WILLIAMS, P.S.	298.	15.		283.
TOTALS	4,033.	202.	NONE	3,831.
	=====	=====	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
KING & OLIASON, P.S	13,440.	6,720.		6,720.
SWEENEY CONRAD	12,306.	6,153.		6,153.
ADP FEE	1,662.	83.		1,579.
FIDELITY INVESTMENTS	533.	533.		
WILLIAMS & CALLAN	300.	150.		150.
TOTALS	28,241.	13,639.	NONE	14,602.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
EVAL & PROGRAM CONSULTANTS	152,549.		152,549.
INVESTMENT MANAGEMENT FEES	179,085.	179,085.	
ADVISORY BOARD STIPEND	14,400.		14,400.
EXTERNAL COMMUNICATIONS	5,801.		5,801.
COMPUTER SUPPORT	19,876.	994.	18,882.
	-----	-----	-----
TOTALS	371,711.	180,079.	191,632.
	=====	=====	=====

FORM 990PF, PART I - INTEREST EXPENSE

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PASS THROUGH FROM P'SHIP	105,304.	105,304.
INTEREST EXPENSE	3,832.	
TOTALS	109,136.	105,304.

FORM 990PF, PART I - TAXES

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
OTHER MISCELLANEOUS TAXES	997.	50.	947.
FOREIGN TAXES	25,727.	23,834.	
FEDERAL EXCISE TAXES	80,210.		
TOTALS	----- 106,934. =====	----- 23,884. =====	----- 947. =====

FORM 990PF, PART I - OTHER EXPENSES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
PASS THROUGH FROM P'SHIP - DED RELATED TO PORTFOLIO INCOME	228,244.	228,244.	
OFFICE SUPPLIES	4,034.	202.	3,832.
TELEPHONE	16,277.	814.	15,463.
POSTAGE & DELIVERY	559.	28.	531.
STAFF DEVELOPMENT	2,739.	137.	2,602.
MISC EXPENSES	4,492.	225.	4,267.
LIABILITY INSURANCE	3,563.	178.	3,385.
REPAIRS & MAINTENANCE	5,163.	258.	4,905.
DUES & SUBSCRIPTIONS	3,038.	152.	2,886.
PASS THROUGH FROM P'SHIP - CHARITABLE CONTRIBUTION	1,940.		1,940.
EXPENSES ALLOCATED TO UBTI		-5,149.	
TOTALS	----- 270,049. =====	----- 225,089. =====	----- 39,811. =====

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
WTC - EMERGING COMPANY CTF	626,264.	626,264.
LEGACY VENTURE II, LLC	695,673.	695,673.
PIMCO COMMODITY REAL RETURN	744,698.	744,698.
METROPOLITAN REAL EST PARTNERS	588,118.	588,118.
WALDEN LARGE CAP CORE	2,360,491.	2,360,491.
LEGACY VENTURE III	711,131.	711,131.
LEGACY VENTURE IV	350,570.	350,570.
MSCI EMERGING MARKET	768,271.	768,271.
GS CORE	7,358,573.	7,358,573.
GS SOUND SHORE	2,037,100.	2,037,100.
GS REAL ESTATE SECURITIES	266,696.	266,696.
GS SNOW CAPITAL	740,907.	740,907.
GS OECHSLE INT'L	NONE	NONE
GS GARDNER LEWIS	1,660,802.	1,660,802.
GS SPRUCEGROVE	1,625,744.	1,625,744.
GS ALETHEIA	821,848.	821,848.
DORCHESTER HEDGE	2,950,756.	2,950,756.
FORESTER LONG/SHORT	1,437,213.	1,437,213.
GS HIGH YIELD FUND	481,641.	481,641.
GS PICTET	1,519,266.	1,519,266.
	-----	-----
TOTALS	27,745,762.	27,745,762.
	=====	=====

FORM 990PF, PART II - OTHER ASSETS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	----
OTHER RECEIVABLES DEPOSITS	NONE 5,565.	NONE 5,565.
TOTALS	----- 5,565. =====	----- 5,565. =====

FORM 990PF, PART II - OTHER LIABILITIES

=====

DESCRIPTION -----	ENDING BOOK VALUE -----
132 WITHHOLDING	261.
MED 125 WITHHOLDING	1,658.
MASTERCARD BALANCE	2,254.

