Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
CHESAPEAKE BAY FOUNDATION INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
6 HERNDON AVENUE

City or town, state or country, and ZIP + 4
ANNAPOLIS, MD 214034503

D Employer identification number
52-6065757

E Telephone number
(410) 268-8816

G Gross receipts $ 30,659,437

F Name and address of Principal Officer
William C Baker
6 HERNDON AVENUE
ANNAPOLIS,MD 214034503

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(c) Group Exemption Number ▶

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

J Web site: ▶ WWW CBF ORG

K Type of organization ☑ Corporation ☐ trust ☐ association ☐ other ▶

L Year of Formation 1966

M State of legal domicile MD

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
Chesapeake Bay Foundation's (CBF) mission is to Save the Bay See Schedule O

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	35
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	34
5	Total number of employees (Part V, line 2a)	5	349
6	Total number of volunteers (estimate if necessary)	6	16,923
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	200,213
b	Net unrelated business taxable income from Form 990-T, line 34	7b	103,508

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	17,300,141	18,249,743
	9	Program service revenue (Part VIII, line 2g)	1,306,348	1,389,777
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,110,071	-2,947,363
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	196,224	334,886
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	20,912,784	17,027,043
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	24,725	456,130
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	11,851,938	12,616,990
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	670,405	136,326
	b	(Total fundraising expenses, Part IX, column (D), line 25 2,732,969)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	10,331,145	9,445,699
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	22,878,213	22,655,145
	19	Revenue less expenses Subtract line 18 from line 12	-1,965,429	-5,628,102

			Beginning of Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	87,589,798	76,501,658
	21	Total liabilities (Part X, line 26)	12,495,969	11,949,110
	22	Net assets or fund balances Subtract line 21 from line 20	75,093,829	64,552,548

Part II Signature Block

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

Please Sign Here

****** | 2010-04-30
Signature of officer | Date

WILLIAM C BAKER President
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ MICHAEL A FREEDMAN CPA | Date | Check if self-employed ▶ ☐ | Preparer's PTIN (See Gen Inst)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ GELMAN ROSENBERG & FREEDMAN
4550 MONTGOMERY AVE SUITE 650 NORTH
BETHESDA, MD 208142930

EIN ▶

Phone no ▶ (301) 951-9090

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

Part III Statement of Program Service Accomplishments (See the instructions.)

1 Briefly describe the organization's mission

See Additional Data Table

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

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

3 Did the organization cease conducting or make significant changes in how it conducts any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 6,075,301 including grants of $ 203,380) (Revenue $ 1,146,090)

Education - See Schedule O EducationCBF operated 15 education centers in Pennsylvania, Maryland, Virginia, and the District of Columbia CBF's Education Program provided hands-on learning experiences for thousands of students and teachers, offering 42,000 days of instruction in FY 2009 These experiences extended from the shores of the Bay to Virginia's Shenandoah Valley, from Baltimore and rural Pennsylvania, constituting the largest outdoor environmental program in the country CBF's Chesapeake Classrooms Programs for educators trained teachers to utilize schoolyards and natural areas to meet local educational standards and provided in-depth watershed knowledge In FY 2009, 2,782 teachers participated in 23 five-day summer field courses and 43 participated in one-day workshops CBF also led 30 regional school principals on field experiences These were designed to facilitate integration of Bay concepts in curricula and restoration projects on campuses During FY 2009, CBF's Student Leadership Program led 11 extended summer trips for 136 participants from across the watershed CBF's online Student Action Network provided a forum to build upon these leadership experiences Also in FY 2009, CBF developed FieldScope with the National Geographic Society FieldScope enables students across the region to post their local water-quality measurements on an interactive, online map CBF and more than 1,440 partner organizations continued to build a national coalition to support the federal "No Child Left Inside" Act during FY 2009 The Act, which calls for expanded environmental education for schoolchildren, would increase outdoor education opportunities and promote stewardship of our natural resources CBF provided further support to educators by distributing a quarterly e-newsletter, the "Watershed Voice," to 4,300 subscribers

4b (Code) (Expenses $ 9,306,461 including grants of $ 252,750) (Revenue $ 243,687)

