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

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 JUL 1, 2008, and ending JUN 30, 2009

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 COMMONWEAL FOUNDATION, INC.		A Employer identification number 23-7000192
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number 240-450-0000
	10770 COLUMBIA PIKE	150	
	City or town, state, and ZIP code SILVER SPRING, MD 20901		
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation			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 ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 87,189,428. (Part I, column (d) must be on cash basis)		J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____	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 ☐

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))		(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	5,824,064.			
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	213,253.	213,253.	213,253.	STATEMENT 1
	4 Dividends and interest from securities	990,518.	990,518.	990,518.	STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	623,479.			
	b Gross sales price for all assets on line 6a	68,261,623.			
	7 Capital gain net income (from Part IV, line 2)		623,479.		
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income	96,986.	99,252.	99,252.	STATEMENT 3	
12 Total. Add lines 1 through 11	7,748,300.	1,926,502.	1,303,023.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	592,957.	41,599.	41,599.	551,358.
	14 Other employee salaries and wages	2,297,817.	10,172.	10,172.	2,268,234.
	15 Pension plans, employee benefits	518,160.	11,787.	11,787.	504,899.
	16a Legal fees STMT 4	11,968.	0.	0.	11,968.
	b Accounting fees STMT 5	67,310.	0.	0.	71,840.
	c Other professional fees STMT 6	307,443.	0.	0.	295,621.
	17 Interest STMT 7	58,130.	0.	0.	16,000.
	18 Depreciation and depletion	102,003.	0.	0.	
	19 Occupancy	182,075.	0.	0.	102,880.
	20 Travel, conferences, and meetings	98,108.	0.	0.	85,620.
	21 Printing and publications	6,270.	0.	0.	5,396.
	22 Other expenses STMT 8	5,625,899.	66,917.	66,917.	5,305,279.
	23 Total operating and administrative expenses. Add lines 13 through 23	9,868,140.	130,475.	130,475.	9,219,095.
	24 Contributions, gifts, grants paid	134,070.			363,025.
	25 Total expenses and disbursements. Add lines 24 and 25	10,002,210.	130,475.	130,475.	9,582,120.
26 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<2,253,910.>				
b Net investment income (if negative, enter -0-)		1,796,027.			
c Adjusted net income (if negative, enter -0-)			1,172,548.		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of year amounts only		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		34,102,883.	31,274,411.	31,274,411.
	3	Accounts receivable ▶ 238,054.				
		Less: allowance for doubtful accounts ▶		209,196.	238,054.	238,054.
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges		84,696.	110,826.	110,826.
	10a	Investments - U.S. and state government obligations STMT 9		31,627,597.	19,351,714.	19,351,714.
	b	Investments - corporate stock STMT 10		0.	5,322,000.	5,322,000.
	c	Investments - corporate bonds STMT 11		0.	5,514,782.	5,514,782.
11	Investments land, buildings, and equipment basis ▶ 2,240,277.					
	Less: accumulated depreciation ▶ 41,824.			2,198,453.	2,198,453.	
12	Investments - mortgage loans					
13	Investments - other STMT 12		25,195,168.	22,927,210.	22,927,210.	
14	Land, buildings, and equipment: basis ▶ 517,238.					
	Less: accumulated depreciation ▶ 353,514.		76,108.	163,724.	163,724.	
15	Other assets (describe ▶ STATEMENT 13)		90,215.	88,254.	88,254.	
16	Total assets (to be completed by all filers)		91,385,863.	87,189,428.	87,189,428.	
Liabilities	17	Accounts payable and accrued expenses		1,237,436.	1,769,060.	
	18	Grants payable		2,663,165.	2,434,209.	
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶ STATEMENT 14)		0.	40,169.	
23	Total liabilities (add lines 17 through 22)		3,900,601.	4,243,438.		
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		87,485,262.	82,945,990.	
	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		87,485,262.	82,945,990.	
	31	Total liabilities and net assets/fund balances		91,385,863.	87,189,428.	

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	87,485,262.
2	Enter amount from Part I, line 27a	2	<2,253,910.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	85,231,352.
5	Decreases not included in line 2 (itemize) ▶ UNREALIZED LOSS ON INVESTMENTS	5	2,285,362.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	82,945,990.

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 PUBLICLY TRADED SECURITIES	P	VARIOUS	VARIOUS
b SHORT-TERM LOSS- ARBITRAGE K-1	P	VARIOUS	VARIOUS
c LONG-TERM GAIN-ARBITRAGE K-1	P	VARIOUS	VARIOUS
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 68,261,623.		68,053,217.	208,406.
b			<461,641.>
c			876,714.
d			
e			

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			208,406.
b			<461,641.>
c			876,714.
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	623,479.
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). If (loss), enter -0- in Part I, line 8		3	<253,235.>

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 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	9,984,307.	90,490,722.	.110335
2006	7,614,006.	90,351,480.	.084271
2005	8,614,016.	91,363,024.	.094283
2004	9,289,222.	96,635,609.	.096126
2003	7,052,801.	102,865,084.	.068564

2 Total of line 1, column (d)	2	.453579
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	.090716
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	87,130,579.
5 Multiply line 4 by line 3	5	7,904,138.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	17,960.
7 Add lines 5 and 6	7	7,922,098.
8 Enter qualifying distributions from Part XII, line 4	8	11,970,192.