TOTALS	4,173.
	=====

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
RETURNED GRANT FROM PRIOR YEAR	40,500.
TOTAL	----- 40,500. =====

FORM 990PF, PART VIII - LIST OF 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
-----	-----	-----	-----	-----
PAUL BRAINERD 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	PRES/TREAS 2.	NONE	NONE	NONE
ANN KRUMBOLTZ 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	VICE PRESIDENT 40.	147,953.	14,795.	NONE
SHERRY E. BRAINERD 1601 SECOND AVE, STE 610 SEATTLE, WA 98101	VP/SECRETARY 2.	NONE	NONE	NONE
	GRAND TOTALS	147,953.	14,795.	NONE
		=====	=====	=====

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
KEIKI KEHOE 6548 27TH AVE NW SEATTLE, WA 98117	OVERSEES GRANT PROG	90,100.
GOLDMAN SACHS & CO 719 SECOND AVE SEATTLE, WA 98104	INVESTMENT MNGMT	167,236.
TOTAL COMPENSATION		----- 257,336. =====

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS
=====

ANN KRUMBOLTZ, BRAINERD FOUNDATION
1601 SECOND AVE., SUITE 610
SEATTLE, WA 98101-1541
206-448-0676

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS
=====

GEOGRAPHICAL RESTRICTIONS -- LIMITED TO PACIFIC NORTHWEST
CHARITABLE FIELD RESRICTIONS -- ENVIRONMENTAL

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

=====

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
-----	-----	-----	-----
PROGRAM GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	2,669,000.
CATALYST GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	280,000.
GRASSROOTS GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	75,000.
OPPORTUNITY GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	80,855.
EXECUTIVE DIRECTOR GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	82,000.
MATCHING GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE UPON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	3,000.
BOD DISCRETIONARY GRANTS - SEE ATTACHMENT A ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	5,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
TOTAL CONTRIBUTIONS PAID			3,194,855.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SEE ATTACHMENT B ADDRESSES ARE AVAILABLE IN THE TAXPAYER'S OFFICE ON REQUEST	N/A PUBLIC CHARITIES	ENVIRONMENTAL PRESERVATION	705,000.
TOTAL CONTRIBUTIONS APPROVED			705,000.

BRAINERD FOUNDATION
JANUARY THROUGH DECEMBER 2008
GRANTS MADE

Name of Organization	Amount
Program Grants	
Alaska Center for the Environment	55,000 00
Alaska Conservation Alliance	45,000 00
Environment OR Research & Policy Cntr	35,000 00
Idaho Smart Growth	34,000 00
Oregon Environmental Council	70,000 00
Washington Environmental Council	50,000 00
Washington Environmental Council	30,000 00
Bitter Root Land Trust	25,000 00
Missoula County	25,000 00
National Wildlife Federation	40,000 00
Oregon Natural Desert Association Inc	25,000 00
Ravalli County	110,000 00
Southern Rockies Ecosystem Project	7,000 00
The Nature Conservancy	50,000 00
The Wilderness Society	30,000 00
Trust for Public Land	100,000 00
Consultative Grp on Biological Diversity	10,000 00
Earthjustice	50,000 00
League of Conserv Voters Ed Fnd	75,000 00
Western Environmental Law Center	70,000 00
Climate Solutions	45,000 00
Conserv Voters for ID Ed Fund	25,000 00
Idaho Conservation League	50,000 00
Montana Conservation Voters Ed Fund	45,000 00
OLCV Ed Fund	45,000 00
American Wildlands	40,000 00
Craighead Enviro Research Institute	25,000 00
The Five Valleys Land Trust	40,000 00
Montana Audubon	35,000 00
Salmon Valley Stewardship	40,000 00
The Nature Conservancy	50,000 00
The Wilderness Society	100,000 00
Communications Leadership Institute	36,000 00
Crag Law Center	20,000 00
Green Corps	40,000 00
LightHawk	30,000 00
Montana Environmental Information Center	49,000 00
Resource Media	58,000 00
Western States Center	50,000 00
Communications Leadership Institute	3,000 00
Tides Foundation	30,000 00
Montana Environmental Information Center	40,000 00
Campaign for America's Wilderness	25,000 00
Centennial Valley Association	25,000 00
Clark Fork Coalition	40,000 00
Greater Yellowstone Coalition	25,000 00
Lemhi Regional Land Trust	30,000 00
Madison Valley Ranchlands Group	30,000 00