Environmental Protection and Restoration Environmental Protection and Restoration Federal LevelCBF led a campaign calling on the U S Environmental Protection Agency (EPA) to fulfill its commitment to the Bay restoration effort CBF and several partners brought suit against the agency, demanding that it meet the terms of the Chesapeake 2000 clean-up agreement as required by the Clean Water Act In May 2009, President Obama issued the first-ever Executive Order for the Bay, directing EPA and other federal agencies to draft a coordinated strategy to accomplish this goal CBF also sought to hold EPA and the Bay states accountable for pollution from specific local industrial sites In May 2009, CBF and its partners filed a notice of intent to sue EPA, the Maryland Department of the Environment, and past and present owners of the Sparrows Point Steel Mill site in Baltimore Harbor over toxic contaminants seeping from the property In FY 2009, CBF and partner organizations waged a successful battle to prevent the introduction of a non-native Asian oyster species to the Chesapeake Bay Citing the environmental consequences of the proposed action, CBF mobilized an opposition campaign, including more than 2,400 letters of protest In response, the U S Army Corps of Engineers, which held jurisdiction, issued a decision to reject introduction of this non-native oyster to the Bay State LevelIn Pennsylvania, CBF and its allies convinced the 2008 General Assembly to approve $1 2 billion for cleaner water, including improvements to sewage treatment plants, wastewater systems, and drinking water infrastructure Another $400 million was approved by Pennsylvania voters in the November 2008 election In Pennsylvania and West Virginia, CBF and its allies argued against more than 80 municipalities who challenged new state nitrogen limits for their sewage treatment plants, claiming they were too expensive to implement The states upheld the nitrogen limits In the 2009 Maryland General Assembly, CBF helped craft and successfully advocate for legislation to require all new septic systems in the state's sensitive critical area (within 1,000 feet of tidal shorelines) to have nutrient-removal technology CBF also crafted and successfully advocated for legislation giving improved public access to state courts to challenge bad environmental permits Further, CBF convinced state lawmakers to approve $20 million for agricultural conservation practices that reduce runoff pollution from crop fields and livestock operations In Virginia, CBF and its partners concluded a 12-year fight against the city of Newport News, defeating plans for the King William Reservoir which would have caused the single largest permitted loss of wetlands in the mid-Atlantic region in the history of the Clean Water Act The March 2009 decision by the U S Department of Justice preserved 430 acres of pristine wetlands, the Mattaponi River's shad stocks, American Indian cultural sites, and prevented the flooding of 21 miles of natural streams CBF also filed an appeal of a Virginia state decision to allow a Merck and Co pharmaceutical factory to release damaging levels of nitrogen pollution into the Shenandoah River, Potomac River, and the Chesapeake Bay The Merck plant in Elkton, Virginia, released 93,447 pounds of nitrogen pollution into the Shenandoah River in 2008, significantly more than the water-quality standard for the waterway would allow At the urging of CBF and its partners, the 2009 Virginia General Assembly continued its support for the Virginia Natural Resources Commitment Fund, which assists farmers in implementing clean water practices The General Assembly allocated $20 million to the program for FY 2010 RestorationIn Maryland and Virginia, CBF continued its efforts to restore the native oyster to the Bay and its tidal tributaries Large-scale oyster propagation efforts provided millions of juvenile oysters for restoration projects In Maryland and Virginia, CBF planted more than 20 million native oysters on sanctuary reefs In the fall of 2008, the Federal Highway Administration awarded its exemplary ecosystem initiative award to CBF, the Maryland Transportation Authority, the Maryland Department of Natural Resources, and other partners for creating the Asquith Creek oyster reef in the Severn River near Annapolis The three-acre reef provides a sanctuary for over ten million juvenile oysters, set on a base of crushed concrete recycled from a Chesapeake Bay Bridge re-decking project Across the states of Pennsylvania, Maryland, and Virginia, CBF joined with farmers, watershed associations, volunteers, and others to restore more than 254 acres of wetlands and plant over 93 miles of streamside wooded buffers These forested buffers have proven extremely effective in filtering pollutants before they contaminate the water and encouraging natural in-stream processes that further reduce pollution CBF continued to demonstrate its commitment to energy efficiency and sustainability at its nine-year-old Philip Merrill Environmental Center, acknowledged as one of the greenest office buildings in the world CBF led educational tours of its Annapolis headquarters for hundreds of visitors, including architects and other construction professionals The tours demonstrate how the facility works and teach how to build and live sustainably In FY 2009, CBF expanded its successful VoiCeS (Volunteers as Chesapeake Stewards) Program, which combines in-depth seminars on the Bay with a 40-hour commitment to community service projects Programs on Maryland's eastern and western shores continued, while CBF began to offer classes in Virginia's Hampton Roads region

4c (Code) (Expenses $ 2,734,603 including grants of $) (Revenue $)

Communications CommunicationsIn FY 2009, CBF Communications partnered with the Environmental Protection and Restoration and Education Departments to generate extensive media coverage, paid print and radio advertising, print and online publications, and direct outreach to targeted audiences CBF's message and goals extended throughout the six-state Bay watershed and beyond Announcement of the federal lawsuit filed by CBF and partners against EPA, for example, generated more than 250 stories in regional print and broadcast media PublicationsIn FY 2009, CBF researched, wrote, and released two major investigative reports related to the health of the Bay and its rivers and streams "Bad Water and the Decline of Blue Crabs in the Chesapeake Bay" in the fall of 2008 and the 2008 "State of the Bay" report in the spring of 2009 Other FY 2009 publications included the quarterly CBF members' magazine, CBF's 2008 Annual Report, the 2008 CBF Volunteer Annual Report, brochures, and informational materials Electronic CommunicationsIn FY 2009 CBF's website, cbf org, had more than 410,000 unique visitors CBF's monthly electronic newsletters were distributed to 87,000 members in the Chesapeake watershed and beyond Using social media, CBF spread its messages through Twitter accounts, CBF's Facebook page (whose fans tripled to nearly 6,000 in 2009), and a new daily blog called Bay Daily (cbf org/Baydaily) Volunteers and Outreach CBF continued its outreach to targeted audiences, including Gardeners for the Bay, Cyclists for the Bay, Boaters for the Bay, and Oyster Gardeners CBF developed an online educational tool called "Your Bay Footprint," a nitrogen calculator that allows users to estimate their contribution to the Bay's nitrogen pollution and offers tips on reducing it CBF membership across the whole region grew from 200,000 to 226,000 in FY 2009 and 16,923 volunteers worked over 63,000 hours

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses $ 18,116,365 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7	Yes	
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? *If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	Yes	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	Yes	
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17	Yes	
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		No
21	Did the organization report more than $5,000 on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No

Part IV Checklist of Required Schedules *(Continued)*

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV* . . .	**28a**		No
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV* . . .	**28b**		No
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV* .	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M* . . .	**30**	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I* . . .	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II* . . .	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I* . . .	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1* . . .	**34**		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* . . .	**35**		No
36	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2* . . .	**36**		No
37	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI* . . .	**37**		No

Part V Statements Regarding Other IRS Filings and Tax Compliance

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	**1a**	166			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	349			
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? **Note:** *If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.*			**2b**	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**	Yes	
b	If "Yes," enter the name of the foreign country VI See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** *Report of Foreign Bank and Financial Accounts.*					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, *Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?*			**5c**		
6a	Did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	*Organizations that may receive deductible contributions under section 170(c).*					
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of $75 or more?			**7a**	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**	Yes	
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**	4			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			**7f**		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			**7g**	Yes	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			**7h**	Yes	
8	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.*					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	*Section 501(c)(7) organizations.* Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	Section 501(c)(12) organizations Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	*Section 4947(a)(1) non-exempt charitable trusts.* Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				