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.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see 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	17,960.
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	0.
3 Add lines 1 and 2		3	17,960.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	17,960.
6 Credits/Payments:			
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a	85,285.	
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	85,285.	
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	67,325.	
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax	11	0.	

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 instructions for definition)? 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		X
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. $\$$ 0. (2) On foundation managers. $\$$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. $\$$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
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? If "Yes," attach a conformed copy of the changes		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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) $\blacktriangleright$ DC, MD		
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 General Instruction G? If "No," attach explanation	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)? If "Yes," complete Part XIV	X	
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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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 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.CWEAL.ORG**

14 The books are in care of ► **THE FOUNDATION** Telephone no. ► **240-450-0000**
 Located at ► **10770 COLUMBIA PIKE, STE 150, SILVER SPRING, MD** ZIP+4 ► **20901**

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** N/A

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?	☐ 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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	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? If "Yes," list the years ► _____, _____, _____	☐ Yes ☒ No	
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 instructions.)	N/A	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. ► _____, _____, _____		
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	X
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

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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)?

☐ 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 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?

N/A

☐ 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

6b

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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?

N/A

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.

(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 15		592,957.	70,261.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
KATARZYNA HLAVATY	CONTROLLER			
10770 COLUMBIA PK, SILVER SPRING, MD	40.00	112,625.	22,123.	0.
FRED LOWENBACH	PROGRAM DIR.			
10770 COLUMBIA PK, SILVER SPRING, MD	40.00	103,357.	5,931.	0.
PAULA WEBBER	PROGRAM DIR.			
10770 COLUMBIA PK, SILVER SPRING, MD	40.00	94,985.	13,828.	0.
MARILYN WU	DIR. OF GRANTS			
10770 COLUMBIA PK, SILVER SPRING, MD	40.00	75,838.	17,504.	0.
ATHENA FISCHER	EXEC. ASSIST.			
10770 COLUMBIA PK, SILVER SPRING, MD	40.00	74,158.	4,522.	0.
Total number of other employees paid over \$50,000				0

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
REALTY INVESTMENT COMPANY 8171 MAPLE LAWN BLVD., #375, FULTON, MD 20759	IT AND ACCOUNTING SVCS.	162,257.
ERNESTO SERVICES, INC. 2048 SEATTLE AVE., SILVER SPRING, MD 20905	CONSTRUCTION	72,807.
LANSBERG GERSICK & ASSOCIATES 100 WHITNEY AVE., NEW HAVEN, CONNECTICUT 06510	CONSULTING	58,494.
Total number of others receiving over \$50,000 for professional services		0

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 BOARDING AND DAY SCHOOL PROGRAM -SECONDARY SCHOOL PROGRAMS FOR DISADVANTAGED YOUTH. (SEE ATTACHED STATEMENT)	5,746,575.
2 PARTNERS IN LEARNING-PROVIDES SUPPLEMENTAL READING, WRITING, AND MATH INSTRUCTION TO CHILDREN IN AT-RISK NEIGHBORHOODS. (SEE ATTACHED STATEMENT)	1,579,083.
3 LEARNING SUPPORT PROGRAM-PROVIDES TESTING AND TUTORING FOR CHILDREN WITH LEARNING DISABILITIES. (SEE ATTACHED STATEMENT)	756,455.
4 SEE STATEMENT 16	718,365.

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 SEE STATEMENT 17	2,240,277.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	2,240,277.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	40,434,852.
b	Average of monthly cash balances	1b	25,866,234.
c	Fair market value of all other assets	1c	22,156,355.
d	Total (add lines 1a, b, and c)	1d	88,457,441.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	88,457,441.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1,326,862.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	87,130,579.
6	Minimum investment return. Enter 5% of line 5	6	4,356,529.

Part XI Distributable Amount (see 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	
2a	Tax on investment income for 2008 from Part VI, line 5	2a	
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions (see 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	9,582,120.
b	Program-related investments - total from Part IX-B	1b	2,240,277.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	147,795.
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	11,970,192.
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	5	17,960.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	11,952,232.

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.

Form 990-PF (2008)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				0.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$ N/A				
a Applied to 2007, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2008 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

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

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)

2 a 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 2/3 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

Tax year (a) 2008	Prior 3 years			(e) Total
	(b) 2007	(c) 2006	(d) 2005	
1,172,548.	4,524,536.	4,517,574.	3,900,614.	14,115,272.
996,666.	3,845,856.	3,839,938.	3,315,522.	11,997,981.
11,970,192.	10,046,257.	7,673,599.	8,644,824.	38,334,872.
363,025.	2,075,735.	1,289,872.	3,344,454.	7,073,086.
11,607,167.	7,970,522.	6,383,727.	5,300,370.	31,261,786.
				0.
				0.
2,904,353.	3,016,357.	3,011,716.	3,045,434.	11,977,860.
				0.
				0.
				0.
				0.

