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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2008

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 **October 1**, 2008, and ending **September 30**, 2008G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name changeUse the IRS
label.
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

HIS Foundation

Number and street (or P O box number if mail is not delivered to street address)

2737 78th Avenue SE, Suite 201

Room/suite

City or town, state and ZIP code

Mercer Island, Washington 98040

A Employer identification number

91-6512367

B Telephone number (see page 10 of the instructions)

206-232-1980

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 foundationI Fair market value of all assets at end
of year (from Part II, col. (c),
line 16) ▶ \$ 742,045 72J 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)	150,000 00			
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	15,025 61	15,025 61		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	165,025 61	15,025 61		
	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	500 00			
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	557 80			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses (attach schedule)	85 00				
24 Total operating and administrative expenses. Add lines 13 through 23	1,142 80				
25 Contributions, gifts, grants paid	138,792 04			138,792 04	
26 Total expenses and disbursements. Add lines 24 and 25	139,934 84			138,792 04	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	25,090 77				
b Net investment income (if negative, enter -0-)		15,025 61			
c Adjusted net income (if negative, enter -0-)					

For Privacy Act and Paperwork Reduction Notice, see page 30 of the instructions.

Cat No 11289X

Form **990-PF** (2008)

SCANNED FEB 18 2010

P 21

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	300,204 95	505,553 52	505,553 52
	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			
	10a 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)	416,750 00	236,000 00	236,492 20
	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ <u>Prepaid Excise Tax</u>)		492 20	
	16 Total assets (to be completed by all filers--see the instructions. Also, see page 1, item I)	716,954 95	742,045 72	742,045 72
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 ▶)			
	23 Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ☒ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	716,954 95	742,045 72	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ☐ and complete lines 27 through 31.			
	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)	716,954 95	742,045 72	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	716,954 95	742,045 72	

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	716,954 95
2 Enter amount from Part I, line 27a	2	25,090 77
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	742,045 72
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	742,045 72

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				
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	0 00	0 00	0 00	
b	0 00	0 00	0 00	
c	0 00	0 00	0 00	
d	0 00	0 00	0 00	
e	0 00	0 00	0 00	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	0 00
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	210,212 11	751,055 04	0 2799
2006	210,800 00	532,263 00	0 3960
2005	153,900 00	541,445 00	0 2842
2004	76,942 00	84,736 00	0 9080
2003	183,802 00	170,721 00	1 0766
2 Total of line 1, column (d)			2 2 9448
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 5890
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5			4 660,555 61
5 Multiply line 4 by line 3			5 389,042 89
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 150 26
7 Add lines 5 and 6			7 389,193 15
8 Enter qualifying distributions from Part XII, line 4			8 138,792 04

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.

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 ☐ 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 ☐ and enter 1% of Part I, line 27b		1 300 51
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		3 300 51
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5 300 51
6 Credits/Payments:		
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a 492 20	
b Exempt foreign organizations—tax withheld at source	6b	
c Tax paid with application for extension of time to file (Form 8868)	6c	
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d	7 492 20	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ 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	10 191 69	
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax ▶ 191 69 Refunded ▶ 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?		✓
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)? <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?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On the 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? <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>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <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?	✓	
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>	✓	
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>	✓	
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>		
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶ _____

14 The books are in care of ▶ Tuck Hoo Telephone no. ▶ 206-232-1980
 Located at ▶ 2737 78th Avenue SE, Suite 201, Mercer Island, WA ZIP+4 ▶ 980402843

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041--Check here ▶ ☐
 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 and 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? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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)? ☐ Yes ☒ 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.) ☐ Yes ☒ 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)?	1b	
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐		
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	✓
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? ☐ Yes ☒ No If "Yes," list the years ▶ 20 __, 20 __, 20 __, 20 __		
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	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 __, 20 __, 20 __, 20 __		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ 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	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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)? **5b** ☒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

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? **6b** ☒
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? **7b** ☐**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
James T. Cassan 2737 78th Ave., SE, Suite 201, Mercer Island, WA 98040				
Doris O. Cassan 2737 78th Ave., SE, Suite 201, Mercer Island, WA 98040				

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
NONE				

Total number of other employees paid over \$50,000 ☐

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
NONE		

Total number of others receiving over \$50,000 for professional services ▶

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 None	
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	
2	
All other program-related investments. See page 24 of the instructions	
3	

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	286,524 60
b	Average of monthly cash balances	1b	384,090 24
c	Fair market value of all other assets (see page 24 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	670,614 84
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	
3	Subtract line 2 from line 1d	3	670,614 84
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	10,059 22
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	660,555 61
6	Minimum investment return. Enter 5% of line 5	6	33,027 78

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	33,027 78
2a	Tax on investment income for 2008 from Part VI, line 5	2a	300 51
b	Income tax for 2008. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	300 51
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	32,727 27
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	32,727 27
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	32,727 27

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	138,792 04
b	Program-related investments--total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	138,792 04
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	138,792 04

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				32,727 27
2 Undistributed income, if any, as of the end of 2007:				
a Enter amount for 2007 only			0 00	
b Total for prior years: 20 . . . , 20 . . . , 20 . . .				
3 Excess distributions carryover, if any, to 2008:				
a From 2003	0 00			
b From 2004	0 00			
c From 2005	0 00			
d From 2006	0 00			
e From 2007	0 00			
f Total of lines 3a through e	0 00			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$ 138,792 04				
a Applied to 2007, but not more than line 2a			0 00	
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				32,727 27
e Remaining amount distributed out of corpus	106,064 77			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0 00			0 00
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	106,064 77			
b Prior years' undistributed income. Subtract line 4b from line 2b		0 00		
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		0 00		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount--see page 27 of the instructions			0 00	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0 00
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 to line 5 of line 7 (see page 27 of the instructions)	0 00			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	106,064 77			
10 Analysis of line 9:				
a Excess from 2004	0 00			
b Excess from 2005	0 00			
c Excess from 2006	0 00			
d Excess from 2007	0 00			
e Excess from 2008	106,064 77			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a 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)

	Tax Year	Prior 3 Years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test--enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test--enter $\frac{1}{4}$ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test--enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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).)