Part VI **Governance, Management, and Disclosure** *(Sections A, B, and C request information about policies not required by the Internal Revenue Code.)*

Section A. Governing Body and Management

			Yes	No
	For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body . . (1a) 35			
b	Enter the number of voting members that are independent . . (1b) 34			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	the governing body?	8a	Yes	
b	each committee with authority to act on behalf of the governing body?	8b	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11		No

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No", go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision			
a	The organization's CEO, Executive Director, or top management official?	15a	Yes	
b	Other officers or key employees of the organization?	15b	Yes	
	Describe the process in Schedule O			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed AK , AL , AZ , AR , CA , CO , CT , DC , FL , GA , HI , IL , KS , LA , ME , MD , MA , MI , MN , MS , MO , NH , NJ , NM , NY , NC , ND , OH , OK , OR , PA , RI , SC , TN , UT , VA , WA , WV , WI

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ own website ☐ another's website ☑ upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

FAY R NANCE
6 HERNDON AVENUE
ANNAPOLIS,MD 214034503
(410) 268-8816

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

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

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed

* List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

* List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations

* List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations

* List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

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

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total							▶	1,290,592	0	171,799

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶9

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		No
4 For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
The Production Advantage Inc 14120 Sullyfield Circle C Chantilly, VA 20151	Mass Production Printing	807,582
Citizens Campaign Inc 23885 Denton St Suite B Clinton Township, MI 48036	Public Outreach And Advocacy	473,843
Whitmore Print & Imagining 1982 Moreland Parkway Annapolis, MD 21401	Mass Production Printing	407,926
Share Group Inc PO BOX 55183 Boston, MA 02205	Telemarketing Services	221,409
Evans Boat Repair Inc PO Box 350 Crisfield, MD 21817	Boat Construction/Repair	209,707

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 11

Part VIII **Statement of Revenue**

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . 1a	482,992				
	b	Membership dues 1b					
	c	Fundraising events 1c	326,693				
	d	Related organizations . . . 1d					
	e	Government grants (contributions) 1e	1,714,958				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	15,725,100				
	g	Noncash contributions included in lines 1a-1f $ 557,732					
	h	**Total (Add lines 1a-1f)** . . . . ▶		18,249,743			
Program Service Revenue			Business Code				
	2a	Tuition and Education	900,099	1,146,090	1,146,090		
	b	Farm Income	900,099	198,561	198,561		
	c	Contract Income	900,099	27,000	27,000		
	d	Workshop Income	900,099	5,705	5,705		
	e	Tour Income	900,099	4,895	4,895		
	f	All other program service revenue		7,526	7,526		
	g	**Total. Add lines 2a-2f** . . . . ▶ $ 1,389,777					
Other Revenue	3	Investment income (including dividends, interest other similar amounts) . . . . ▶		684,887		4,428	680,459
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties		79,280			79,280
			(i) Real / (ii) Personal				
	6a	Gross Rents	(i) 396,551 / (ii)				
	b	Less rental expenses	(i) / (ii)				
	c	Rental income or (loss)	(i) 396,551 / (ii)				
	d	Net rental income or (loss) . . . . ▶		396,551		195,785	200,766
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	(i) 9,770,866 / (ii) 1,250				
	b	Less cost or other basis and sales expenses	(i) 13,402,266 / (ii) 2,100				
	c	Gain or (loss)	(i) -3,631,400 / (ii) -850				
	d	Net gain or (loss) . . . . ▶		-3,632,250			-3,632,250
	8a	Gross income from fundraising events (not including $ 87,083 of contributions reported on line 1c) See Part IV, line 18 *Attach Schedule G if total exceeds $15,000* . . . . a	326,693				
	b	Less direct expenses . . . b	228,028				
	c	Net income or (loss) from fundraising events . . ▶		-140,945			-140,945
	9a	Gross income from gaming activities See part IV, line 19 *Complete Schedule G if total exceeds $15,000* a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total. Add lines 11a-11d** . . . . $					
	12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . . . ▶		17,027,043	1,389,777	200,213	-2,812,690

Part IX **Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	456,130	456,130		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,225,087	441,889	592,202	190,996
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	8,150,457	6,463,358		940,930
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	321,885	252,345	27,376	42,164
9	Other employee benefits	2,245,661	1,662,601	311,045	272,015
10	Payroll taxes	673,900	506,012	83,968	83,920
11	Fees for services (non-employees)				
a	Management				
b	Legal	90,564	68,027	13,522	9,015
c	Accounting	129,513		129,513	
d	Lobbying	60,604	60,604		
e	Professional fundraising *See Part IV, line 17*	136,326			136,326
f	Investment management fees	107,695		107,695	
g	Other	2,031,026	1,869,923	132,863	28,240
12	Advertising and promotion	105,049	90,668		14,381
13	Office expenses	2,893,538	2,277,643	86,084	529,811
14	Information technology	490,898	402,112	63,156	25,630
15	Royalties	228,105	128,525		99,580
16	Occupancy	373,900	336,328	30,555	7,017
17	Travel	477,492	393,617	50,463	33,412
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings	208,706	150,664	42,359	15,683
20	Interest	392,556	247,131	103,060	42,365
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	926,843	793,729	80,020	53,094
23	Insurance	286,941	247,496	20,766	18,679
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Miscellaneous	237,940	151,873	39,114	46,953
b	Repairs & maintenance	215,144	186,506	26,897	1,741
c	Outside services	161,492	110,522	47,493	3,477
d	Federal taxes	27,693		27,693	
e	Allocation of G&A	0	818,662	-956,202	137,540
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	22,655,145	18,116,365	1,805,811	2,732,969
26	**Joint Costs.** Check ☑ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	2260215	1,522,230		737,985