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 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).)

NONE

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 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 ATTACHED STATEMENT

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

SEE ATTACHED STATEMENT

c Any submission deadlines:

SEE ATTACHED STATEMENT

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

SEE ATTACHED STATEMENT

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 Paid during the year SEE ATTACHED SCHEDULE				363,025.
Total				363,025.
b Approved for future payment SEE ATTACHED SCHEDULE				2,434,209.
Total				2,434,209.

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
		(a) Business code	(b) Amount	(c) Exclu- sion 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			14	213,253.	
4	Dividends and interest from securities			14	990,518.	
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			14	96,986.	
8	Gain or (loss) from sales of assets other than inventory			18	623,479.	
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)		0.		1,924,236.	0.
13	Total. Add line 12, columns (b), (d), and (e)				13	1,924,236.

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

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

[illegible]

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► Attach to Form 990, 990-EZ, and 990-PF.

OMB No 1545-0047

2008

Name of the organization

COMMONWEAL FOUNDATION, INC.

Employer identification number

23-7000192

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 (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. 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** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization	Employer identification number
COMMONWEAL FOUNDATION, INC.	23-7000192

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ROSE-MARIE AND JACK R. ANDERSON FOUNDATION 16475 DALLAS PARKWAY, #735 ADDISON, TX 75001	\$ 40,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
2	STEWART BAINUM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	\$ 5,688,000.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization

Employer identification number

COMMONWEAL FOUNDATION, INC.

23-7000192

Part II Noncash Property (see instructions)[illegible]

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SAVINGS AND MONEY MARKET FUNDS	213,253.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	213,253.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
GOVERNMENT AND CORPORATE BONDS	990,518.	0.	990,518.
TOTAL TO FM 990-PF, PART I, LN 4	990,518.	0.	990,518.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
NON-CAPITAL GAIN (LOSS) FROM ALLEN ARBITRAGE K-1	96,986.	96,986.	96,986.
TOTAL TO FORM 990-PF, PART I, LINE 11	96,986.	96,986.	96,986.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL-SEE ATTACHED SCHEDULE	11,968.	0.	0.	11,968.
TO FM 990-PF, PG 1, LN 16A	11,968.	0.	0.	11,968.

FORM 990-PF	ACCOUNTING FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING-SEE ATTACHED SCHEDULE	67,310.	0.	0.	71,840.	
TO FORM 990-PF, PG 1, LN 16B	67,310.	0.	0.	71,840.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
OTHER PROFESSIONAL FEES-SEE ATTACHED SCHEDULE	307,443.	0.	0.	295,621.	
TO FORM 990-PF, PG 1, LN 16C	307,443.	0.	0.	295,621.	

FORM 990-PF	TAXES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL EXCISE TAX	58,130.	0.	0.	16,000.	
TO FORM 990-PF, PG 1, LN 18	58,130.	0.	0.	16,000.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BANK FEES	3,930.	0.	0.	3,930.	
EQUIPMENT AND MAINTENANCE	12,649.	0.	0.	13,016.	
DUES AND SUBSCRIPTION	22,246.	0.	0.	14,939.	
STAFF RECRUITING	49,456.	0.	0.	46,613.	
INSURANCE	17,147.	0.	0.	39,488.	

OFFICE SUPPLIES	28,161.	0.	0.	27,800.
POSTAGE AND DELIVERY	12,063.	0.	0.	10,144.
STUDENT EXPENSES	88,466.	0.	0.	88,332.
TELEPHONE	22,091.	0.	0.	19,803.
SCHOOL ENHANCEMENT CONTRACTS	534,887.	0.	0.	294,123.
MISCELLANEOUS	4,030.	53.	53.	0.
SCHOLARSHIPS	4,800,474.	0.	0.	4,802,897.
OFFICE MOVE	11,058.	0.	0.	11,058.
ALLOCATION CORPORATE GENERAL AND ADM.	0.	66,864.	66,864.	<66,864.>
CHANGE IN GRANT DISCOUNT	19,241.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	5,625,899.	66,917.	66,917.	5,305,279.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	9
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U.S. GOVERNMENT OBLIGATIONS	X		19,351,714.	19,351,714.
TOTAL U.S. GOVERNMENT OBLIGATIONS			19,351,714.	19,351,714.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			19,351,714.	19,351,714.

FORM 990-PF	CORPORATE STOCK	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCKS	5,322,000.	5,322,000.
TOTAL TO FORM 990-PF, PART II, LINE 10B	5,322,000.	5,322,000.

FORM 990-PF	CORPORATE BONDS	STATEMENT	11
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE FIXED INCOME	5,514,782.	5,514,782.
TOTAL TO FORM 990-PF, PART II, LINE 10C	5,514,782.	5,514,782.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	12
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN LIMITED PARTNERSHIP	COST	22,722,761.	22,722,761.
CERTIFICATE OF DEPOSITS	COST	204,449.	204,449.
TOTAL TO FORM 990-PF, PART II, LINE 13		22,927,210.	22,927,210.