BRAINERD FOUNDATION
JANUARY THROUGH DECEMBER 2008
GRANTS MADE

<u>Name of Organization</u>	<u>Amount</u>
Montana Wildemess Association	40,000 00
Northwest Connections	25,000 00
Trout Unlimited	75,000 00
Trust for Public Land	40,000 00
Wildlife Conservation Society, NA Program	45,000 00
Wildsight	25,000 00
Idaho Smart Growth	20,000 00
IJNR	35,000 00
National Wildlife Federation	37,000 00
ONE/NW	75,000 00
Resource Media	75,000 00
Sonoran Institute	60,000 00
Tides Foundation	35,000 00
Trustees for Alaska	35,000 00
Climate Solutions	40,000 00
Total Program Grants	2,669,000 00
Catalyst Grants	
Alaska Conservation Foundation	35,000 00
Idaho Conservation League	30,000 00
Washington Environmental Council	40,000 00
Idaho Conservation League	100,000 00
Alaska Conservation Alliance	75,000 00
Total Catalyst Grants	280,000 00
Grassroots Grants	
Central OR Landwatch	10,000 00
Northwest Connections	10,000 00
Montanans for Quiet Recreation	5,000 00
Kootenai Environmental Alliance	10,000 00
Soda Mountain Wildemess Council	10,000 00
The Regeneration Project	10,000 00
Idaho Rural Council, Inc	10,000 00
Cowiche Canyon Conservancy	10,000 00
Total Grassroots Grants	75,000 00

BRAINERD FOUNDATION
JANUARY THROUGH DECEMBER 2008
GRANTS MADE

Name of Organization	Amount
Opportunity Grants	
Fuse Innovation Fund	1,000 00
East Lake Washington Audubon	500 00
Canadian Parks & Wilderness Soc	3,000 00
Cabinet Resources Group	3,000 00
Olympic Forest Coalition	3,000 00
Bitterrooters for Planning	3,000 00
Public Employees For Enviro Resp	3,000 00
American Wildlands	3,000 00
Public Policy Institute	3,000 00
Southeast Alaska Conservation Council	3,000 00
The YMCA of Greater Seattle	2,000 00
Bitter Root Land Trust	3,000 00
Cowiche Canyon Conservancy	3,000 00
Burns Bog Conservation Society	2,445 00
Bitter Root Water Forum	3,000 00
Sierra Club of BC Foundation	3,000 00
Umpqua Watersheds, Inc	3,000 00
Swan View Coalition	3,000 00
Keystone Conservation	3,000 00
Save Our Wild Salmon Coalition	2,900 00
Henry's Fork Foundation	3,000 00
Clark Fork Coalition	3,000 00
Mt Adams Resource Stewards	3,000 00
Southeast Alaska Conservation Council	2,800 00
Resource Innovation Group	3,000 00
Cascadia Times Research Fund	1,000 00
Trout Unlimited	3,000 00
National Cter for Conserv Sci & Policy	2,500 00
Silver Valley Community Resource Cntr	2,710 00
Citizens for a Better Flathead	3,000 00
Total Opportunity Grants	80,855 00
Executive Director Grants	
Verde	1,000 00
OLCV Ed Fund	4,000 00
Tides Canada Foundation	5,000 00
University of Washington Fnd	5,000 00
University of Washington Fnd	5,000 00
Forest Ethics	5,000 00
Alaska Wilderness League	2,000 00
Central OR Landwatch	5,000 00
Earth Ministry	2,000 00
Georgia Strait Alliance	5,000 00
Oregon Environmental Council	15,000 00
Center for Science in Public Participatio	3,000 00
Alaska Center for the Environment	25,000 00
Total Executive Director Grants	82,000 00