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		320,734	1	12,134
	2	Savings and temporary cash investments		10,361,094	2	13,046,597
	3	Pledges and grants receivable, net		12,744,067	3	9,934,186
	4	Accounts receivable, net		374,707	4	599,313
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties *Complete Part II of Schedule L*			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) *Complete Part II of Schedule L*			6	
	7	Notes and loans receivable, net		103,000	7	103,000
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		255,421	9	287,441
	10a	Land, buildings, and equipment cost basis	10a 32,879,793			
	b	Less accumulated depreciation *Complete Part VI of Schedule D*	10b 11,883,830	21,678,787	10c	20,995,963
	11	Investments—publicly traded securities		26,092,140	11	17,272,129
	12	Investments—other securities See Part IV, line 11 *Complete Part VII of Schedule D*		15,575,837	12	14,172,304
	13	Investments—program-related See Part IV, line 11 *Complete Part VIII of Schedule D*			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11 *Complete Part IX of Schedule D*		84,011	15	78,591
	16	**Total assets.** *Add lines 1 through 15 (must equal line 34)*		87,589,798	16	76,501,658
Liabilities	17	Accounts payable and accrued expenses		1,932,234	17	1,632,096
	18	Grants payable			18	
	19	Deferred revenue		111,505	19	187,950
	20	Tax-exempt bond liabilities		8,155,000	20	7,795,000
	21	Escrow account liability *Complete Part IV of Schedule D*			21	
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		720,112	23	685,125
	24	Unsecured notes and loans payable			24	
	25	Other liabilities *Complete Part X of Schedule D*		1,577,118	25	1,648,939
	26	**Total liabilities.** *Add lines 17 through 25*		12,495,969	26	11,949,110
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		25,012,007	27	16,338,669
	28	Temporarily restricted net assets		11,552,889	28	9,572,616
	29	Permanently restricted net assets		38,528,933	29	38,641,263
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		75,093,829	33	64,552,548
	34	Total liabilities and net assets/fund balances		87,589,798	34	76,501,658

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☑ accrual ☐ other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	Yes	
b	If "Yes," did the organization undergo the required audit or audits?	3b	Yes	

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

1 ☐ A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i).**

2 ☐ A school described in **Section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii).** (Attach Schedule H)

4 ☐ A medical research organization operated in conjunction with a hospital described in **Section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 331/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 331/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **Section 509(a)(4).** (See instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally Integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?	**11g(i)**		
(ii) a family member of a person described in (i) above?	**11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the organizations the organization supports

(i) Name of Supported Organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section **(See Instructions)**)	**(iv)** Is the organization in col **(i)** listed in your governing document?		**(v)** Did you notify the organization in col **(i)** of your support?		**(vi)** Is the organization in col **(i)** organized in the U S ?		**(vii)** Amount of support?
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
Total									

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Public Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	28,344,975	23,969,086	26,057,553	17,300,141	18,249,743	113,921,498
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add line 1-3	28,344,975	23,969,086	26,057,553	17,300,141	18,249,743	113,921,498
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						20,891,109
6 **Public Support** subtract line 5 from line 4						93,030,389

Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
7 Amounts from line 4	28,344,975	845,453	26,057,553	17,300,141	18,249,743	113,921,498
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	564,583	845,453	1,229,071	2,558,678	1,053,023	6,250,808
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	113,750	63,084	33,071	12,161		222,066
11 **Total Support** (Add lines 7 through 10)						120,394,372

12 Gross receipts from related activities, etc (See instructions) **12** 7,059,601

13 **First Five Years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ☐

Computation of Public Support Percentage

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f)) **14** **77.270 %**

15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f **15** **84.090 %**

16a **33 1/3% Test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☑

b **33 1/3% Test - 2007.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

17a **10% Facts and Circumstances Test - 2008.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐

b **10% Facts and Circumstances Test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐

18 **Private Foundation.** If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ☐

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total** Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Total of lines 7a and 7b						
8 **Public Support** (Substract line 7c from line 6)						

Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2004	**(b)** 2005	**(c)** 2006	**(d)** 2007	**(e)** 2008	**(f)** Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total Support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Computation of Public Support Percentage

15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	**15**	
16 Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	**16**	

Computation of Investment Income Percentage

17 Investment Income Percentage for **2008** (line 10c column (f) divided by line 13 column (f))	**17**	
18 Investment Income Percentage from **2007** Schedule A, Part IV-A, line 27h	**18**	

19a **33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

Additional Data

Software ID:
Software Version:
EIN: 52-6065757
Name: CHESAPEAKE BAY FOUNDATION INC

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
D Keith Campbell , Chairman	1 00	X		X				0	0	0
James E Rogers , Vice Chairman	1 00	X		X				0	0	0
Susan S Phillips , Secretary	1 00	X		X				0	0	0
Alan L Wurtzel , Treasurer	1 00	X		X				0	0	0
Alan R Griffith , Trustee	1 00	X						0	0	0
Alexis G Sant , Trustee	1 00	X						0	0	0
Anthony A Williams , Trustee	1 00	X						0	0	0
Byron F Marchant , Trustee	1 00	X						0	0	0
Carolyn Groobey , Trustee	1 00	X						0	0	0
Charles W Moorman IV , Trustee	1 00	X						0	0	0
Donald F Boesch , Trustee	1 00	X						0	0	0
Eugene Taylor Sutton , Trustee	1 00	X						0	0	0
G Waddy Garrett , Trustee	1 00	X						0	0	0
Harry T Lester , Trustee	1 00	X						0	0	0
Jennifer Stanley , Trustee	1 00	X						0	0	0
John T Casteen III , Trustee	1 00	X						0	0	0
Marie W Ridder , Trustee	1 00	X						0	0	0
Matthew J Klein , Trustee	1 00	X						0	0	0
Michael J Hanley , Trustee	1 00	X						0	0	0
Michael Watson , Trustee	1 00	X						0	0	0
Richard L Franyo , Trustee	1 00	X						0	0	0
Robert A Kinsley , Trustee	1 00	X						0	0	0
Simon Sidamon-Eristoff , Trustee	1 00	X						0	0	0
Thomas H Stoner , Trustee	1 00	X						0	0	0
Truman T Semans , Trustee	1 00	X						0	0	0
Virginia R Holton , Trustee	1 00	X						0	0	0
W Tayloe Murphy Jr , Trustee	1 00	X						0	0	0
Wayne A Mills , Trustee	1 00	X						0	0	0
Adrian M Fenty , Ex-officio trustee	1 00	X						0	0	0
Edward G Rendell , EX-officio trustee	1 00	X						0	0	0