FORM 990-PF	OTHER ASSETS	STATEMENT	13
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
FEDERAL EXCISE TAX RECEIVABLE	90,215.	88,254.	88,254.
TO FORM 990-PF, PART II, LINE 15	90,215.	88,254.	88,254.

FORM 990-PF	OTHER LIABILITIES	STATEMENT	14
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DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DEFERRED FEDERAL EXCISE TAX	0.	40,169.
TOTAL TO FORM 990-PF, PART II, LINE 22	0.	40,169.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
CHARLES LEDSINGER 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	0.	0.	0.
GARLAND MOORE 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	2,500.	0.	0.
JAMES MAC CUTCHEON 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	2,500.	0.	0.
BARBARA BAINUM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	PRESIDENT/CEO/CHAIR 20.00	141,260.	0.	0.
ROZITA LAGORCE GREEN 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	VP OF PROGRAMS 40.00	113,270.	23,607.	0.
CHRISTOPHER SHARKEY 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	VICE PRESIDENT/CFO 40.00	189,084.	24,666.	0.
PHYLLIS RUMBARGER 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	EXECUTIVE DIRECTOR 32.00	139,343.	21,988.	0.
STEWART BAINUM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	VICE-CHAIR 1.00	0.	0.	0.
BRUCE BAINUM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	0.	0.	0.
ROBERTA BAINUM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	0.	0.	0.
ALEXANDER FROOM 10770 COLUMBIA PIKE #150 SILVER SPRING, MD 20901	DIRECTOR 1.00	0.	0.	0.

SCOTT RENSCHLER	DIRECTOR			
10770 COLUMBIA PIKE #150	1.00	2,500.	0.	0.
SILVER SPRING, MD 20901				

CHRISTINE SHREVE	DIRECTOR			
10770 COLUMBIA PIKE #150	1.00	2,500.	0.	0.
SILVER SPRING, MD 20901				

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		592,957.	70,261.	0.
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FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT	16
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ACTIVITY FOUR

SCHOOL ENHANCEMENT PROGRAM-AS PART OF THE PATHWAYS TO SUCCESS PROGRAM, COMMONWEAL CONTRACTS WITH PATHWAY SCHOOLS SO THEY CAN MEET COMMONWEAL'S REQUIREMENT TO PROVIDE WORK OPPORTUNITIES, SUPPLEMENTAL TUTORING AND COUNSELING TO PATHWAY SCHOLARS, AS WELL AS TRACKING PATHWAYS ALUMNI. (SEE ATTACHED STATEMENT)

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 4	718,365.
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FORM 990-PF	SUMMARY OF PROGRAM-RELATED INVESTMENTS	STATEMENT	17
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DESCRIPTION

THE FOUNDATION ACQUIRED A BUILDING IN NAPLES, FLORIDA ON MAY 1, 2009. ON AUGUST 6, 2009, THE FOUNDATION ENTERED INTO AN AGREEMENT TO LEASE THE SPACE FOR THE USE AS A SCHOOL FOR PRE-KINDERGARTEN THROUGH 8TH GRADE.

AMOUNT

TO FORM 990-PF, PART IX-B, LINE 1	2,240,277.
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Commonweal Foundation, Inc.
Form 990-PF, Part I, Line 16 - Professional Fees
Fiscal Year Ended June 30, 2009

23-7000192

Line 16 (A) Legal Fees

Payee Name

Amount

American Pension Corporation	\$ 425
CT Corporation System	595
Pillsbury Winthrop Shaw Pittman	10,948

Total Legal:	\$ 11,968
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Line 16 (B) Accounting Service Fees

ADP Services	\$ 17,944
Raffa & Associates	27,392
Realty Investment Company	21,349
Bowditch & Associates	625

Total Accounting:	\$ 67,310
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Line 16 (C) Other Professional Fees

Realty Investment Company	\$ 142,408
Lansberg Gersick & Associates	66,891
Shattuck & Associates	21,600
The Production Line	15,093
Q-Industries	13,088
Entrex Communication Services, Inc	12,688
Other	5,692
UIC, Inc	5,500
NFP Property & Casualty Services, Inc	5,000
Margaret Z. Curme	4,500
Mary Plumley	3,617
James MacCutcheon	974
Business Objects	3,174
Robert Baugher	3,030
Choice Care Card	2,053
NovakBirch	1,253
Raffa & Associates	884

Total Other Professional Fees	\$ 307,443
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Commonweal Foundation, Inc.**Form 990-PF, Part I, Line 19 - Depreciation****Form 990-PF, Part II, Line 14 - Land, Buildings, and Equipment****Year Ended June 30, 2009****23-7000192****ASSETS**