BRAINERD FOUNDATION
JANUARY THROUGH DECEMBER 2008
GRANTS MADE

<u>Name of Organization</u>	<u>Amount</u>
Matching	
Washington Wilderness Coalition	50 00
Chinook Middle School	400 00
Heifer International	100 00
Central Asian Institute	200 00
New Mexico Wilderness Alliance	50 00
People for Puget Sound	150 00
UCSF Foundation	50 00
Rainforest Action Network	100 00
National MS Society	100 00
Global Fund for Women	100 00
Team Survivor Northwest	100 00
Heifer International	200 00
Washington Environmental Council	200 00
Westside School	400 00
Northwest Harvest	50 00
Best Friends	80 00
Montana Environmental Information Center	200 00
Central Asian Institute	200 00
Hopelink	50 00
Washington Wilderness Coalition	70 00
Montana Environmental Information Center	40 00
Global Fund for Women	40 00
Oxfam America	40 00
Washington Environmental Council	30 00
World Wildlife Fund Inc	0 00
Total Matching	<u>3,000 00</u>
BOD Discretionary	
Northwest Connections	2,500 00
The Conservation Fund	250 00
Upper Deschutes Watershed Council	250 00
Deschutes Basin Land Trust	1,000 00
Trout Unlimited	1,000 00
Total BOD Discretionary	<u>5,000 00</u>
Total Grantmaking	3,194,855 00

<u>Organization</u>	<u>Date</u>	<u>Term</u>	<u>Type</u>	<u>Bal</u>	<u>Grant Amt</u>	<u>Last Paid Amt</u>	<u>Next Pay Amt</u>
Idaho Conservation League PO Box 844 Boise, ID 83701	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (KEIKI)	Grant: \$200,000 Paid: \$100,000 Bal.: \$100,000 Term: 24 Months	Catalyst Fund	\$100,000	\$200,000	\$100,000	\$100,000
Idaho Conservation League PO Box 844 Boise, ID 83701	Approved 6/10/2008 Start: 6/10/2008 End: 6/10/2010 (ANN)	Grant: \$100,000 Paid: \$50,000 Bal.: \$50,000 Term: 24 Months	Program Support	\$50,000	\$100,000	\$50,000	\$50,000
League of Conservation Voters Education Fund 1920 L Street NW Suite 800 Washington, DC 20036	Approved 4/11/2008 Start: 4/11/2008 End: 4/11/2010 (ANN)	Grant: \$150,000 Paid: \$75,000 Bal.: \$75,000 Term: 24 Months	Program Support	\$75,000	\$150,000	\$75,000	\$75,000
Lemhi Regional Land Trust PO Box 871 Salmon, ID 83467	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (JIM)	Grant: \$60,000 Paid: \$30,000 Bal.: \$30,000 Term: 24 Months	Program Support	\$30,000	\$60,000	\$30,000	\$30,000
Madison Valley Ranchlands Group PO Box 330 Ennis, MT 59729 U.S.A	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (JIM)	Grant: \$60,000 Paid: \$30,000 Bal.: \$30,000 Term: 24 Months	Program Support	\$30,000	\$60,000	\$30,000	\$30,000
National Wildlife Federation Northern Rockies Office 240 N. Higgins Avenue Suite 2 Missoula, MT 59802-4445	Approved 4/11/2008 Start: 4/11/2008 End: 4/11/2010 (JIM)	Grant: \$80,000 Paid: \$40,000 Bal.: \$40,000 Term: 24 Months	Program Support	\$40,000	\$80,000	\$40,000	\$40,000
ONE-Northwest 1402 Third Avenue, Suite 1000 Seattle, WA 98101	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (ANN)	Grant: \$150,000 Paid: \$75,000 Bal.: \$75,000 Term: 24 Months	Program Support	\$75,000	\$150,000	\$75,000	\$75,000