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Hal CB Clagett , EX-officio trustee	1 00	X						0	0	0
Joanne Berkley , EX-officio trustee	1 00	X						0	0	0
Martin J O'Malley , EX-officio trustee	1 00	X						0	0	0
Timothy M Kaine , EX-officio trustee	1 00	X						0	0	0
William C Baker , President	40 00	X		X				168,670	0	24,273
Mary Tod Winchester , Assist Secretary	40 00			X				114,202	0	20,896
Fay R Nance , Assist Treasurer	40 00			X				122,810	0	11,637
Charles D Foster , Assist Treasurer	40 00			X				91,283	0	19,928
Edward Allenby , V P - Development	40 00				X			172,820	0	15,042
Deborah L Boyd , Dir Human Resources	40 00					X		101,790	0	5,071
Donald Baugh , V P - Education	40 00					X		123,397	0	22,206
Elizabeth Buckman , V P - Communications	40 00					X		122,076	0	15,058
Jon A Mueller , Dir Litigation	40 00					X		131,528	0	18,900
Roy A Hoagland , V P - Env Protection	40 00					X		142,016	0	18,788

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

		Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
a	Tuition and Education	900,099	1,146,090	1,146,090		
b	Farm Income	900,099	198,561	198,561		
c	Contract Income	900,099	27,000	27,000		
d	Workshop Income	900,099	5,705	5,705		
e	Tour Income	900,099	4,895	4,895		

Form 990, Part III, Line 1 - Briefly describe the organization's mission:

The Chesapeake Bay Foundation's (CBF) mission, simply stated, is to Save the Bay.Save the Bay:We define that as a Bay with an Index of 70. At 70, the Bay's water will be clear, thanks largely to a dramatic reduction in the amount of nutrients entering the system. The water will have oxygen levels sufficient to support living resources in all parts of the Bay, and it will be free of toxic chemicals.Founded in 1967, CBF is the largest regional conservation organization dedicated solely to saving a national treasure-the Chesapeake Bay and its rivers and streams.With headquarters in Annapolis, MD; state offices in MD, VA, PA, and DC; and educational centers and programs across the region; CBF works throughout the 64,000-square-mile Chesapeake watershed to build an informed citizenry, advance pollution reduction, and encourage enforcement of environmental law. CBF is supported by more than 226,000 active members, 165 full time staff members and 184 seasonal employees.

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

To be completed by organizations described below. Attach to Form 990 or Form 990-EZ

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)
- Section 501(c)(3) organizations complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)
- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax)
- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization	Employer identification number
CHESAPEAKE BAY FOUNDATION INC	52-6065757

Part I-A **To be completed by all organizations exempt under section 501(c) and section 527 organizations.** (See the instructions for Schedule C for details.)

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures $ ______

3 Volunteer hours ______

Part I-B **To be completed by all organizations exempt under section 501(c)(3).** (See the instructions for Schedule C for details.)

1 Enter the amount of any excise tax incurred by the organization under section 4955 $ ______

2 Enter the amount of any excise tax incurred by organization managers under section 4955 $ ______

3 If the organization incurred in a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C **To be completed by all organizations exempt under section 501(c), except section 501(c)(3).** (See the instructions for Schedule C for details.)

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities $ ______

2 Enter the amount of the filing organization's internal funds contributed to other organizations for section 527 exempt funtion activities $ ______

3 Total of direct and indirect exempt function expenditures Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b $ ______

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's internal funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)).** (See the instructions for Schedule C for details.)

A Check ☐ if the filing organization belongs to an affiliated group
B Check ☐ if the filing organization checked box A and "limited control" provisions apply

	Limits on Lobbying Expenditures— **(The term "expenditures" means amounts paid or incurred.)**	**(a)** Filing Organization's Totals	**(b)** Affiliated Group Totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	56,257	
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	226,057	
c	Total lobbying expenditures (add lines 1a and 1b)	282,314	
d	Other exempt purpose expenditures	22,277,126	
e	Total exempt purpose expenditures (add lines 1c and 1d)	22,559,440	
f	Lobbying nontaxable amount Enter the amount from the following table in both columns—	1,000,000	

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
h	Subtract line 1g from line 1a Enter -0- if line g is more than line a	0	
i	Subtract line 1f from line 1c Enter -0- if line f is more than line c	0	

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period

	Calendar year (or fiscal year beginning in)	**(a)** 2005	**(b)** 2006	**(c)** 2007	**(d)** 2008	**(e)** Total
2a	Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c	Total lobbying expenditures	298,624	492,540	641,067	282,314	1,714,545
d	Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e	Grassroots ceiling amount (150% of line d, column (e))					1,500,000
f	Grassroots lobbying expenditures	139,775	198,680	176,104	56,257	570,816

Part II-B **To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)).** (See the instructions for Schedule C for details.)

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines c through i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?			
i	Other activities If "Yes," describe in Part IV			
j	Total lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes" enter the amount of any tax incurred under section 4912			
c	If "Yes" enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).** (See the instructions for Schedule C for details.)