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Adjustment</u>	<u>End of Year</u>
Building	-	765,277	-	765,277
Land	-	1,475,000		1,475,000
Computer and Office Equipment	369,165	147,795	(278)	517,238
	<u>\$ 369,165</u>	<u>\$ 2,388,072</u>	<u>\$ (278)</u>	<u>\$2,757,515</u>

**ACCUMULATED
DEPRECIATION**

	<u>Beginning of Year</u>	<u>Current Year Depreciation</u>	<u>Adjustment</u>	<u>End of Year</u>
Building	-	41,824	-	41,824
Computer and Office Equipment	293,057	60,179	(278)	353,514
	<u>293,057</u>	<u>102,003</u>	<u>(278)</u>	<u>395,338</u>
Net Book Value	<u>\$ 76,108</u>			<u>\$2,362,177</u>

NOTE: Property and equipment are stated at cost. Depreciation is recorded on a straight-line basis over the estimated useful lives of the respective assets, which range from three to forty years, with no salvage value. Maintenance and repairs are charged to expense when incurred; major improvements to internal use software are capitalized.

Commonweal Foundation, Inc.
Form 990-PF, Part VII-B-Statement Regarding Activities
Year Ended June 30, 2009

23-7000192

During the year ended June 30, 2009, the Foundation was involved in certain transactions with its officers, directors, the founder and his wife, collectively "Principal Sponsors," and other related parties. These activities qualify under the self-dealing exceptions described in Treasury Regulation 53.4941(d)-3.

During fiscal years 2009 and 2008, the Foundation used the professional services of Realty Investment Company, Inc., (Realty) a corporation controlled by the Principal Sponsors and their family. The Foundation's cost for various professional services rendered by Realty employees during fiscal year 2008 was \$126,125, of which the Foundation paid \$ 108,320 to Realty during fiscal year 2008, the remaining \$17,805 was paid during 2009. The Foundation's cost for various professional services rendered by Realty employees during fiscal year 2009 was \$166,257, of which the Foundation paid \$144,452 to Realty during the fiscal year 2009; the remaining \$21,805 was paid during fiscal year 2010. This was conducted under a cost sharing arrangement as allowed under current tax regulations

During fiscal year 2008, the Foundation used the professional services of Cambridge Investment, LLC, (Cambridge) a corporation controlled by the Principal Sponsors and their family. The Foundation paid \$5,213 to Cambridge for various professional services rendered by Cambridge employees during fiscal year 2008. This was conducted under a cost sharing arrangement as allowed under current tax regulations.

Four Directors received Board stipends totaling \$10,000 and \$14,500 in fiscal years 2009 and 2008, respectively. These services were provided to the Foundation at or below prevailing market rates as allowed under current tax regulations.

The Principal Sponsors contributed 200,000 shares of CHH stock at the FMV of \$5,688,000 and \$3,300,000 to the Foundation during fiscal years 2009 and 2008, respectively, as unrestricted contributions.

The Foundation accepted cash, totaling \$147,750 and \$136,250 during fiscal years 2009 and 2008, respectively, from several of the Principal Sponsors' children. These funds were restricted by the donors so that the Foundation was required to forward the cash to specific beneficiary organizations; in accordance with Statement of Financial Accounting Standards 136, the Foundation recorded the receipt of these restricted funds as "pass through" assets, not as revenue.

During fiscal years 2009 and 2008, the Foundation made matching grants of \$888 and \$1,940, respectively, for contributions officers and employees made to other not-for-profit organizations

Commonweal has entered into office leases with Choice Hotels International, Inc. (Choice) The Principal Sponsors and their family own a controlling interest in Choice, a publicly traded company

On July 16, 2004 and April 1, 2005, the Foundation entered into office leases with Choice. Under the terms of these leases, Commonweal will pay no rent. The term of the leases is from August 9, 2004 through March 31, 2010 The Principal Sponsors also donate space to the Foundation.

Commonweal Foundation, Inc.
Form 990-PF, Part VII-B-Statement Regarding Activities
Year Ended June 30, 2009

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The total value of these donated facilities was \$83,129 and \$86,370 for the years ended June 30, 2009 and 2008, respectively, and it is included in contributions and management and general expenses in the accompanying statements of activities

In July 2009, the Foundation entered into an assignment and assumption agreement for the use of approximately 3,582 rentable square feet of office space in Silver Spring, MD. Under the terms of the lease, the Foundation is assigned all of the rights, title and interest under the original lease agreement dated February 1, 2003. The term of the lease is through May 31, 2010 based on the amendment to lease dated July 2009. As of June 30, 2009, future minimum lease payments required under this lease, for the year ending June 30, 2010 is \$81,177.

The Foundation operates the following programs under the *Pathways to Success (Pathways)* umbrella: Boarding and Day School Program, Learning Support Program, Partners-in-Learning Program, and School Enhancement Program. *Pathways* Programs provide educational assistance to at-risk students in primary and secondary schools. Students may participate in one or more of these programs based on their individual needs.