<u>Organization</u>	<u>Date</u>	<u>Term</u>	<u>Type</u>	<u>Bal</u>	<u>Grant Amt</u>	<u>Last Paid Amt</u>	<u>Next Pay Amt</u>
Oregon Environmental Council 222 NW Davis Street, Suite 309 Portland, OR 97209	Approved 4/11/2008 Start: 4/11/2008 End: 4/11/2010 (KEIKI)	Grant: \$120,000 Paid: \$70,000 Bal.: \$50,000 Term: 24 Months	Program Support	\$50,000	\$120,000	\$70,000	\$50,000
Resource Media, Seattle Office 159 Western Avenue W Suite 480 Seattle, WA 98119	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (ANN)	Grant: \$150,000 Paid: \$75,000 Bal.: \$75,000 Term: 24 Months	Program Support	\$75,000	\$150,000	\$75,000	\$75,000
Salmon Valley Stewardship 513 Main Street Salmon, ID 83467	Approved 6/10/2008 Start: 6/10/2008 End: 6/10/2010 (JIM)	Grant: \$75,000 Paid: \$40,000 Bal.: \$35,000 Term: 24 Months	Program Support	\$35,000	\$75,000	\$40,000	\$35,000
The Nature Conservancy, Montana 32 S Ewing St Suite 215 Helena, MT 59601	Approved 4/11/2008 Start: 4/11/2008 End: 4/11/2010 (JIM)	Grant: \$100,000 Paid: \$50,000 Bal.: \$50,000 Term: 24 Months	Program Support	\$50,000	\$100,000	\$50,000	\$50,000
Western Environmental Law Center 1216 Lincoln Street Eugene, OR 97401	Approved 4/11/2008 Start: 4/11/2008 End: 4/11/2010 (JIM)	Grant: \$140,000 Paid: \$70,000 Bal.: \$70,000 Term: 24 Months	Program Support	\$70,000	\$140,000	\$70,000	\$70,000
Wildsight 2-495 Wallinger Avenue Kimberley, BC V1A 1Z6 Canada	Approved 11/7/2008 Start: 11/7/2008 End: 11/7/2010 (JIM)	Grant: \$50,000 Paid: \$25,000 Bal.: \$25,000 Term: 24 Months	Program Support	\$25,000	\$50,000	\$25,000	\$25,000

Total Approved but unpaid at 12/31/2008 \$ 705,000

The Brainerd Foundation
Form 990-PF

91-1675591
2008

Line 6a, Disposal of Assets not included in Part IV

Description	Acq Date	Manner of Acquisition	Sales Price	Cost	Date Sold	Accum Depreciation
Various Computer Equipment	Various	Purchase	\$0	\$19,396	Various 2008	\$16,606

total

The Brainerd Foundation				
Fixed Asset Reconciliation				
FYE 12/31/08				
Cost	Computers	Furniture	LHI	Total
Beginning Balance	85,336.91	113,084.55	59,732.61	258,154.07
Additions	7,827.72	704.99		8,532.71
Disposals	-19,396.35			-19,396.35
Ending Balance	73,768.28	113,789.54	59,732.61	247,290.43
Accumulated Deprec				
Beginning Balance	-64,501.93	-110,001.52	-18,823.24	-193,326.69
Depreciation Expense	-8,435.82	-869.17	-1,531.54	-10,836.53
Disposals	16,605.76			16,605.76
Ending Balance	-56,331.99	-110,870.69	-20,354.78	-187,557.46
Net Book Value	17,436.29	2,918.85	39,377.83	59,732.97

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

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

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

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

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

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

Type or print	Name of Exempt Organization THE BRAINERD FOUNDATION	Employer identification number 91-1675591
	Number, street, and room or suite no. If a P.O. box, see instructions 1601 SECOND AVE, SUITE 610	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions SEATTLE, WA 98101-1541	

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

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

• The books are in the care of ▶ CRYSTAL ANDERSON

Telephone No ▶ 206 448-0676 FAX No ▶ _____

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2009, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 2008 or
- ▶ tax year beginning _____, _____, and ending _____, _____

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$ 101,042.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$ 101,042.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$ NONE

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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

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

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

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

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization THE BRAINERD FOUNDATION	Employer identification number 91-1675591
	Number, street, and room or suite no If a P O box, see instructions 1601 SECOND AVE, SUITE 610	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions SEATTLE, WA 98101-1541	

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

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

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

The books are in the care of **CRYSTAL ANDERSON**
Telephone No **206 448-0676** FAX No

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

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

4 I request an additional 3-month extension of time until **11/15/2009**

5 For calendar year **2008**, or other tax year beginning _____ and ending _____

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

7 State in detail why you need the extension **ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN. AN EXTENSION OF TIME IN WHICH TO FILE IS RESPECTFULLY REQUESTED.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a \$ 101,042.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$ 101,042.
c Balance Due. Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c \$ NONE

Signature and Verification

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

Signature **KING & OLIASON** Title **CPTA** Date **AGG 17 2009**

KING & OLIASON, P.S.
514 SECOND AVE. WEST
SEATTLE, WA 98119-3928