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes."** (See the instructions for Schedule C for details.)

1	Dues, assessments and similar amounts from members	1 $
2	Section 162(e) non-deductible lobbying and political expenditures ***(do not include amounts of political expenses for which the section 527(f) tax was paid).***	
a	Current Year	2a $
b	Carryover from last year	2b $
c	Total	2c $
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3 $
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4 $
5	Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5 $

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i Also, complete this part for any additional information

Identifier	Return Reference	Explanation

Part IV Supplemental Information

Identifier	Return Reference	Explanation

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate Contributions to (during year)		
3	Aggregate Grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

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

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

☐ Preservation of land for public use (e g , recreation or pleasure)
☑ Protection of natural habitat
☑ Preservation of open space
☐ Preservation of an historically importantly land area
☐ Preservation of certified historic structure

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

			Held at the End of the Year
a	Total number of conservation easements	2a	45
b	Total acreage restricted by conservation easements	2b	7417 00
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ 1

4 Number of states where property subject to conservation easement is located ▶ 2

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

6 Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶ 74 00

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ $ 670

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

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

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

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

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

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

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

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

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

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

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance	42,593,814				
b Contributions	358,266				
c Investment earnings or losses	-1,925,967				
d Grants or scholarships					
e Other expenditures for facilities and programs	-1,539,701				
f Administrative expenses					
g End of year balance	39,486,412				

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

a Board designated or quasi-endowment ▶ 19 160 %

b Permanent endowment ▶ 76 940 %

c Term endowment ▶ 3 900 %

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

		Yes	No
(i) unrelated organizations	3a(i)	Yes	
(ii) related organizations	3a(ii)	Yes	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		10,315,411		10,315,411
b Buildings		14,918,382	6,443,626	8,474,756
c Leasehold improvements				
d Equipment				
e Other		7,646,000	5,440,204	2,205,796
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				20,995,963

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

(a) Description of security or cateory (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other Partnerships/Alternative Investments	11,247,954	F
Other Beneficial Interest in Perpetual Trust	2,924,350	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	14,172,304	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Split Interest Agreement	927,178
Interest Rate Swap Obligation	721,761
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	1,648,939

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	17,027,043
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	22,655,145
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-5,628,102
4	Net unrealized gains (losses) on investments	4	-4,691,093
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-222,086
9	Total adjustments (net) Add lines 4 - 8	9	-4,913,179
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-10,541,281

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	12,542,776
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-4,691,093		
b	Donated services and use of facilities	2b	308,579		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	5,942		
e	Add lines **2a** through **2d**			2e	-4,376,572
3	Subtract line **2e** from line **1**			3	16,919,348
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	107,695		
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	107,695
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	17,027,043

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	23,084,057
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a	308,579		
b	Prior year adjustments	2b			
c	Losses reported on Form 990, Part IX, line 25	2c			
d	Other (Describe in Part XIV)	2d	228,028		
e	Add lines **2a** through **2d**			2e	536,607
3	Subtract line **2e** from line **1**			3	22,547,450
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	107,695		
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	107,695
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	22,655,145

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Part II, Line 9	Description of How Organization Reports Conservation Easements	A monetary value has not been placed on conservation easements, therefore, they are not included in financial statements
Part V, Line 4	Description of Intended Use of Endowment Funds	Endowment funds are used for donor restricted projects as well as to fund unrestricted activities Donor restricted endowments are used for education in general, field education, farm operations, support and maintenance of facilities and boats, and restoration projects It is the policy of the Foundation to spend 5% of a twelve quarter trailing average of the sum of accumulated investments

SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than $15,000 on Form 990-EZ, line 6a.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

a ☑ Mail solicitations
b ☑ Email solicitations
c ☑ Phone solicitations
d ☑ In-person solicitations
e ☑ Solicitation of non-government grants
f ☑ Solicitation of government grants
g ☑ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? ☑ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
Kassmark Inc	Direct Mail Member Acq Consulting		No	568,698	11,376	557,322
Citizens Campaign Inc	Public Outreach	Yes		499,537	80,545	418,992
Charity Dynamics Inc	Online Consulting		No	388,658	0	388,658
Share Group Inc	Telemarketing Services		No	171,104	44,405	126,699
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

AL,AK,AZ,AR,CA,CO,CT,DC,FL,GA,HI,IL,KS,LA,ME,MD,MA,MI,MN,MS,MO,NH,NJ,NM,NY,NC,ND,OH,OK,OR,PA,RI,SC,TN,UT,VA,WA,WV,WI

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

			(a) Event #1 BITS (event type)	(b) Event #2 GOLF (event type)	(c) Other Events (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1	Gross receipts	164,326	210,113	39,337	413,776
	2	Less Charitable contributions	127,196	176,363	23,134	326,693
	3	Gross revenue (line 1 minus line 2)	37,130	33,750	16,203	87,083
Direct Expenses	4	Cash Prizes				
	5	Non-cash Prizes				
	6	Rent/Facility costs				
	7	Other direct expenses	76,321	135,504	16,203	228,028
	8	Direct expense summary Add lines 4 through 7 in column (d) ▶				228,028
	9	Net income summary Combine lines 3 and 8 in column (d) ▶				-140,945

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

			(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1	Gross revenue				
Direct Expenses	2	Cash prizes				
	3	Non-cash prizes				
	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

			Yes	No
9	Enter the state(s) in which the organization operates gaming activities ____________			
a	Is the organization licensed to operate gaming activities in each of these states?	9a		
b	If "No," Explain			
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		
b	If "Yes," Explain			
11	Does the organization operate gaming activities with nonmembers?	11		
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12		

			Yes	No
13 Indicate the percentage of gaming activity operated in				
a The organization's facility	**13a**			
b An outside facility	**13b**			