Boarding and Day School Program (BDSP)

The BDSP assists students by awarding them scholarships to attend *Pathways* Partner Schools. The Partner School environment provides *Pathways* students the opportunity to increase their academic skills, gain work experience, and expand their knowledge of life beyond their local communities. *Pathways* personnel visit the students at their schools, review academic progress, and monitor participation in employment or community service programs. Award amounts are determined on a case-by-case basis and could not exceed \$6,500 for fiscal year 2009. Funds are distributed directly to the schools. A student's family must have an adjusted gross income equal to or less than the Foundation's income guidelines. For the year ended June 30, 2009, 1,231 students were assisted under the BDSP program.

Learning Support Program (LSP)

In an effort to address the needs of learning-disabled children, the Foundation established the LSP in December 1998. At-risk youth with learning disabilities who live in underserved areas in the Greater Washington area may receive support from this program. The program provides remediation for elementary through high school students who have Learning Disabilities (LD), Speech/Language Disability, or Attention Deficit Disorder (ADD) with or without Hyperactive Disability (ADHD). In addition, students exhibiting characteristics of LD, ADD or ADHD may receive evaluations to determine if a disability exists.

Through the Foundation, eligible students attend in-school or after-school tutoring and summer remediation in their neighborhood libraries, school sites, or community programs to improve basic academic skills and build on strengths with the guidance of Learning Specialists. They meet with their tutors two to five times per week, depending on their need. For the year ended June 30, 2009, 181 students were assisted through the LSP program.

Partners-in-Learning Program (PINL)

Through its 42 partner sites, PINL provides supplemental instruction in phonics, reading comprehension, writing and mathematics at collaborating organization sites to children in grades kindergarten through twelve, who are in jeopardy of academic failure.

Each PINL group has an average of five children. The groups meet three to four times per week for 40-50 minutes per session. The PINL focuses on children living in underserved communities in the Greater Washington area. A signature component of the program is that students retain the books they read with their group. For the year ended June 30, 2009, 1,637 students were assisted through the PINL program.

School Enhancement Program (SEP)

The Foundation offers School Enhancement Service Contracts to help the *Pathways* Partner Schools fully implement the Foundation's *Pathways* program and offers School Enhancement Grants to assist the schools in operating their programs.

SEP Service Contracts

Many *Pathways* schools have systems and faculty in place to meet the Foundation's requirements to provide work opportunities, supplemental academic resources, and counseling services to *Pathways* scholars. For those schools which do not have adequate staff and/or systems in place to meet these requirements, the Foundation may contract with *Pathways* schools. The Foundation anticipates that over time the schools participating in *Pathways* will administer all these interventions at their own expense. The most common types of School Enhancement Service Contracts offered to *Pathways* Partner Schools are:

Work Coordinator – This contract is a multi-year agreement requiring the school to fill a position designed to help *Pathways* scholarship recipients fulfill their work obligations under the terms of their scholarship agreement. The position tracks student work hours, and attempts to place the students in career building positions (either on campus or in the surrounding community).

Remedial Education – This is a multi-year contract requiring the school to hire a remedial education teacher to work with students who are struggling academically. Recognizing that many of our scholarship recipients as well as others on campus are academically high risk students, this program strives to ensure that all students, particularly those demonstrating a significant gap between their potential and achievement, receive high quality educational services while attending a *Pathways* Partner School.

Vocational Education – This is a multi-year contract requiring the school to hire a vocational education instructor to either create or expand a variety of vocational education courses for its students. The purpose of this contract is to extend learning opportunities by connecting students with experiences that directly relate to becoming effective members of the workforce.

School Counselor – This is a multi-year contract requiring the school to hire a school counselor. The purpose of this contract is to provide resources to assist the Partner School in designing guidance services in a proactive and preventative manner to ensure that all students can achieve school success through academic, career and personal/social development experiences.

SEP Grants

The purpose of the Academics and Equipment Grant opportunity is to provide partial funding for the equipment that will enhance learning opportunities at the schools. These grant funds are for one year and have a required school match component.

Specialized Grants

Specialized grants include grants awarded by the Foundation based on recommendations and/or due diligence performed by members of the Board or the Principal Sponsors and their Family.

Recipients must be qualifying not-for-profit organizations/institutions with missions consistent with that of the Foundation.

Founder's Fund Grants

The Principal Sponsor directs disbursements from the Founder's Fund as grants or for other charitable expenditures in his discretion.

Staff Matching Grants

The Foundation implements a Staff Matching charitable donation program through which the Foundation matches employee donations to one or more organizations exempt from tax under section 501(c)(3) of the Internal Revenue Code. Matching contributions are "dollar for dollar" up to \$1,000 per year for each full time employee.