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.

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:

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

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

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
a <i>Paid during the year</i> See attached schedule				
Total			3a	138,792.04
b <i>Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	15,025 61	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a _____					
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal. Add columns (b), (d), and (e)				15,025 61	
13	Total. Add line 12, columns (b), (d), and (e)				13	15,025 61

(See worksheet in line 13 instructions on page 28 to verify calculations.)

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

[illegible]

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

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

OMB No 1545-0047

2008

Name of organization

HIS Foundation

Employer identification number

91-6512367

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

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

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

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

☐ 501(c)(3) taxable private foundation

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

General Rule--

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

Special Rules--

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

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

Name of organization

Employer identification number

HIS Foundation

91-6512367

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	0 2737 78th Avenue SE, Suite 201 Mercer Island, Washington 98040	\$ 150,000 00	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

2008 Form 990-PF Supplementary Statements**Form 990-PF Part I, Line 1, Column a**

<u>Name and Address</u>	<u>FMV</u>
2737 78th Avenue SE, Suite 201, Mercer Island, Washington 98040	150,000 00
Total (Part I, Line 1, Column a)	\$150,000.00

Form 990-PF Part I, Line 16c, Column a

<u>Date</u>	<u>Description of Other professional fees</u>	<u>Amount</u>
September 6, 2009	Q4 Administration Fee	500 00
Total (Part I, Line 16c, Column a)		\$500.00

Form 990-PF Part I, Line 18, Column a

<u>Date</u>	<u>Description of Taxes</u>	<u>Amount</u>
February 11, 2009	Taxes Paid	557 80
Total (Part I, Line 18, Column a)		\$557.80

Form 990-PF Part I, Line 23, Column a

<u>Date</u>	<u>Description of Other expenses</u>	<u>Amount</u>
March 12, 2009	Secretary of State	10 00
June 30, 2009	Bank Fees	20 00
August 11, 2009	Secretary of State	25 00
August 14, 2009	Bank Fees	30 00
Total (Part I, Line 23, Column a)		\$85.00

Form 990PF Part II, Line 13, Columns b and c

<u>Other Investments</u>	<u>End of year Book Value</u>	<u>End of year FMV</u>
Accounts Recievable (Schucks, LLC)	236,000 00	236,000 00
Total (Form 990PF Part II, Line 13, Columns b and c)	\$236,492.20	\$236,492.20

Form 990-PF Part XV, Line 3a

<u>Recipient</u>	<u>Status of recipient</u>	<u>Purpose of grant</u>	<u>Amount</u>
Renton Technical College	501(c)(3)	General	655 50
Renton Technical College	501(c)(3)	General	315 45
Mercer Island Youth and Family Foundatio	501(c)(3)	General	2,000 00
Bridges international	501(c)(3)	General	250 00
Bible League	501(c)(3)	General	250 00
Eastern Washington University	501(c)(3)	General	4,664 96
University of Washington	501(c)(3)	General	2,267 00
Katalyst Ministries	501(c)(3)	General	1,000 00
Renton Technical College	501(c)(3)	General	707 40
Eastern Washington University	501(c)(3)	General	198 05
Legacy Institute	501(c)(3)	General	5,000 00
University of Washington	501(c)(3)	General	717 00
Renton Technical College	501(c)(3)	General	707 66
Eastern Washington University	501(c)(3)	General	4,575 12
Healing The Culture	501(c)(3)	General	5,000 00
New Earth Refuge	501(c)(3)	General	5,000 00
Peak Education	501(c)(3)	General	3,000 00
Pepperdine Law Silver Medallion Assos	501(c)(3)	General	2,500 00
Pepperdine Law Silver Medallion Assos	501(c)(3)	General	2,500 00
Urban Impact	501(c)(3)	General	2,500 00
Young Life	501(c)(3)	General	5,000 00
Special Olympics Washington	501(c)(3)	General	2,500 00
Eastern New Mexico University	501(c)(3)	General	5,000 00
New Mexico State University	501(c)(3)	General	5,000 00
Union Gospel Mission	501(c)(3)	General	2,500 00
Focus on the Family	501(c)(3)	General	2,500 00
Heart of Hope	501(c)(3)	General	2,500 00
Marriage Mentors	501(c)(3)	General	5,000 00
Operation Night Watch	501(c)(3)	General	2,500 00
The Salvation Army	501(c)(3)	General	2,500 00
The Urban Alternative	501(c)(3)	General	2,500 00
Insight for Living	501(c)(3)	General	2,500 00
Seattle Pacific University	501(c)(3)	General	3,000 00
Campus Crusade for Christ	501(c)(3)	General	2,500 00
Eastern Washington University	501(c)(3)	General	230 17
Susan G Komen for Breast Cancer	501(c)(3)	General	13,935 00
Mercer Island Youth and Family Foundation	501(c)(3)	General	2,500 00
The Greater Seattle Chamber of Commerce	501(c)(3)	General	750 00
Wheaton College	501(c)(3)	General	13,000 00
Christian Leadership Alliance (aka CMA)	501(c)(3)	General	15,000 00

HIS Foundation

91-6512367

Renton Technical College	501(c)(3)	General	1,369 93
Eastern Washington University	501(c)(3)	General	4,957 38
Eastern Washington University	501(c)(3)	General	241 42
Total (Part XV, Line 3a)			\$138,792.04