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ ____________________

Address ▶ ____________________

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

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

c If "Yes," enter name and address

Name ▶ ____________________

Address ▶ ____________________

16 Gaming manager information

Name ▶ ____________________

Gaming manager compensation ▶ $ ____________

Description of services provided ▶ ____________________

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

		Yes	No
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	**17a**		

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

Additional Data

Software ID:
Software Version:
EIN: 52-6065757
Name: CHESAPEAKE BAY FOUNDATION INC

Form 990 Schedule G - Licensed States

Licensed States

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 if additional space is needed . . . . . ▶ ☐

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FOREST TRENDS ASSOCIATION1050 POTOMAC ST NW WASHINGTON,DC 20007	52-2135531	501(C)(3)	180,000				NUTRIENT NEUTRAL STRATEGIC PLANNING & DEVELOPMENT
WORLD RESOURCES INSTITUTE INC10 G ST NE STE 1200 WASHINGTON,DC 20002	52-1257057	501(C)(3)	38,750				NUTRIENT NEUTRAL STRATEGIC PLANNING & DEVELOPMENT
WATER STEWARDSHIP INC 222 SEVEN AVE STE 11 ANNAPOLIS,MD 21403	26-2623472	501(C)(3)	30,000				NUTRIENT NEUTRAL STRATEGIC PLANNING & DEVELOPMENT
LIVING CLASSROOMS FOUNDATION802 S CAROLINA ST BALTIMORE,MD 21231	52-1369524	501(C)(3)	203,380				ENVIRONMENTAL EDUCATION

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 4

3 Enter total number of other organizations . . . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of non-cash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

See Additional Data Table

Identifier	**Return Reference**	**Explanation**
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 Grant agreements require detailed project reports that are reviewed by departmental Financial Managers before payments are made Program Managers will also review and approve the Grantee's Project Performance according to the details of the grant

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

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2008

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Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☑ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)			
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	**1b**		No
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☐ Written employment contract ☑ Compensation survey or study ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a			
a	Receive a severance payment or change of control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
7	For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
William C Baker	(i)	168,670				24,273	192,943	
	(ii)							
Edward Allenby	(i)	172,820				15,042	187,862	
	(ii)							
Jon A Mueller	(i)	130,528	1,000			18,900	150,428	
	(ii)							
Roy A Hoagland	(i)	141,016	1,000			18,788	160,804	
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	The residence provided to the key employee was negotiated in the employment contract - and was a condition of the employee accepting employment The full value of housing costs is included as taxable wages to the employee and is taxed accordingly

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I **Excess Benefit Transactions** (section 501(c)(3) and section 501 (c)(4) organizations only).
To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . ▶ $

Part II **Loans to and/or From Interested Persons**
To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . ▶ $										

Part III **Grants or Assistance Benefitting Interested Persons**
To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV **Business Transactions Involving Interested Persons**
To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No

Additional Data

Software ID:
Software Version:
EIN: 52-6065757
Name: CHESAPEAKE BAY FOUNDATION INC

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction $	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
Winslow Green Growth Fund	Board of Trustees	1,787,284	Trustee William C Baker is a compensated CEO and member of CBF's Board of Trustees D Keith Campbell (Chairman of CBF's Board of Trustees) and Truman T Semans (Chairman of Investment Committee) are non-compensated members of the CBF's Board of Trustees Joseph R Hardiman is a non-compensated member of CBF's Investment Committee All listed serve on the Board of Directors for Brown Advisory As of March 31, 2009, Brown Advisory serves as the parent company and investment advisor of the Winslow Management Company, LLC, which serves as the investment manager of the Winslow Green Growth Fund CBF currently invests funds through the Winslow Management Company on terms and conditions identical to those available to other clients of the Winslow Management Company, LLC, which serves as the investment manager of the Winslow Green Growth Fund The Amount reflected in Column C is the total amount of assets held with the investment company		No
Old Westbury Fund II LLC	Invest Committee	838,632	TrusteeJohn R Whitmore, a non-compensated member of CBF's Investment Committee, also served as President and CEO of the Bessemer Group and its Bessemer Trust Company subsidiaries and as Director of the Old Westbury Funds Incorporated Bessemer Group serves as the investment manager for the Old Westbury Fund II, LLC CBF currently invests funds with the Old Westbury Funds/Bessemer Group on terms and conditions identical to those available to other clients of Bessemer The amount reflected in Column C is the total amount of assets held with the investment company		No
JMI Equity Fund IV LP	Board of Trustees	286,962	Trustee William C Baker is a compensated CEO and member of CBF's Board of Trustees D Keith Campbell (Chairman of CBF's Board of Trustees) and Truman T Semans (Chairman of Invest Committee) are non-compensated trustees of CBF's board All serve on the B O D for Brown Advisory, which serves as the investment manager for the JMI Equity Fund IV, L P Jack S Griswold,a non-compensated member of CBF's Invest Committee, also served as Senior Advisor at Brown Advisory until Dec 31, 2008 Brown Advisory serves as the investment manager for the JMI Equity Fund IV, L P Joseph R Hardiman, a non-compensated member of CBF's Invest Committee, also serves on the B O D for Brown Advisory, which serves as the investment manager for the JMI Equity Fund IV,L P CBF invests funds through Brown Advisory on terms and conditions identical to those available to other clients of Brown Advisory The amount reflected in Column C is the total amount of assets held with the company		No
Accel VIII LP	Board of Trustees	56,757	Trustee William C Baker is a compensated CEO and member of CBF's Board of Trustees D Keith Campbell (Chairman of CBF's Board of Trustees) and Truman T Semans (Chairman of Invest Committee) are non-compensated memebers of CBF's Board of Trustees All listed serve on the B O D for Brown Advisory, which serves as the investment manager for the Accel VIII,L P Jack S Griswold, a non-compensated member of CBF's Invest Committee also served as Senior Advisor at Brown Advisory until Dec 31, 2008 Brown Advisory serves as the investment manager for Accel VIII, L P Joseph R Hardiman, a non-compensated member of CBF's Invest Committee, also serves on the B O D for Brown Advisory, which serves as the investment manager for Accel VIII, L P CBF currently invests funds through Brown Advisory on terms and conditions identical to those available to other clients of Brown Advisory The amount reflected in Column C is the total amount of assets held with the investment company		No
ASB Capital Management	Invest Committee	3,007,194	TrusteeJack R Griswold, a non-compensated member of CBF's Investment Committee, also served as Director for Chevy Chase Bank until the close of business on February 27, 2009, when Chevy Chase ceased to be an independent bank ASB Capital Management, Inc was a subsidiary of Chevy Chase Bank John R Whitmore, a non-compensated member of CBF's Investment Committee, also served as Chairman of the Board of Directors for ASB Capital Management, Inc and Chevy Chase Trust Company until the close of business on February 27, 2009, when Chevy Case ceased to be an independent bank ASB Capital Management, Inc was a subsidiary of Chevy Chase Bank CBF invests funds through ASB Capital Management, Inc , a former subsidiary of Chevy Chase Bank, on terms and conditions identical to those available to the general public The amount reflected in Column C is the total amount of assets held with the investment company on February 28, 2009		No
Wachovia Bank	Board of Trustees	56,254	TrusteeJohn T Casteen, III, a non-compensated member of CBF's Board of Trustees, also served as Director of the Wachovia Corporation and as a member of its Audit Committee, until the close of business on December 31, 2008, when Wachovia Corporation ceased to be an independent corporation CBF currently has a banking relationship with Wachovia on terms and conditions identical to those available to the general public The amount reflected in Column C is the total for bond related fees		No
Old Westbury Fund VIII LLC	Investment Committee Member	597,289	TrusteeJohn R Whitmore, a non-compensated member of CBF's Investment Committee, also served as President and CEO of the Bessemer Group and its Bessemer Trust Company subsidiaries and as Director of the Old Westbury Funds Incorporated Bessemer Group serves as the investment manager for the Old Westbury Fund VIII, LLC CBF currently invests funds with the Old Westbury Funds/Bessemer Group on terms and conditions identical to those available to other clients of Bessemer The amount reflected in Column C is the total amount of assets held with the investment company		No