Information Regarding Contribution, Grant, Scholarship, etc. Programs.

a. Name, address and phone number of the person to whom applications should be addressed:

The Commonweal Foundation prefers applicants to complete an online grant application. The application can be accessed at www.cweal.org. If organizations are unable complete the online application they should contact the Grants Department staff by emailing grants@cwreal.org before applying. Mailed applications should be submitted to:

Grants Program Assistant
10770 Columbia Pike, Suite 150
Silver Spring, MD 20901

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

The online application can be accessed at www.cweal.org. Applicants must attach copies of the following documents:

- Brief proposal describing the history of your organization, the purpose of the grant money as requested, how the organization will meet its' objectives and how the outcomes will be measured.
- List of Board of Directors; must include term of service, leadership roles, and corporate affiliations.
- Current budget for entire organization AND for specific project as per request.
- Details of board contributions: % of board that contributes, range of individual giving, total board gifts for most recent fiscal year (excluding in-kind and gifts attributed to board members).
- Funding strategies and sources of income received, pledged or pending for the project. If you are seeking general support, this information should reflect the entire agency's annual income. Please specify individual, corporate, foundation, board of directors, government, investments, fees for service and fundraising/special event income amounts in your budgets.
- Proof of IRS 501(c) (3) status - our online grant application will verify your non-profit status with the IRS - no other written proof is needed at this time.
- A copy of your most recent filed IRS form 990, or
- A copy of your most recent reviewed or audited financial statements.

c. Any Submission deadlines:

Deadlines for submitting Community Assistance Grant proposals are February 1 and August 1.

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

The following guidelines help to direct the Foundation's funding decisions within the Community Assistance Grants Program:

- The Foundation will only consider requests that address the education needs of disadvantaged children and youth. We are particularly interested in helping organizations that implement strategies that foster partnership building.
- We consider requests for General Operating and Project specific support.
- Programs should be located in Washington, DC, Maryland, or Northern Virginia.
- The organization's Annual Operating Budget may not exceed \$1,000,000.
- All programs must have a 501 (c) (3) private /public non-profit tax exempt status with the IRS.
- The maximum grant award under this program is \$25,000.
- Organizations may submit a proposal for **only one deadline** within a 12 month period.
- Generally organizations that have received recent funding for 3 consecutive years must skip a year before re-applying.
- Although we would like to respond affirmatively to all requests coming to the Foundation, we receive far more than can possibly be funded. Therefore, we find it necessary to establish priorities and guidelines for the use of our relatively limited resources.

THE FOUNDATION DOES NOT CONSIDER GRANTS FOR:

- Individuals for scholarship, research or travel
- Capital Campaigns
- Endowments
- Special Events or Tables for special events
- Political organizations or lobbying activities
- Local organizations that raise funds to send overseas
- Multi-year grants

Commonweal Foundation, Inc
Form 990-PF, Part IV-Grants and Contributions Paid During the Year or Approved for Future Payments
For the Year Ended June 30, 2009