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Non-Cash Contributions

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 29 or 30.
Attach to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
CHESAPEAKE BAY FOUNDATION INC

Employer identification number
52-6065757

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art	X	3	29,575	Comparable Sales
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes	X	2	17,036	Blue Book Value
8 Intellectual property				
9 Securities—Publicly traded	X	68	456,744	Stock Price @ Donation
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution (historic structures)				
14 Qualified conservation contribution (other)				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other (describe Auction Items)	X	31	25,468	Auction Price
26 Other (describe Other Items)	X	13	28,909	Sale Price
27 Other (describe ____________)				
28 Other (describe ____________)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, *Part IV, Donee Acknowledgement* . . . . — **29** 2

		Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b If "Yes", describe the arrangement in Part II			
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a	Yes	
b If "Yes", describe in Part II			
33 If the organization did not report revenues in Column (c) for a type of property for which Column (a) is checked, describe in Part II			

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	ReturnReference	Explanation
Third Party Use	Part I, Line 32b	Licensed boat brokers were used to sell donated boats that were not used for operations

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

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Name of the organization
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Employer identification number
52-6065757

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		An independent audit firm is engaged to conduct the financial statements' audit and to assist in preparing the Form 990 The Chief Financial Officer and Finance staff directly participate in preparing the form, drafting responses to questions and reviewing the Form 990 in draft The Chief Financial Officer then reviews it with the President and Chairman of the Audit and Finance Committee The 990 is provided to the Audit and Finance Committee, comprised of Board of Trustee members, for their review and comments, after which it is sent to the full Board before being electronically filed with the IRS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		Each Trustee, officer, key employee and employees in positions to obligate CBF are required to review a copy of the conflict of interest policy annually and complete a disclosure form identifying any relationship positions or circumstances in which he or she believes could contribute to a conflict The conflict of interest disclosure form is completed, signed and returned to the Chief Financial Officer who notifies the Chairman of the Audit and Finance Committee and the General Counsel of any concerns This process is also covered in orientation sessions held for new Trustees as well as for new employees If items arise during Board meetings that are conflicts of interest, the board member having possible conflicts of interest cannot vote or participate in Board or Committee deliberations on the subject or be counted toward meeting a quorum They may answer questions

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		During the annual budget approval meeting of the Audit and Finance Committee of the Board of Trustees, the Committee reviews and approves the salary and any proposed pay increase for the President Compensation related decisions are documented within the minutes Generally, compensation for all staff is independently reviewed and determined annually based on performance evaluation, and analysis of comparable data obtained from industry resources and peer organizations An overall increase pool, based on market data, is approved by the Committee for use in the process Form 990, Part VI, Section B, Line 15b During the annual budget approval meeting of the Audit and Finance Committee of the Board of Trustees, the Committee reviews and approves salaries and any proposed pay increases for employees who are officers or key employees of the organization Compensation related decisions are documented within the minutes Generally, compensation for all staff is independently reviewed and determined annually based on performance evaluation, and analysis of comparable data obtained from industry resources and peer organizations An overall increase pool, based on market data, is approved by the Committee for use in the process In addition, the President, Chief of Staff and Director of Human Resources review and approve all staff alignment to ensure consistency and continuity of various positions within the appropriate pay grades and ranges

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		CBF's governing documents, conflict of interest policy and financial statements are available to the public upon request using contact information on the website The Annual Report can also be found on CBF's website Audited financial statements and the Form 990 are filed with state charitable solicitation registrations, and are also available through not-for-profit internet portals such as Guidestar and Charity Navigator