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		2009 Grants of June 30, 2008 and Adjustments	2009 Payments	Commitments as of June 30, 2009
		\$	\$	\$
Capacity Building Grants		3,435	-	3,435
St Ignace Loyola Academy		3,435	-	3,435
Capacity Building Grants Total				
School Enhancement Program (SEP)				
SEP Grants				
Benedictine Academy - Equipment	7401 North Calvert Street Baltimore MD 21202	46,300	(10,000)	46,300
Blue Ridge Academy - Equipment	Attn: Louis Rodriguez 840 North Broad Street HWY 627 Bacon Hollow Rd St George, VA 22935	10,000	-	-
Chamberlain Hunt Academy - Remedial Education Pathways Summer Bridge	124 McComb Avenue Port Gibson MS 39150	800	-	800
Chamberlain Hunt Academy - Remedial Education Pathways Summer Bridge	124 McComb Avenue Port Gibson, MS, 39150	-	2,500	2,500
Christ the King-Cristo Rey -Equipment	239 Woodside Avenue Newark NJ 07104	10,000	(7,733)	2,267
Christ the King-Cristo Rey -Equipment	239 Woodside Avenue Newark NJ 07104	-	29,790	29,790
Christ the King-Cristo Rey -Remedial Education Pathways Summer Bridge	239 Woodside Avenue Newark, NJ 07104	-	30,076	30,076
Christ the King-Cristo Rey -Remedial Education Pathways Summer Bridge	239 Woodside Avenue Newark NJ 07104	-	22,083	22,083
Columbia Union College-Pathways Pre College Summer	7600 Flower Avenue, Takoma Park, MD 20912	4,500	(3,000)	1,500
Cristo Rey -Baltimore-Equipment	420 S Chester St Baltimore MD 21231	9,500	(9,500)	-
Cristo Rey -Minneapolis-Equipment	2924 4th Avenue South, Minneapolis, MN 55408	18,000	(76)	-
Don Bosco Cristo Rey -Takoma/DC-Equipment	1010 Larch Avenue, Takoma Park, MD 20912	20,209	(12,658)	7,551
French Camp-Remedial Education Pathways Summer Bridge	1 Fine Place French Camp MS 39745	8,800	(8,800)	-
Loyola High School-Equipment	15325 Pinehurst, Detroit, MI 48238	2,616	(1,747)	869
Loyola High School-Remedial Education Summer Bridge	15325 Pinehurst, Detroit, MI 48238	20,000	-	25,167
Loyola High School-Remedial Education Summer Bridge	22520 Mount Michael Road Elkhorn NE 68022-3400	-	29,832	29,832
Mount Michael Benedictine School	Naples FL 34108	30,000	(22,437)	7,563
Naples Adventist Christian School-Equipment	P O Box 296, Oneida, KY, 40972	-	3,500	3,500
Oneida Baptist Institute-Remedial Education Pathways Summer Bridge	P O Box 296 Oneida KY 40972	8,000	(2,400)	5,600
Oneida Baptist Institute-Remedial Education Pathways Summer Bridge	3200 Rio Lindo Avenue Healdsburg, CA 95448	-	24,138	24,138
Rio Lindo Adventist Academy - Equipment	P O Box 4000 Collegeville MN 56321	-	1,800	-
Saint John's Preparatory School - Pathways Pre College Summer	5301 South 34th St Omaha NE 68107	22,432	(22,432)	-
St. Peter Claver Cristo Rey-Equipment				
SEP Grants Total		\$ 164,858	\$ 195,110	\$ 239,537
School Enhancement Program (SEP) Total		\$ 164,858	\$ 195,110	\$ 239,537
Specialized Grants				
Maranatha				
Maranatha Church/Domestic Program	1600 Sacramento Inn #116 Sacramento CA 95815	2,083,734	-	2,083,734
Mission Trip-Chile	1600 Sacramento Inn, #116 Sacramento, CA 95815	56,801	(40,818)	15,983
School Project Central America	1600 Sacramento Inn #116 Sacramento CA 95815	22,000	(22,000)	-
Maranatha Total		\$ 2,162,535	\$ (62,818)	\$ 2,099,717
Social Services				
Voice of Prophecy	PO Box 2525, Newbury Park, CA 91319	20,000	-	20,000
Youth for Tomorrow	10105 Linton Hall Road Bristol VA 20136	157,300	(157,300)	-
Social Services Total		\$ 177,300	\$ (157,300)	\$ 10,000
Other Programs				
Mount Vernon - Merit Scholarship	P O Box 311 Mt Vernon, OH 43050	62,750	(36,500)	26,250
Pacific Union Conference - SDA Reading	PO Box 500's Westlake Village CA 91359	6,760	-	6,760
Shenandoah Valley - Learning Disabilities Support Specialist	234 West Lee Highway, New Market VA 22844	115,716	(26,744)	88,972
Shenandoah Valley - Merit Scholarship	234 West Lee Highway New Market VA 22844	5,500	(5,500)	-
Shenandoah Valley - Assistant to the Principal/Director of Recruitment	234 West Lee Highway, New Market, VA 22844	23,044	(4,447)	18,597

**Form 990-PF, Part IV-Grants and Contributions Paid During the Year or Approved for Future Payments
For the Year Ended June 30, 2009**

	Commitments as of June 30, 2008	2009 Grants and Adjustments	2009 Payments	Commitments as of June 30, 2009
Southern Union Conference -SDA Reading				
Southern Union Conference -SDA Reading				
Southeastern Union Conference-SDA Reading				
Southeastern Union Conference-SDA Reading				
Other Programs				
Specialized Grants Total				
Founder's Fund				
Loma Linda University				
Hendersonville Seventh-day Adventist				
Founder's Fund Total				
Staff Matching Grants				
American Cancer Society				
American Cancer Society				
Celebrate Life Ministries				
Hope House, DC				
Hope House, DC				
House of Ruth				
Immanuel Christian Reformed Church				
Lowell School				
Ohio Health Corporation				
The Upper Room Fellowship				
The Upper Room Fellowship				
Staff Matching Grants Total				
TOTAL GRANTS BEFORE DISCOUNTS				
LESS - DISCOUNT ON LONG-TERM GRANTS				
GRANTS PAYABLE				

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ☒ **X**
- 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. Only file the original (no copies needed)		
Type or print	Name of Exempt Organization	Employer Identification number
	COMMONWEAL FOUNDATION, INC.	23-7000192
File by the extended due date for filing the return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	10770 COLUMBIA PIKE, NO. 150	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	SILVER SPRING, MD 20901	

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

- ☐ Form 990 ☐ Form 990-EZ ☐ Form 990-T (sec. 401(a) or 408(a) trust) ☐ Form 1041-A ☐ Form 5227 ☐ Form 8870
☐ Form 990-BL ☒ Form 990-PF ☐ Form 990-T (trust other than above) ☐ Form 4720 ☐ Form 6069

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

THE FOUNDATION

• The books are in the care of **10770 COLUMBIA PIKE, STE 150 - SILVER SPRING, MD 20901**
 Telephone No. **240-450-0000** 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 **MAY 15, 2010**

5 For calendar year , or other tax year beginning **JUL 1, 2008**, and ending **JUN 30, 2009**

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 FILE A COMPLETE AND ACCURATE RETURN.

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	\$	17,960.
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	\$	85,285.
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	\$	0.

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 **RIL A** Title **CPA** Date **2/12/10**

Form 8868 (Rev. 4-2009)